

**THE IMPACT OF ORGANIZATIONAL
CULTURE ON INTERNAL SERVICE
QUALITY: A CASE STUDY OF THREE
HOTELS IN MALAYSIA**

MOHHIDIN OTHMAN

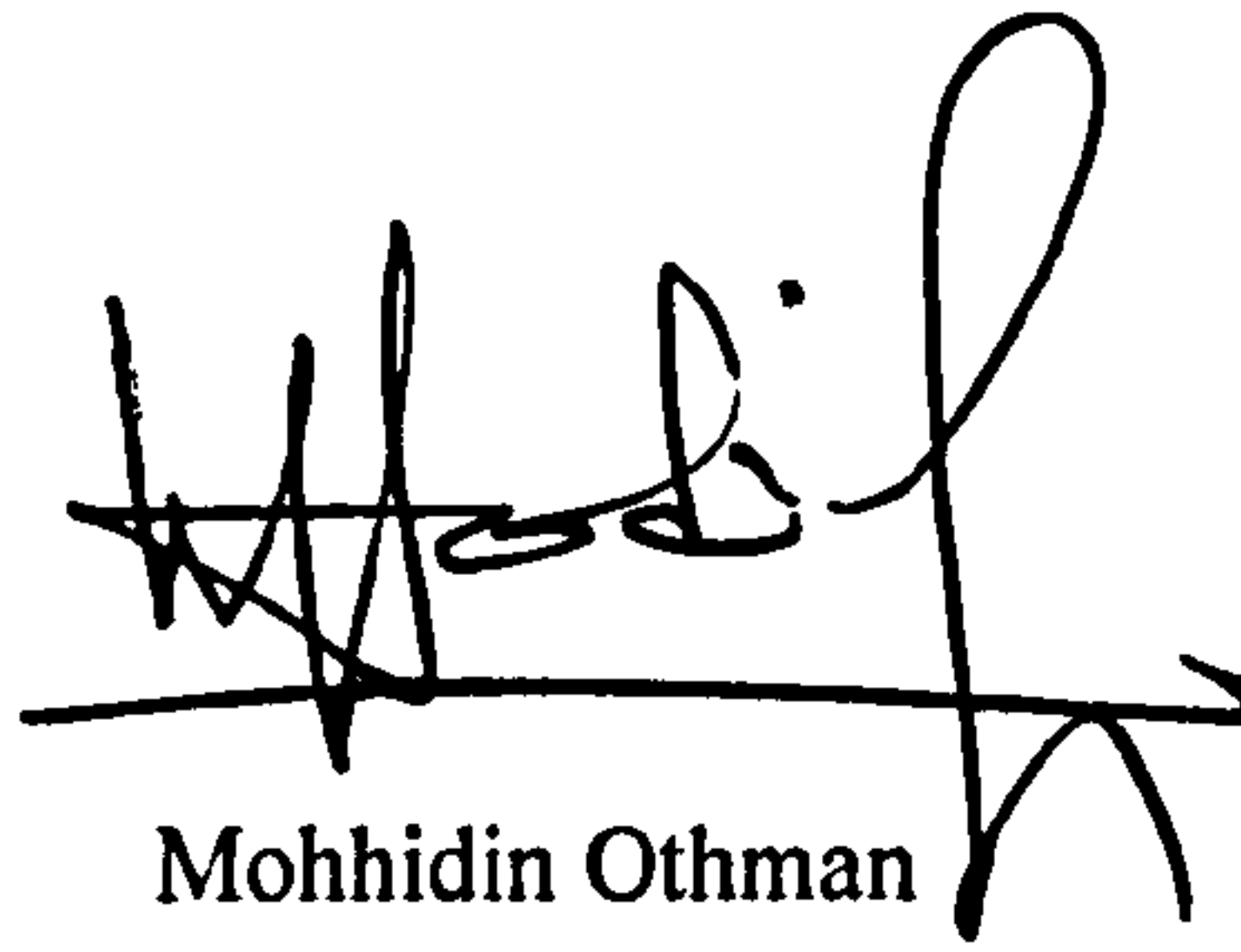
**A THESIS SUBMITTED IN FULFILMENT OF THE REQUIREMENTS FOR
DOCTOR OF PHILOSOPHY**

**THE SCOTTISH HOTEL SCHOOL
UNIVERSITY OF STRATHCLYDE
GLASGOW, UK**

MAY 2006

Declaration of Author's Copyright

'The copyright of this thesis belongs to the author under the terms of the United Kingdom Copyright Acts as qualified by University of Strathclyde Regulation 3.49. Due Acknowledgement must always be made of the use of any material contained in, or derived from, this thesis.'

A handwritten signature in black ink, appearing to read 'Mohhidin Othman', written over a horizontal line.

Name of Author:

Mohhidin Othman

Date:

May 2006

ABSTRACT

Organizational culture has been a long-standing area of research in more traditional business management research, however to-date few, if any, studies have attempted to consider how employees are servicing each other within an organization's own cultural environment. In an innovative attempt to link organizational culture (OC) to internal service quality (ISQ), this thesis develops a case study of three hotels in Malaysia based on in-depth interviews and a semi-quantitative technique, Profile Accumulation Technique (PAT). The thesis reports evidence from 36 semi-structured interviews with managerial and operational staff, complemented by 320 PAT responses.

For this study, Ogbonna and Harris' (2002) framework is used to demonstrate how and where organizational culture can affect employees' ISQ performance. The concept of ISQ in hotel is based on Caruana and Pitt (1997), Paraskevas (2001) and White and Rudall (1999) but a free response PAT by Johns and Lee-Ross (1995) was used in examining the ISQ where qualitative data was collected and yet assessed quantitatively, as it provides an alternative to Parasuraman et al.'s, (1988) conventional survey questionnaires. A qualitative technique was used to construct a nine dimension organizational culture profile (OCP), and PAT analysis was used to draw a nine dimension Internal Service Quality Profile (ISQP) for all the organizations.

The main findings from this thesis suggest that the linkage between OC and ISQ is weak and the evidence suggests that different types of OC have different levels of impact on the employee ISQ. Their basic organizational practices are quite similar but the emphasis varies, based on organizational needs and affordability. Employee background, such as national culture, seems to play a lesser role in influencing organizational cultures. Some of the observable trends are that the higher star hotels, for example, employ a sophisticated recruitment and hiring policy while the lower star hotel has higher staff turnover. The initial understanding of the link between OC and ISQ may benefit managers in the industry through replicating or benchmarking some of the positive practices to ensure better service provider and service receiver relationships in an organization.

Acknowledgements

I wish to express my sincerely gratitude to everyone who helped me to make this thesis possible. First, my grateful appreciation is extended to my PhD supervisor, Dr. Dennis P. Nickson, for his invaluable supervision and advice all along my PhD journey. His guidance and instruction made this study possible. To Prof. Alison J. Morrison for sharing with me her insights and thoughts during the early stage of my journey.

Second, I would like to express my deepest gratitude to my wife, Nor Fazila Hashim for her continuous loving support and patience, and for believing in me and not forgetting my sons, Amir Munir and Aiman Muqri for being 'good boys' throughout my PhD journey, which otherwise would be a very lonely journey. Myriad thanks to my mum, brothers and sister for their continuous support and encouragement. This work is dedicated to my late father who left us with no other assets, other than 'education'.

Third, I would like to thanks Universiti Putra Malaysia for financially making this journey possible and my gratitude also goes to Prof. Dr. Gulam Rusul Rahmat Ali for giving me an opportunity to pursue my dream.

Finally, I would like to acknowledge my sincerest gratitude to Mr. Mohd. Iliyas Zainal Abidin, President of Malaysian Association of Hotels (MAH) and Mr. Sarjit Singh, Executive Director of MAH for their roles in making the case studies possible as without the data there won't be any PhD and their 'contribution to knowledge' are greatly appreciated. Similarly, my gratitude goes to the General Managers and Human Resource Directors/Managers of Foreign5, Local5 and Local3 hotels for opening their gates for me.

Mohhidin Othman

July 2005.

TABLE OF CONTENTS

	Page
Declaration of Author's Copyright	II
Abstract	III
Acknowledgements	IV
Table of Contents	V
List of Tables	XI
List of Figures	XIII
List of Appendices	XV
Introduction	1
Introduction	1
Context of the study	3
Research objectives.....	5
Theoretical framework of the study.....	5
The organization of the thesis.....	11
CHAPTER 1 ORGANIZATIONAL CULTURE	14
1.1 Introduction	14
1.2 Definitions	14
1.3 The work of Schein and Hofstede.....	17
1.4 How culture is created.....	21
1.5 Elements of culture	24
1.6 How to manage and stabilize organizational culture	25
1.7 Different typology/model material of organizational culture.....	26
1.8 Various schools of thought in organizational culture	30
1.9 Functions of organizational culture.....	31
1.10 Weak and strong cultures, espoused and culture-in-practice	32
1.11 Subcultures	33
1.12 Culture liability	34
1.13 Organizational culture in the hospitality sector	34
1.14 Theoretical Frameworks in the study of organizational culture	39
1.15 Linking organizational culture to performance.	42
1.16 Conclusion.....	48
CHAPTER 2 SERVICE QUALITY IN THE HOSPITALITY SECTOR.....	52
2.1 Introduction	52
2.2 The emergence of service and service quality management concepts.....	52
2.3 Service quality	54

2.4 The Nordic School	55
2.5 The North American School.....	57
2.6 The conceptual model of service quality.....	59
2.7 The evolution of SERVQUAL	63
2.8 The application of SERVQUAL in hospitality sector	64
2.9 The focus on internal service domain	68
2.10 The qualitative approach in service quality measurement in the hospitality sector.....	74
2.11 Critical Incident Technique (CIT).....	74
2.12 Profile accumulation technique (PAT).....	76
2.13 The importance of the service quality management in the service sector..	81
2.14 Conclusion	87
CHAPTER 3 METHODOLOGY.....	90
3.1 Introduction	90
3.2 Reflections.....	91
3.3 Research philosophy	94
3.4 Measuring organizational culture	97
3.5 Qualitative research in the service sector	98
3.6 Quantitative technique.....	101
3.7 Case Study as a research technique.....	103
3.8 Understanding culture, strategy and performance	105
3.9 Designing the case study protocol	107
3.10 Methods	108
3.11 Developing an innovative approach to fieldwork.....	110
3.12 Selecting of case study organization	112
3.13 The need for historical background of the cases.....	113
3.14 Analytical Framework.....	114
3.15 The Employee Interview informants.....	117
3.16 Analysing qualitative data	121
3.17 Semi-quantitative data: Profile Accumulation Technique (PAT).....	124
3.18 Analysing PAT responses.....	133
3.19 Coding process of PAT responses	133
3.20 Problems related to fieldwork.....	134
3.21 Reporting findings-format.....	136
3.22 Validity, reliability and generalizability.....	137
3.23 Limitation	138
3.24 Conclusion	138
CHAPTER 4 EVIDENCE FROM FOREIGN 5 CASE STUDIES.....	140
4.1 Introduction.....	140
4.2 Qualitative evidence.....	140
4.3 Culture: the guiding principle.....	140
4.4 Management of change	142

4.5 Work organization.....	144
4.6 Recruitment and selection policy.....	145
4.7 Induction and socialisation.....	147
4.8 Training and skills development.....	149
4.9 Participation and involvement.....	151
4.10 Performance appraisal and reward systems.....	151
4.11 Promotion and human resource development.....	152
4.12 Compensation and benefits.....	154
4.13 Communication.....	156
4.14 Shared values and beliefs.....	158
4.15 Roles of leadership.....	159
4.16 Rites and rituals.....	163
4.17 Symbols.....	164
4.18 National culture.....	165
4.19 Sub-culture.....	167
4.20 Conflict.....	168
4.21 Image.....	169
4.22 Relationship with trade union.....	169
4.23 Outsourcing.....	172
4.24 Staff turnover.....	172
4.25 Crisis management.....	173
4.26 Service quality.....	174
4.27 Semi-quantitative evidence: Internal Service Quality of Foreign5.....	176
4.28 The demographic profile of the PAT respondents.....	176
4.29 Positive aspects of the ISQ.....	178
4.30 Positive responses.....	179
1. Teamwork.....	179
2. Consideration.....	180
3. Rewards.....	180
4. Socialise.....	180
5. Enjoyable.....	181
6. Professional.....	181
7. Communication.....	181
8. Responsiveness.....	182
9. Reliability.....	182
4.31 Negative aspects of the ISQ.....	182
4.32 Negative responses.....	183
1. Attitude problem.....	183
2. Management problem.....	184
3. Lack of teamwork.....	184
4. Not reliable.....	185
5. Lack of responsiveness.....	185
6. Miscommunication.....	185
7. Lack of skills.....	186
8. Not professional.....	186
9. No consideration.....	186
4.33 Conclusion.....	187

CHAPTER 5: EVIDENCE FROM LOCAL 5 CASE STUDIES	189
5.1 Introduction.....	189
5.2 Qualitative evidence.....	189
5.3 Culture: the guiding principle.....	189
5.4 Management of Change.....	190
5.5 Work Organization.....	193
5.6 Recruitment and selection policy.....	195
5.7 Induction and socialisation.....	196
5.8 Training and skills development.....	198
5.9 Participation and involvement.....	200
5.10 Performance appraisal and reward system.....	201
5.11 Promotion and human resource development.....	203
5.12 Compensation and benefits.....	204
5.13 Communication.....	206
5.14 Shared values and beliefs.....	209
5.15 Roles of leadership.....	210
5.16 Rites and rituals.....	214
5.17 Symbols.....	215
5.18 National culture.....	216
5.19 Sub-culture.....	218
5.20 Image.....	219
5.21 Relationship with trade union.....	220
5.22 Outsourcing.....	222
5.23 Staff turnover.....	223
5.24 Crisis Management.....	225
5.25 Service quality.....	227
5.26 Semi-quantitative evidence: Internal Service Quality of Local5.....	228
5.27 The demographic profile of the PAT respondents.....	228
5.28 Positive Aspects of the ISQ.....	231
5.29 Positive responses.....	232
1. Teamwork.....	232
2. Consideration.....	233
3. Enjoyable.....	233
4. Rewards.....	233
5. Socialise.....	233
6. Communication.....	234
7. Professional.....	234
8. Responsiveness.....	234
9. Reliability.....	235
5.30 Negative aspects of the ISQ.....	236
5.31 Negative responses.....	236
1. Attitude problem.....	236
2. Management problem.....	237
3. Lack of skills.....	238
4. Lack of teamwork.....	238
5. Not professional.....	238

6. Not reliable.....	239
7.No consideration.....	239
8. Lack of responsiveness	239
9. Miscommunication	240
5.32 Conclusion.....	240
CHAPTER 6 EVIDENCE FROM LOCAL3 CASE STUDIES	242
6.1 Introduction.....	242
6.2 Qualitative evidence.....	242
6.3 Culture: the guiding principle.....	242
6.4 Management of change	244
6.5 Work organization and teamwork.....	246
6.6 Recruitment and selection policy.....	247
6.7 Induction and socialisation	250
6.8 Training and skills development.....	251
6.9 Participation and involvement	254
6.10 Performance appraisal and reward systems.....	255
6.11 Promotion and human resource development.....	256
6.12 Compensation and benefits.....	258
6.13 Communication.....	259
6.14 Shared values and beliefs	260
6.15 Roles of leadership.....	261
6.16 Rites and rituals.....	264
6.17 Symbols	265
6.18 National culture.....	265
6.19 Sub-culture.....	266
6.20 Image	267
6.21 Relationship with trade union	268
6.22 Outsourcing.....	269
6.23 Staff turnover	270
6.24 Crisis management.....	271
6.25 Service quality	272
6.26 Semi-quantitative evidence: Internal Service Quality of Local3.....	272
6.27 The demographic profile of the PAT respondents.....	272
6.28 Positive aspects of the ISQ	275
6.29 Positive responses	276
1.Teamwork	276
2. Consideration	276
3. Communication	277
4. Professional	277
5. Rewards.....	277
6. Reliability.....	277
7. Enjoyable	278
8. Socialise	278
9. Responsiveness.....	278
6.30 Negative aspects of the ISQ.....	278
6.31 Negative responses.....	279

1. Attitude problem.....	279
2. Not professional	279
3. Management problem	279
4. No reliability	281
5. Lack of responsiveness	281
6. Lack of skills	281
7. Lack of teamwork.....	282
8. Miscommunication	282
9.No consideration.....	282
6.32 Conclusion.....	282
CHAPTER 7 DISCUSSION.....	285
7.1 Introduction	285
7.2 Organizational culture profile.....	287
1. Guiding principle/management of change/work organization (philosophy)	287
2. Recruitment and selection policy/induction and socialization process	288
3. Training and development/participation and involvement/ performance appraisal and reward system/ promotion and human resource development/compensation and benefits (HRD)	290
4. Communication	291
5. Shared values and beliefs/rites and rituals/symbols/national culture/sub-culture.....	292
6. Roles of leadership	293
7. Conflict/image/union/outourcing/staff turnover.....	294
8. Crisis management	295
9. Service quality.....	296
7.3 Internal service quality dimensions.....	297
7.4 Linking OC and ISQ	305
7.5 Foreign5.....	310
7.6 Local5.....	312
7.7 Local3.....	312
7.8 The analytical framework.....	316
7.9 Recommendations.....	318
7.10 Conclusion.	320
CHAPTER 8 CONCLUSIONS	322
8.1 Introduction	322
8.2 The analytical framework revisited.....	323
8.3 The empirical evidence	324
8.4 Methodological contributions.....	330
8.5 Importance of the study.....	332
8.6 Limitations.....	334
8.7 Implications for future research.....	337

LIST OF TABLES	Page
Table 1.0 Organizational culture dimension emerging from literature.....	9
Table 1.1: Growth stages, functions of culture and mechanisms of change.....	23
Table 1.2: Diverse typologies in organizational culture studies.	27
Table 1.3: Research interests and focus in organizational culture in hospitality industry	35
Table 1.4: The 10 characteristics along with cultures differ.....	37
Table 1.5: The three studies in organizational culture and performance.....	43
Table 2.1: Determinants of service quality	60
Table 2.2: SERVQUAL dimensions.....	63
Table 2.3: Evolution of service quality instruments since SERVQUAL.	65
Table 2.4: Comparative ISQ dimensions based on Parasuraman et al. 1988.....	69
Table 2.5: Comparative ISQ dimensions by Caruana and Pitt and White and Rudall	71
Table 2.6: Summary of various service quality instruments and dimensions.....	73
Table 2.7: The qualitative techniques in service quality measurement.....	79
Table 3.1: Dimensions of dinner-house restaurant culture	99
Table 3.2: Quantitative instruments to measure work values in organizational culture.....	101
Table 3.3: Case study studies in organizational culture.....	106
Table 3.4: MAH member hotel listing.....	112
Table 3.5: Foreign5 informants profile of the in depth interviews.....	119
Table 3.6: Local 5 informants profile of the in depth interviews.....	120
Table 3.7: Local3 informant profile of the in depth interviews	121
Table 3.8 Organizational culture dimensions emerging from literature.....	123
Table 3.9: Internal service quality: service provider and service receiver relationship	130
Table 3.10: Coding process of PAT responses	134
Table 4.1: Induction programme	147
Table 4.2: Types of training programme available.....	149

Table 4.3: List of rewards and benefits offered by Foreign5 hotel	155
Table 4.4: Some of the values found in Foreign5	159
Table 4.5: Some of the comments on the new leadership managing style	162
Table 4.6: Rites and rituals in Foreign 5.....	164
Table 4.7: Positive and negative dimension of ISQ	178
Table 4.8: Comparison of positive and negative dimensions of the ISQ	187
Table 5.1: Managerial Levels.....	194
Table 5.2: Types of training programme available.....	199
Table 5.3: List of rewards and benefits offered by Local5	202
Table 5.4: Some of the values found in Local5.....	209
Table 5.5: Some of the comments on the leadership style.....	212
Table 5.6: List of Rites and Rituals	214
Table 5.7: Positive and negative dimension of ISQ	231
Table 5.8: Comparing positive and negative dimension of ISQ	241
Table 6.1: Types of training programme available.....	252
Table 6.2: List of rewards and benefits offered by Local3 hotel	258
Table 6.3: Some of the values found in Local3.....	260
Table 6.4: Some of the comments on the leadership.....	262
Table 6.5: Rites and rituals in Local3	264
Table 6.6: Local3 Community services	267
Table 6.7: Outsourcing activities.....	269
Table 6.8: Positive and negative dimension of ISQ Profile.....	275
Table 6.9: Comparison of positive and negative dimensions of the ISQ	283
Table 7.1: Organizational culture profiles	286
Table 7.2: PAT responses	297
Table 7.3: The difference between negative and positive ISQ	298
Table 7.4: Problem areas.....	299
Table 7.5: Independent dimensions	299
Table 7.6: Comparative ISQ dimensions based on Parasuraman et al. 1988.....	302
Table 7.7: Positive dimensions in order of importance	304
Table 7.8: Negative dimensions in order of importance.....	304
Table 8.1: Similarities and differences at Foreign5, Local5 and Local3.....	325

LIST OF FIGURES**Page**

Figure 1.1: Levels of culture	18
Figure 1.2: The onion diagram: Manifestation of culture: from shallow to deep ..	19
Figure 1.3: Ogbonna and Harris organizational culture perspective.....	28
Figure 1.4: The cultural web of an organization	38
Figure 1.5: Framework of culture and effectiveness	40
Figure 1.6: Understanding culture, strategy and performance.....	44
Figure 2.1: Grönroos' Model of Service Quality Delivery.....	56
Figure 2.2: The Extended Gaps Model of Quality of Service.....	61
Figure 2.3: Service provision model.....	80
Figure 2.4: Customer satisfaction loop	82
Figure 2.5: A conceptual framework for understanding the interplay between service quality and productivity	84
Figure 3.1: Epistemology: the matrix	94
Figure 3.2: Philosophical positions and the methodological issues	97
Figure 3.3: Methodological considerations.....	109
Figure 3.4: Proposed Analytical Framework for the study.....	116
Figure 3.5: Hotel service provider and service receiver relationship web	131
Figure 4.1: Years of service	176
Figure 4.2: Department evaluated	177
Figure 4.3: ISQ Profile of positive attributes in Foreign5	179
Figure 4.4: ISQ Profile of negative attributes in Foreign5	183
Figure 5.1: Years of service	229
Figure 5.2: Departments evaluated.....	229
Figure 5.3: ISQ Profile of Local5: Positive	232
Figure 5.4: ISQ Profile of Local5 : Negative.....	236
Figure 6.1: Years of service	273
Figure 6.2: Department evaluated	274
Figure 6.3: ISQ Profile of positive attributes in Local3	275
Figure 6.4: ISQ Profile of negative attributes in Local3.....	279
Figure 7.1: Positive ISQ.....	308

Figure 7.2: Negative ISQ	308
Figure 7.3: Linking OCP and ISQ of Foreign5	310
Figure 7.4: Linking OCP and ISQ of Local5	311
Figure 7.5: Linking OCP and ISQ of Local3	313
Figure 7.6: The analytical framework.....	316

LIST OF APPENDICES

- I. Supervisor letter to MAH President**
- II. Letter of request for permission**
- III. Email reply by MAH**
- IV. Letter to General Manager/Human Resource Directors**
- V. Thank you letter to General Manager/Human Resource
Directors**
- VI. Brown (1998) case study questions**
- VII. Kemp and Dwyer (2001) case study questions**
- VIII. PAT Survey form and cover letter**
- IX. SPSS conversion form**
- X. Publications related to research**
- XI. Interview transcript: management**
- XII. Interview transcript: operative**
- XIII. Curriculum vitae**

Introduction

Introduction

The focus of this thesis is an examination of how organizational culture affects internal service quality in three hotels in Malaysia. The investigation explores the connection between organizational culture and internal service quality based on previous studies that link organizational culture to organizational performance (Denison 1990, Kotter and Heskett 1992, Ueki and Umezawa 1994). Although these studies focus on organizational performance, such as effectiveness, performance and productivity, little work has been undertaken that explores the links between organizational culture and employee performance (Brown, 1998; Peters and Waterman, 1982). Ogbonna and Harris' (2002) realist perspective is used as a framework to develop the research. Additionally, the concept of internal service quality is drawn from the works of Caruana and Pitt (1997), Paraskevas (2001 and White and Rundall (1999). There is a relatively limited amount of research on organizational culture in the hospitality sector, (Dwyer et al., 2000; Kemp and Dwyer, 2001; Ogbonna and Harris, 2002; Woods, 1989). Hence, this study seeks to address the lack of research in this area. The thesis uses a qualitative case-study methodology to better understand the uniqueness of the cultural elements of each organization that may affect internal service quality.

In addressing the lack of work in this area, the thesis presents evidence from 36 semi-structured interviews with managerial and operational staff in the three case study organizations. Further evidence is drawn from analysis of profile accumulation technique (PAT) (Johns and Lee-Ross, 1995), specifically 320 free-responses to a survey of the hotels' staff. While, the findings from the interviews are presented as emerging themes, the results of the PAT analysis are displayed as semi-quantitative internal service quality (ISQ) profiles.

The theoretical framework for this work is provided by a review of related literature on organizational culture and service quality, which aims to build on similar work that has addressed how organizational culture may affect organizational performance.

Organizational culture has been debated extensively by academics for the last twenty years (Schein, 2004) and there are many approaches adopted in defining and studying cultures. In simple terms, organizational or corporate culture¹ can be viewed as the personality of the organization. Culture is comprised of the assumptions, values, norms and tangible signs (artefacts) of the organization, its members and their behaviours. Thus, culture is one of those terms that is very difficult to express distinctly, but everyone know about it when they sense it. The issue of managing culture can also become complicated without a definite perspective or worldview. Hence for the purpose of this study, Ogbonna and Harris (2002) framework was adopted to examine organizational culture from the realist perspective.

The thesis attempts to synthesize the issues of organizational culture and internal service quality by developing a micro level perspective that allows the views of the insiders, that is the managers and employees of the three organizations, to be heard on how organizational culture may impact on internal service quality. In achieving this, staff interactions with each other are examined. Kilmann, Saxton and Serpa (1985: 3) suggest that ‘there is not much point in attempting to study or change a thing called culture if it does not affect what goes on in organizations.’ This point further supports the idea that culture does affect organizational behaviour and performance. The three aspects of impact that affect performances according to Kilmann et al., (1985) are direction (the course that that the culture is causing the organization to follow), pervasiveness (the degree to which the culture is widespread or shared amongst the members) and strength (the level of pressure that a culture

¹ The term corporate culture and organizational culture are use alternatively in this thesis. While most of the authors from US and Japan including other Asian countries use the term corporate culture in their works, most of the works originating from European countries use the term organizational culture. Nevertheless, both terms carry a similar meaning.

exerts on members). In order to understand the phenomenon suggested above, a research design was formulated which was commensurate with the aims and objectives of the thesis. Thus, this study utilises multi-methods (a combination of qualitative and semi-quantitative tools) to examine the impact of organizational culture on internal service quality in three hotels at the unit level of a corporation or at micro level.

Context of the study

The Malaysian economy has undergone significant structural changes over the last thirty years or so. Until the 1970s the economy was mainly dependent on agriculture. However, from the 1980s the country focussed on changing its economic structure, towards economic development that is driven by twin-engines of growth, namely the manufacturing and service sector.

Hence, the role of the service sector towards propelling the national economy into the next stage of development became increasingly important in the 1990s. The service sector has grown in tandem with the growth of the manufacturing sector where in the year 2003 the service sector registered an output growth of 4.8% per annum compared to only 4.2% in 2002 (NPC, 2003). The service sector continues to be a major employer with a 50% share of total employment in the year 2003 (NPC, 2003). The expansion of the service sector is such that by 2003 it contributed 57.1% to GDP share (NPC, 2003). By the same token, the government views the service sector as a catalyst for growth and specifically encourages the development of the tourism industry because it has emerged as the second largest foreign exchange earner after manufacturing especially when the tourist inflows continue to record an incremental increase every year.

The expansion of the service sector has seen a continuing growth in the travel and tourism industry. For the year 2003 Malaysia recorded tourist receipts of RM21,291.1 million from a total of 10.58 million tourist arrivals (Tourism Malaysia,

2005a). The sector comprises 1,989 hotels and other lodging houses located all over the country that supply a total of 144,380 rooms (Tourism Malaysia, 2005b). In Klang Valley itself where the case study hotels are located, there are more than 177 hotels with a total of 27,045 rooms (Tourism Malaysia, (2005c). The average occupancy rate for Malaysian hotels in 2003 was 49.8% (Tourism Malaysia, 2005d). According to Malaysia Economic Report 2003/2004, employment in hotels and restaurants, which also includes the wholesale and retail trade, is estimated at 1,738.2 million people for the year 2003 (Ministry of Finance Malaysia, 2003). Besides providing job opportunities, the sector also contributes significantly to the country's GNP. Hence, the study could be of benefit to the hospitality sector in general and hoteliers in particular. In that sense, practitioners may benefit from further knowledge in this field, as it can be useful in improving their organizational practices aimed at achieving service excellence.

Despite a large amount of work on linking organizational culture to performance, none of this work has focussed specifically on organizational culture and internal service quality in the hospitality sector. For example, Guerrier and Deery (1998: 146) suggest that 'organization structure and culture is an area about which relatively little has been written in relation to the hospitality industry'. Guerrier and Deery (1998) point out that the hospitality industry provides a wonderful environment to explore issues in organizational studies and it also provides opportunities to compare different management approaches or changing management styles. They add that although the amount of work has been increasing, most of this work is predominantly Anglo-Saxon in focus and assumption. They further note:

Issues of organizational structure and design have certainly been under-researched especially in relation to multi-unit operations and where there have been studies which has been primarily by people with an academic background in strategy rather than organization studies (ibid. 154.)

Research objectives

In accepting the challenge posed by Guerrier and Deery (1998), this thesis seeks to follow that agenda by examining 'the way we do things around here' as suggested by Deal and Kennedy (1982: 4). In particular it examines how each of the case study organization's cultural environment affects the employees working relationship.

Specifically the thesis has three objectives:

- To identify and assess the different ways of doing things in each of the three organizations by pointing out the distinctive character of each organization, for example human resources practices.
- To identify and assess internal service quality in each organization by assessing their employees' satisfaction and dissatisfaction towards each other which is translated into ISQ positive and negative dimensions.
- To identify and assess how far the organizational culture has impacted on the internal service quality based on the respondent's own experiences and perceptions.

Hence, a number of key issues can be derived from these objectives apart from human resources practices, the other issues include: how organizations adapt to environmental changes; leadership; national culture; the role of trade unions; how the organisations respond to economic crisis and various values and beliefs held by the organizations.

Theoretical framework of the study

The framework used in this study is based on literature from both organizational culture and service quality. Whilst there is an extensive literature, which has discussed both organizational culture and service quality, specific literature on internal service quality is scarce; this area is under-researched in the hospitality

sector. Similarly, there is a limited literature that deals with organizational culture and performance, which forms the framework of the study and will be briefly introduced here.

Denison (1990), Kotter and Heskett (1992) and Ueki and Umezawa (1994) were amongst the earlier writers to uncover how the culture of a corporation influences the organization's performances. Denison looked at corporate culture and organizational effectiveness, Kotter and Heskett investigated corporate culture and performances and Ueki and Umezawa focus on corporate culture and productivity. Kotter and Heskett for example conclude that certain kinds of corporate cultures enhance performance whereas other cultures hinder long-term economic performance. This thesis seeks to address the issue of how organizational culture may affect internal service quality as an indicator of one aspect of organizational performance.

Due to the multiplicity of perspectives by which organizational culture has been studied, this study has adopted the Ogbonna and Harris (2002) framework, which labels the management of culture into three categories: the optimists, the realists and the pessimists. While the optimists believe in the existence of unitary cultures in organizations and top management have control over them, the pessimists are mainly academics or culture purists, who are interested in developing the explanatory power of the culture concept rather than identifying its practical utility for managers of organizations. This thesis has adopted the realists perspective due to its pragmatic nature as noted by Ogbonna and Harris (2002: 37):

An examination of the literature finds that realists are neither in support nor against the management of organizational culture. Rather, they advocate fuller explorations of the application of the concept, in order to develop greater understanding of the dynamics of culture change.

Although Guerrier and Deery (1998) suggest that there is a lack of studies done in this area, it is important to recognise some of the work that focuses specifically on

organizational culture in the hospitality sector such as Dwyer, Teal, Kemp and Wah (2000), Kemp and Dwyer (2001), Leblanc and Mills (1995), Tidball (1988), Vallen (1993), Woods (1989) and Watson and D'Annunzio-Green (1996).

In addition to Ogbonna and Harris' (2002) realist perspectives as the study framework, some of the issues from Dwyer et al., Kemp and Dwyer, Tidball, Woods and Watson and D'Annunzio-Green are addressed in the literature. Tidball (1988) argues that there is a direct link between culture and company profitability. Woods (1989) uncovers how a better understanding of restaurant culture could lead to better profit. Vallen (1993) examines job dissatisfaction and work environments that can cause burnout. Leblanc and Mills (1995) consider the relationship between organizational culture and performance. Watson and D'Annunzio-Green (1996) examine strategies and human resources practices implemented by two hotels to ensure long-term success. Dwyer et al., (2000) identified 10 characteristics of organizational culture that have impacted upon employee performance. Finally, Kemp and Dwyer (2001) explain the use of culture to enhance organizational performance.

It is also worth briefly recognising the work drawn from the internal service quality literature which forms the other half of the framework, in particular the works of Grembler, Bitner and Evans (1994), Reynoso and Moores (1995) and Vandermerwe and Gilbert (1991). Although there is a relative lack of literature in the hospitality sector that focuses on internal service quality, Caruana and Pitt (1997), Paraskevas (2001) and White and Rudall (1999) are exceptions to this point.

The work of Grembler et al., (1994) Reynoso and Moores (1995) and Vandermerwe and Gilbert (1991) is particularly significant to this study as these authors have challenged the assumption that internal customers use the same factors or criteria as external customers in evaluating the service quality (White and Rudall, 1999) as proposed by Parasuraman, Zeithml and Berry (1988) SERVQUAL. Meanwhile, Caruana and Pitt (1997) who developed INTQUAL found the tool reliable mainly as

an internal measure tool, partly because it offers an opportunity to investigate links between quality and performance in non-profit organizations where profitability is not the main concern. On the other hand, Paraskevas (2001) sought a different approach from SERVQUAL by applying critical incident technique (CIT) to measure the internal service encounter.

Consequently, this thesis uses the work of Ogbonna and Harris (2002) to study organizational culture from the realist perspectives, as this is more applicable because the realists neither uncritically support nor are inherently against the management of organizational culture. Instead they advocate further exploration of the application of the concept. For the same reason the critical issues laid down by Ogbonna and Harris have given some insight into the management of culture for future researchers. Ogbonna and Harris (2002) argue that some of the emerging issues in managing culture are aspects such as the level of intervention. They highlighted the difficulty of achieving the deepest level of cultural transformation amongst all staff because most of the lower-level staff did not usually receive decent treatment due the nature of work in the hospitality sector. Due to this reason, motivating them is rather difficult. Meanwhile, employing a large pool of peripheral employees in the sector could also hinder the development of appropriate culture because peripheral employees usually do not receive the same treatment as core workers in term of working conditions, pay and other benefits.

Another interesting issue highlighted by Ogbonna and Harris (2002) is in relation to the common practice of direct intervention by managers in managing culture. The findings of their study revealed that many employees were unhappy with the level of control by managers in managing culture change. Interestingly, the findings of the qualitative study indicate that success from culture interventions were made at particular, predetermined, points in time. The results also point to the fact that the less comfortable continuous organic change approach is ultimately more successful. Meanwhile, Dwyer et al., (2000) identified individual initiative, risk tolerance, direction, integration, management support, control, identity, reward system, conflict

tolerance and communication patterns as 10 important characteristics that may impact on employee performance in the development of a coherent organization. The issues identified by Dwyer et al. can be a practical and useful mechanism in assessing the organizational culture in hospitality organizations. Similarly, the themes derived from the literature as shown in Table 1.0 provides a useful guide in presenting the findings of this study:

Table 1.0 Organizational culture dimension emerging from literature

1	Guiding principle
2	Management of change
3	Work organization
4	Recruitment and selection policy
5	Induction and socialization
6	Training and development
7	Participation and involvement
8	Performance appraisal and reward system
9	Promotion and human resource development
10	Compensation and benefits
11	Communication
12	Shared values and beliefs
13	Roles of leadership
14	Rites and rituals
15	Symbols
16	National culture
17	Sub-culture
18	Conflict
19	Image
20	Relationship with trade union
21	Outsourcing
22	Staff turnover
23	Crisis management
24	Service quality

In relation to the addressing the impact of organizational culture to performance in the context of the study, the thesis starts by reviewing the works of external domain of service quality by Parasuraman et al., (1988) representing the North American School and Grönroos (1984) which is seen as representative of the approach of the

Nordic School of Services. The focus then shifts to internal service quality using the same principles and techniques used in the creation and measurement of service quality but transferred to the internal environment (Auty and Long, 1997). Thus, internal service quality can also use attributes such as 'satisfiers' or 'dissatisfiers' as suggested by Johns and Lee-Ross (1995). The following works were also used as comparative elements in analysing internal service quality in this thesis; Grembler et al., (1994) found dimensions such as recovery, spontaneity and adaptability, while Reynoso and Moores (1995) found tangibles, reliability, helpfulness, professionalism, consideration, confidentiality, flexibility and communication. Vandermerwe and Gilbert (1991) internal service quality's dimensions are reliability, on time, responsiveness, relevant, cost and within budget. The studies carried out by Caruana and Pitt (1997) found tangibles, reliability, responsiveness, empathy and assurance while, Paraskevas (2001) dependability, professionalism, consideration, conscientiousness and communication. Meanwhile, White and Rudall (1999) internal service dimensions are tangibles, reliability, responsiveness, empathy, assurance, flexibility, communication and relevance. Most of this work is concerned with the similarities in dimensions found in their studies and in terms of the applicability of the frameworks, methods and tools used. While Grembler et al., and Paraskevas used CIT, Reynoso and Moores used both qualitative and quantitative methods, while others used quantitative methods in investigating the internal service domain. Although the focus of this study is on internal service quality, there is an understanding that satisfying the needs of internal customers plays a vital role in external customers satisfaction and also the organization's overall success (Grembler et al., 1994).

The organization of the thesis

This section will briefly reiterate how this thesis is organised. The eight chapters in this thesis are organised into five major parts; literature, methodology, findings, discussions and conclusion. Chapter one mainly reviews the state of research in the area of organizational culture, which includes definitions of organizational culture in particular the works of Schein (1981, 1985, 1985a, 2004) and Hofstede (1980, 1997)

Hofstede, Neuijen, Ohayv and Sanders (1990) and Ogbonna and Harris (2002). Other related issues discussed are the methodological issues in organizational culture studies, the conceptual literature on the arguments relating to the links of organizational culture to performance and a review of organizational culture studies in the hospitality sector.

Chapter 2 examines the concept of service and service quality, its developments, definitions, models, methodology and issues relating to service quality performance. Special attention is given to the work of Parasuraman et al., and the proponents of the North American School. On the other hand, the review also considers the work of researchers from the Nordic School led by Grönroos. The discussion is centred on the arguments of how both quantitative and qualitative methods can aim to provide customers feedback by measuring the different service quality gaps. Meanwhile, SERVQUAL is criticised for being too focussed on the process of the service delivery rather than the outcomes of the service encounter (Buttle, 1996). Johns (1996) suggests that SERVQUAL may not be an appropriate tool for measurement of the tangible and intangible mix nature of hospitality services, and as an alternative Johns and Lee-Ross offered a semi-quantitative technique to measure service quality. This study uses Johns and Lee-Ross' Profile Accumulation Technique (PAT) instead of the conventional Parasuraman et al., (1988) survey questionnaires in measuring the internal domain of service quality. The discussion also focuses on the concept of internal service quality in the hospitality industry based on the work of Caruana and Pitt (1997), Paraskevas (2001) and White and Rudall (1999).

Chapter 3 then proceeds to discuss the methodology adopted as well as to demonstrate the compatibility of approaches taken in the collection of primary data with the aims and objectives of the research. It starts with a discussion of the philosophical underpinning of the research, and covers issues such as the adopted paradigm, the use of case study as a research tool; the use of multi-methods as methods of data collection, in particular the use of semi-structured interviews complemented with a free response technique (PAT). The use of an inductive method

or the exploration process and the analysis of related observations which leads to the construction of a theory that systematically links such observations in a meaningful way (Clark, Riley, Wilkie and Wood 1998) were employed in data analysis of this study. The data analysis or the process of making sense of the data (Lincoln and Guba, 1985) involves the researcher as a sole analyst rereading the transcripts many times (Kwortnik, 2003, Walsh, 2003) before dissecting the text for common categories and themes. The open coding process involves naming or labelling the themes 'emerging' from the data according to the literature or provided by informants and most of the time created by the analyst. The themes were reclassified into different organizational culture dimensions.

Meanwhile, the PAT free responses were coded manually based on the emerging attributes and these attributes, both positive and negative, were transferred into a coding sheet then transferred into SPSS (Statistical Package for Social Science) for frequency analysis. There was more than one attribute emerging from each question on the form but not more than three attributes. Before that, each PAT's response was reviewed by the researcher at least three times, while taking down notes besides each response. The Excel programme was used to turn frequency data into an ISQ (Internal service quality) profiles. Finally the issue of validity and reliability of the research are considered in this chapter.

Chapters 4 to 6 outline the findings of this research and Chapter 7 aims to integrate these into a discussion of the main findings across the case studies. The empirical data is discussed using a range of headings based on the emerging themes from the findings. A more pragmatic format is adopted in presenting the qualitative and semi-quantitative evidence, this is deliberately done to facilitate better understanding and enhance its usefulness to practitioners. This chapter also integrates the findings of this research and make inferences based on the research questions.

The concluding chapter reviews the emerging evidence and draws conclusions based on the varying degrees of the impact organizational culture had on internal service

quality in three organizations. This chapter also discuss the contribution to knowledge this thesis has made, the limitations of the study and makes suggestions for future research that may be based on the initial understanding made available by this study.

In summary, this thesis is concerned with an examination of how the organizational culture of each organization has affected their internal service quality. The emerging themes from organizational culture range from human resources practices, leadership, national culture, the role of trade unions, and the organisations response to economic crisis to values and beliefs. While, PAT analysis also yields interesting dimensions for both positive and negative aspects that cover the areas of reliability, responsiveness, being professional, consideration, communication, teamwork, enjoyment, rewards, socialisation for the positive profile, while the negative profile covers areas such as lack of teamwork, miscommunication, no consideration, not professional, lack of responsiveness, no reliability, management problem, attitude problem and lack of skills. The gaps between positive and negative dimensions are then contrasted to disclose positive or negative outcomes. The outcomes can be regarded as having varying degrees of impact on organizational culture on internal service quality. The findings in this study should provide a first step to understanding the impact of organizational culture on the internal service quality in the hospitality sector. It is also the objective of this thesis to contribute substantially to the existing body of knowledge in this specific area, both in terms of the empirical evidence and in terms of the methodological innovativeness employed in this research.

CHAPTER 1 ORGANIZATIONAL CULTURE

1.1 Introduction

This chapter introduces the concept of organizational culture. First it considers various definitions of organizational culture. From these various definitions the chapter then moves on to consider how it links to organization strategy formulation, implementation and ways in which these aspects may influence organizational performance. The chapter also examines the limited research that has emerged which reviews organizational culture in hospitality organizations.

1.2 Definitions

In very simple language, Deal and Kennedy (1982: 4) define organizational culture as 'the way we do things around here'. However, while this definition is succinct it may be too simple to understand an organization's culture, since there are many ways of looking at organizational culture from different perspectives and views. Hence, Wheelen and Hunger (2000: 89) define organizational culture as 'the collection of beliefs, expectations, and values learned and shared by a corporation's members and transmitted from one generation of employees to another'. Brown (1998:9) a leading writer in this area, has defined organizational culture 'as a pattern of beliefs, values and learned ways of coping with experience that have developed during the course of an organization's history, and which tend to be manifested in its material arrangement and in the behaviours of its members'. Meanwhile Alvesson (2000: 3) defines organizational culture as: 'Talking about organizational culture seems to be talking about the importance for people symbolism - of rituals, myths, stories and legends - and about the interpretation of events, ideas, and experiences that are influenced and shaped by the groups within which they live'. Alvesson then suggests that organizational culture includes values and assumptions about social reality. In his discussion on culture and performance, Alvesson also points out that there have been few studies on corporate culture which focus on performance.

There are many other definitions of organizational culture, but Peters and Waterman (1982) is one worthy of consideration. In the popular management book *In Search of Excellence*, they attempted to link organizational culture and performance. Peters and Waterman defined culture as 'the shared values' of an organization's members (p. 280). Most of the definitions mentioned above focus on the 'collective' or 'shared' beliefs and values which indicates the important role of people in organizations. For example, Denison (1990: 2) refers to 'culture as the underlying values, beliefs, and principles that serve as a foundation for an organization's management system as well as the set of management practices and behaviours that both exemplify and reinforce those basic principle'. Meanwhile according to Kotter and Heskett (1992: 141) 'culture represents an independent set of values and ways of behaving that are common in a community and tend to perpetuate themselves, sometimes over long periods of time'. Although the variation in definitions of 'culture' is noticeable, it is equally noteworthy that, most of the earliest definitions were traced to sociological aspects rather than business discipline.

Apart from variations in definitions of culture discussed earlier, it seems reasonable to point out that some authors like Meyerson (1991: 256 cited in Denison, 1996), Schraeder and Self (2003) and Alvesson (2002) have something in common as regards to subjectivity nature of the organizational culture studies. For example, Meyerson (1991: 256 cited in Denison, 1996) noted that 'culture was the code word for the subjective side of organizational life...' Meanwhile Alvesson (2002: 6) perceived culture phenomena as 'holistic, intersubjective and emotional rather than strictly rational analytical.' Their views are very much in line with Schraeder and Self (2003)) who categorized culture into an objective and subjective dimension, and subjective characteristics of culture concerned with shared values and beliefs among organizational members. These authors besides highlighting another interesting perspective of understanding culture, also creates awareness of other approaches in looking at culture in organization.

So far, there is no one, uncontested, definition of culture. Organizations are operating within a cultural or social context. They are culture-bearing entities. However, it is important to note that most of the definitions are mainly focussed on the important understanding that members of an organization share in common. To support the point, Kemp and Dwyer, (2001: 78) note that 'organizational culture is the normative glue, it integrates and binds' the members of organization. Therefore, a number of organizational researchers agree that an analysis and recognition of the surface culture should be the initial step in strategy formulation and implementation, and it is a crucial element in an evaluation of organizational performance (Brown, 1998).

Brown's definition is significant because it takes into consideration the past and the present cultural context in interpreting an organization's culture. This is in line with Schein's (1985a) work, which focused on cultural evolution and how it was transmitted throughout the organizations, then influenced the organization's strategy and performance. In relation to that point, Brown sees organizational culture more from the 'realist' view when he recognised the importance of surface culture as a crucial element in an organization's performance. The realist perspective is a notably important worldview in researching organizational culture as the process involves interpreting very complex sets of beliefs, values, behaviours, attitudes, and assumptions (Ogbonna and Harris, 2002). The realist perspectives will be explored more below.

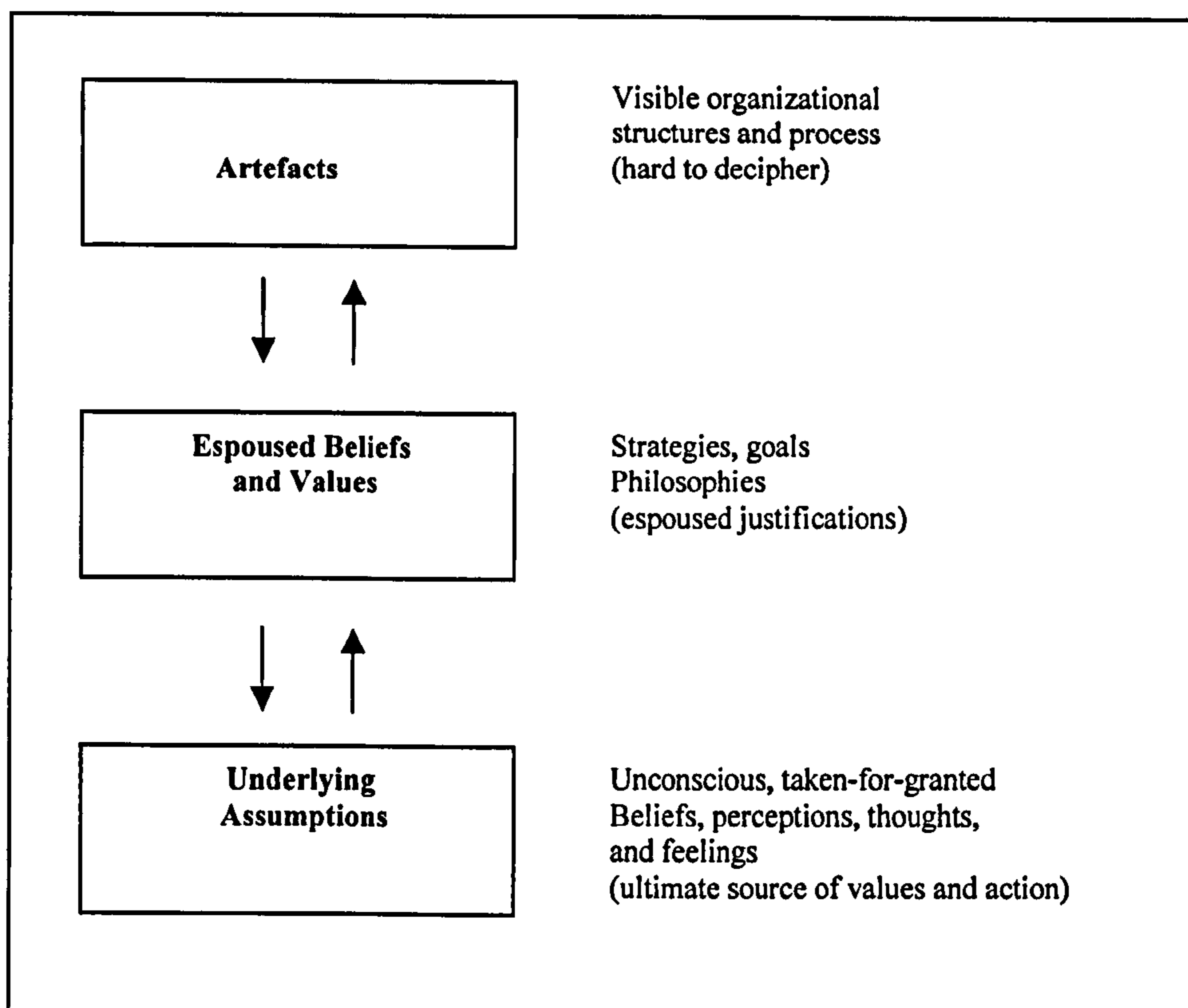
Generally as has been recognised there is no consensus about the use of the term corporate or organizational culture especially to the meaning of the terms. However, the definitions of corporate or organizational culture are generally focused on the following points, that it is a system of shared meaning held by members that distinguishes the organization from other organizations, group identity, holistic set of patterned physical, psychological, and social products and perceptions and values. To begin to further develop our understanding of organizational culture the thesis now considers the important work of Schein and Hofstede, both of whom have made a seminal contribution to the debate.

1.3 The work of Schein and Hofstede

Much of the earlier work on organizational culture was carried out by two of the most prominent researchers and became two of the best-known models in organizational culture; Hofstede and Schein, also play an important role in determining the direction of organizational culture studies. Hofstede's (1980 cited in Brown 1998) scholarly book, *Culture's Consequences* was a pioneer author in drawing attention to national culture differences, which influenced organizational design and behavior. Meanwhile, Schein (1981) proposed the idea that a culture may be defined in terms of its basic assumptions although Schein (2004) later redefined culture as a pattern of 'shared basic assumptions' that was learned by a group as it solved its problem of external adaptation and internal integration. Both points refer to the deeply rooted assumptions people share, which guide their perceptions, feelings and emotions about things. Schein (1985) has also suggested a typology of basic assumptions with five dimensions: humanity's relationship to nature, the nature of reality and truth, the nature of human nature, the nature of human activity, and the nature of human relationships. Indeed, many of these dimensions formed the basis of continuous debate among organizational culture researchers.

In line with the discussion above Schein's definition of organizational culture points to the importance of underlying assumptions, values and artefacts shared by the members of the organization. In Schein's view, assumptions are unconsciously held beliefs and values are strategies, goals and philosophies. Meanwhile, artefacts are visible organizational structures and processes. Schein (2004) further viewed culture as comprising of three levels as shown in Figure 1.1.

Figure 1.1: Levels of culture



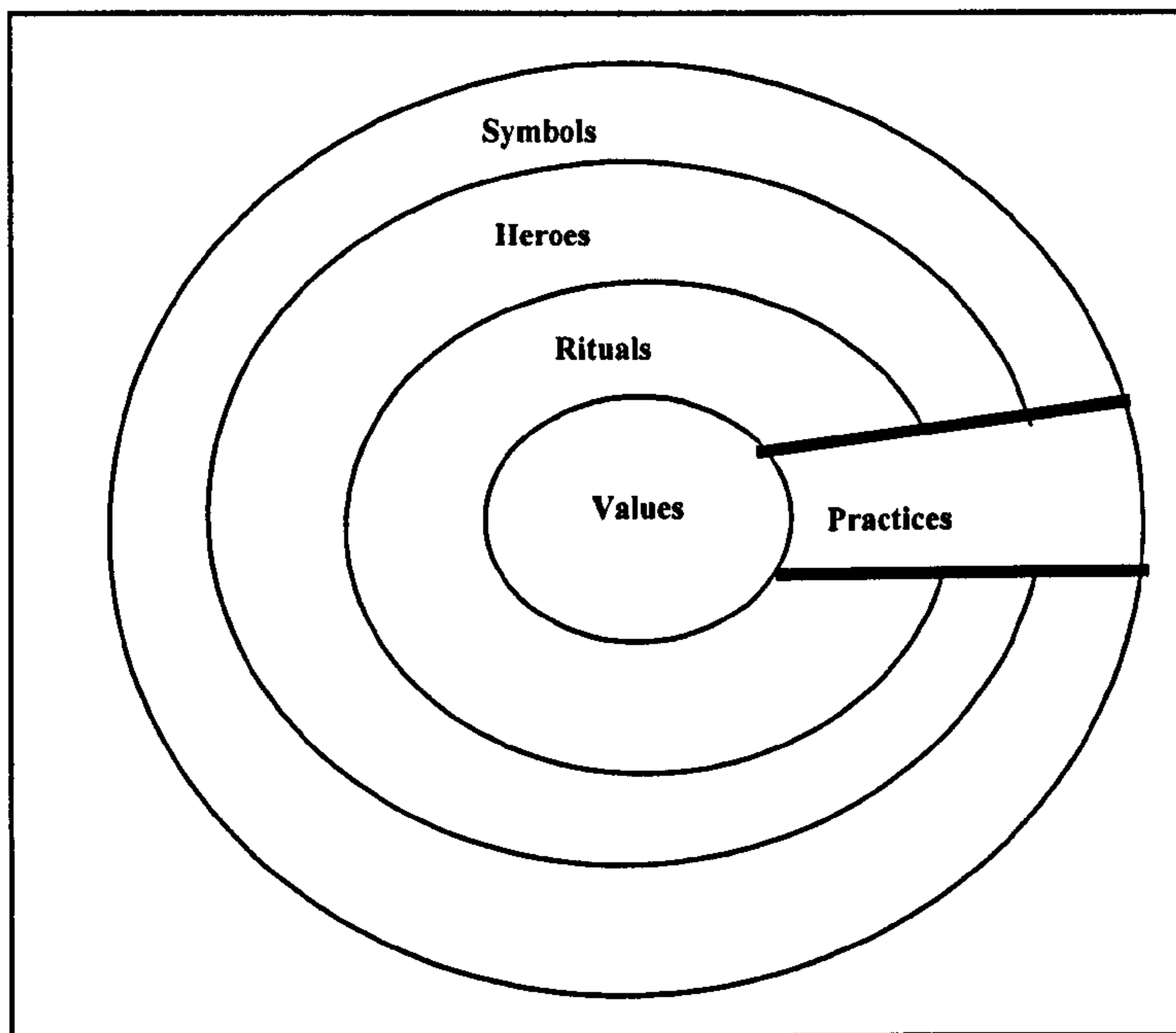
Source: Schein (2004: 26)

One of the three levels is artefacts. This is the most manifest level of culture, consisting of the constructed physical and social environment of an organization. For example, organizational physical space, mottos, artistic productions and overt behaviours of members. The next level is espoused beliefs and values, which is less visible than behaviours and artefacts, however the constituents of this level of culture provide the underlying meanings and interrelations by which the patterns of behaviours and artefacts may be deciphered. The third level is the underlying assumptions. These represent an unconscious level of culture, at which the underlying values have, over a period of time, been transformed and are taken for granted as an organizationally acceptable way of perceiving the world. By this definition, underlying assumptions are also the most difficult to relearn and change.

Schein's levels of culture is one of the best-known models of organizational culture, which systematically disentangles the complexity of real-life cultures into three levels of culture; artefacts, espoused beliefs and values and shared basic assumptions. In the process of analysing cultures it is important to recognise that artefacts are easy to observe whilst espoused beliefs and values may be more difficult to decipher and shared basic assumptions may reflect rationalizations or inspirations (Schein, 2004). Schein added that in analysing organizational culture, attempts must also be made to unfold the underlying assumptions especially one must understand the learning process in which the basic assumptions come to be. Schein's model provides a simpler way of understanding cultural variables, thus making understanding organizational culture more appealing especially the observable aspects of the organizational culture.

While Schein talks about three levels of organizational culture Hofstede similarly suggests that culture can be understood from the perspectives of layers; from shallow to deep as shown in Figure 1.2.

Figure 1.2: The onion diagram: Manifestation of culture: from shallow to deep



Source: Hofstede et al., (1990: 9)

To develop the analysis Hofstede uses the metaphor of an onion, which has a number of layers. The four layers of the onion describe the manifestation of culture based on the view that symbols denote the outer layer through to values as the inner most layer, with heroes and rituals in between them. Symbols such as language, artefacts and other objects are the most visible and easily recognised by those who are part of the culture. While heroes, such as the founder of the organization or sometimes an imaginary figure, are significant as a role model for members of the organizations. Ritual, which is in the third layer of the skin, signifies collective activities such as meetings, celebrations and ceremonies held in organizations for members. Such activities are common practices in almost all organizations and are sometimes used by leaders to integrate employees or assert themselves. Hofstede et al., (1990) categorized symbols, heroes and ritual as practices because outsiders may easily notice them. However, values being the deepest layer, are rather more intrinsic and implicit in nature and not easily visible but inferred. Values can be inferred from the behaviour of the organizational members although people sometimes behave according to the situation or values learned and developed throughout their lives. Hence, in order to encourage the 'right' kind of behaviour there must be a specific device or a systematic way of monitoring them.

The actual cultures are far more complicated and complex than what is visible. Some aspects of the organizational cultures are observable, while some are merely beliefs, values and attitudes, which make made the understanding of organizational culture more difficult. However, this is the real challenge to any researcher, as Wuthnow et al., (1984: 4 cited in Brown 1998: 13) put it 'A simple artefact often holds the essence of a whole social system', meaning that every detail of the organization studied should not be neglected and Schein and Hofstede have made the process of understanding the complexity of organizational culture less intricate. While Schein has contributed significantly in the understanding of level of cultures, it is also significance to highlight Hofstede's pioneering work; his typology is reasonable and has provided insight stimulating further study.

1.4 How culture is created

Although, organizational culture can be examined as a system, the question of how it originates has attracted many scholars interest. Brown (1998) points out that there is something of a consensus on the three most important origins sources of organizational culture; societal or national culture, the vision and personality of a founder and the nature of business environment. These aspects are now discussed.

The societal or national culture within which an organization is physically situated is an important element in determining organizational culture. In an attempt to understand organizational culture better it is necessary to take into consideration certain aspects of organizational culture, such as cultural baggage and the role of national culture in determining the dominant culture. Tayeb (1997) discusses the influence of national culture on organizations, based on her research on national culture as a set of values and attitudes, and behaviours. These aspects are suggested as having relevance to work carried into the workplace as a part of employees cultural baggage. Tayeb also believes that religion in many countries, whether they have a secular or religious constitution, has a certain degree of influence on the cultural characteristics of the people and institutions. Hence, it is essential to understand the cultural baggage before making any attempt to understand the organizational culture on the whole. The findings of her studies in Iran, Malaysia and the Arab Middle East highlighted how the Islamic values translated into workplace behaviours. For example in Malaysia the implementation of an Islamization process meant some Islamic values were infused into the work culture such as providing a prayer room at the workplace and certain times being set aside for this purpose. Similarly, in Arab countries, the decision making process and management-employee relationships are based on a process of consultation which is rooted in Islamic teachings and based on the Koran.

The vision, management style and personality of an organization's founder or other dominant leader is also a key aspect in the emergence of organizational culture. Schein

(2004: 226) argued that organizations do not form accidentally or spontaneously, 'rather they are goal oriented, have specific purpose, and are created because one or more people believe that visions and goals are better achieved by groups of people'. This view points to the role of the leader or founder in creating organizational culture, being very influential often at the early stage of an organization's development the founder will have the privileges of imposing their beliefs and values on the organization (Brown, 1998; Roper, Brookes and Hampton, 1997). Similarly, Nickson (1997) found that several founders of famous hotel chains had different philosophies and approaches to organizational design and control systems. Later on, other charismatic leaders may also impact on organizational culture as well. Alvesson (2002) noted that charismatic leadership very often involves creating something new for example, the well-known political leaders such as Ghandi and Hitler and in the corporate sphere, Lee Iacocca and Stevens Jobs, the founder of Apple computers.

The type of business an organization conducts and the nature of its business environment is also important in determining organizational culture. Deal and Kennedy (1982) pointed to the nature of business as the single most significant influence in shaping organizational culture. Similarly Lee and Yu (2004) found that a dynamic and competitive environment determines the organizational values. Equally, the nature of the jobs in an organization is crucial in determining whether the organization has task or team oriented values. For example, the nature of the service sector is quite different from the manufacturing sector, a point that will be discussed in the next chapter.

Generally many studies on the creation of organization culture identified the founder and leaders as the primary culture creators. In the early stage of growth, it is obvious the founder's domination is significant, however, organizations will grow and mature and founders will age or die (Schein, 2004) and most often they will be replaced by new leaders. This may be the point where ownership of the company has changed hands or evolved into public ownership. The new leaders or board of directors may enforce their own values or assumptions in the organization. Shearer, Hames and Runge (2001) point out that new CEOs will have different ways of operating,

different ideas about accomplishing tasks, different expectations and leadership styles. Thus, employees too are expected to behave in accordance with the new values and beliefs. These are amongst the factors that shape organizational culture beyond what the founder initially established. Table 1.1 below shows Schein's (1985a) life-cycle model which provides a clear picture of different phases of development that an organization passes through with each phase dealing with different sorts of culture and serving different sorts of functions and very often able to influence change in different ways.

Table 1.1: Growth stages, functions of culture and mechanisms of change

Growth stage	Function of culture	Mechanism of change
I. Birth and early growth 1. Founder domination, possibly family domination Succession phase:	1. Culture is distinctive competence and source of identity 2. Culture is the 'glue' that holds organization together 3. Organization strives towards more integration and clarity 4. Heavy emphasis on socialisation as evidence of commitment 1. Culture becomes battleground between conservatives and liberals 2. Potential successors are judged on whether they will preserve or change cultural elements	1. Natural evolution 2. Self-guided evolution through organizational therapy 3. Managed evolution through hybrids 4. Managed 'revolution' through outsiders
II. Organization midlife 1. New-product development 2. Vertical integration 3. Geographic expansion 4. Acquisitions, mergers	1. Cultural integration declines as new subcultures are spawned 2. Crisis of identity, loss of key goals, values and assumptions 3. Opportunity to manage direction of cultural change	5. Planned change and organizational development 6. Technological seduction 7. Change through scandal, explosion of myth 8. Incrementalism
III. Organizational Maturity 1. Maturity of market 2. Internal stability or stagnation 3. Lack of motivation to change Transformation option:	1. Culture becomes constraint on innovation 2. Culture preserves the glories of the past, hence is valued as a source of self-esteem, defence 1. Culture change necessary and inevitable, but not all elements of culture can or must be changed	9. Coercive persuasion 10. Turnaround 11. Reorganization, destruction and rebirth

<p>Destruction option:</p> <ol style="list-style-type: none"> 1. Bankruptcy and reorganization 2. Takeover and reorganization 3. Merger and assimilation 	<ol style="list-style-type: none"> 2. Essential elements of culture must be identified, preserved 3. Culture change can be managed or simply be allowed to evolve <ol style="list-style-type: none"> 1. Culture changes at basic levels 2. Culture changes through massive replacement of key people 	
---	---	--

Source: Schein (1985a: 271-272)

Below are some important elements of organizational culture.

1.5 Elements of culture

In defining the content of organizational culture, Brown (1998: 10) focuses on different aspects or elements of an organization's culture such as artefacts, language, behaviour patterns, norms of behaviour, heroes, symbols and symbolic action, beliefs, values and attitudes, ethical codes, basic assumptions and history.

Artefacts are often regarded as the most visible and most superficial manifestations of an organization's culture such as physical and socially constructed environment of an organization. While, language is in the form of jokes, metaphors, stories, myths and legends, something beyond communication, which includes a fundamental determinant of how we comprehend the world we live in. Behaviour patterns are in the form of rites, rituals, ceremonies and celebrations. These are describes as recurrent patterns of behaviour amongst the employees, which become feature of organizational life. Norms of behaviour are rules for behaviour, which dictate what are considered as appropriate and inappropriate responses from employees in certain circumstances.

Heroes in an organization are role models for employees to follow or a motivator to motivate employees. Heroes are usually associated with the success of their

organizations. Symbols and symbolic action consist of words, objects, conditions, acts or special characteristics of person, which have meaning for an individual or group. Values are closely related with moral and ethical codes, while beliefs are concerned with what people think is and is not true. Values and beliefs are part of the cognitive sub-structure of an organizational culture, which are most often hard to distinguish. Ethical codes are a set of moral principles governing staff behaviours and a basic assumption is a taken-for-granted solution to an identifiable problem. Culture can be fully understood as a product of a historical process.

Whilst the categories provided by Brown may be simple and straight forward, the complexity and the ambiguity of cultures should be noted, for example many other authors found that certain elements of cultures like the above may overlap between them as some researchers may categorize certain elements according to their own interpretation and beliefs.

1.6 How to manage and stabilize organizational culture

Organizational culture is about people and organization; hence managing culture is about managing people. One of the key aspects of human resource management is its direct link with the creation and maintenance of a strong organizational culture (Ogbonna, 1992). Since every culture has its own set of stories, rituals, legends, icons, heroes, accepted behaviours, and defined roles which exert a strong influence on behaviour of the individuals in that culture, many attempts to manage culture are focus on the observable aspects of it. More specifically, Schein (2004) suggests that the significance of culture can be observed in behavioural regularities, for example through social interaction, in the norms that involve within working groups and in the dominant values espoused within organization. However, Van Maanen (1991: 73) found an interesting insight into the so called 'work culture' at Disneyland, where 'the depth of a culture is visible only when its members are under the gun'. This describes an example of what authors like Grugulis and Wilkinson (2002) who equate managing of culture in organization to cultural interventions, through planned or unplanned

management practices. This is inline with the 'realist' beliefs that to management or managers can modify or change the visible aspects of culture, and in their view it is wrong to assume that cultural process cannot be influenced in any way (Ogbonna and Harris, 2002).

Meanwhile, sustaining a paradigm shift requires more than training, mentoring, and introducing new processes, it requires a new culture. Therefore, written processes, company rules, new compilers and case tools are needed to institutionalise a culture, often a human resource function (Brown, 1998) but they do not constitute or create a culture. However, a new organizational culture is created only when its employees identify with a new set of stories, rituals, heroes, icons, and so on. Hence, the following section further explores different typologies and models of organizational cultures.

1.7 Different typologies/model material of organizational culture

Clearly, from the foregoing we can begin to appreciate corporate or organizational culture is complicated and complex. Not only is there a lack of absolute consensus or agreement on the definition of corporate culture, there are also continuous debates on the manageability of corporate culture by organizations. To further complicate matters, academics and practitioners continue to disagree on managing culture (Ogbonna and Harris, 2002). Critchley (1993) for example offers an analogy of managing culture as if a sailor proclaiming that he must manage the sea, a view that in his opinion is absurd.

In an alternative view, Ogbonna and Harris (2002) suggest that managing organizational culture is one of the most popular forms of managerial intervention. The biggest issue highlighted by Ogbonna and Harris is the existence of a gap between academics and practitioners, who debate organizational culture from two different perspectives: academic theory and management practices. While academics

attempt to put forward critical ideas on issues such as planned culture change, practitioners already engage themselves in various forms of cultural intervention.

Table 1.2: Diverse typologies in organizational culture studies.

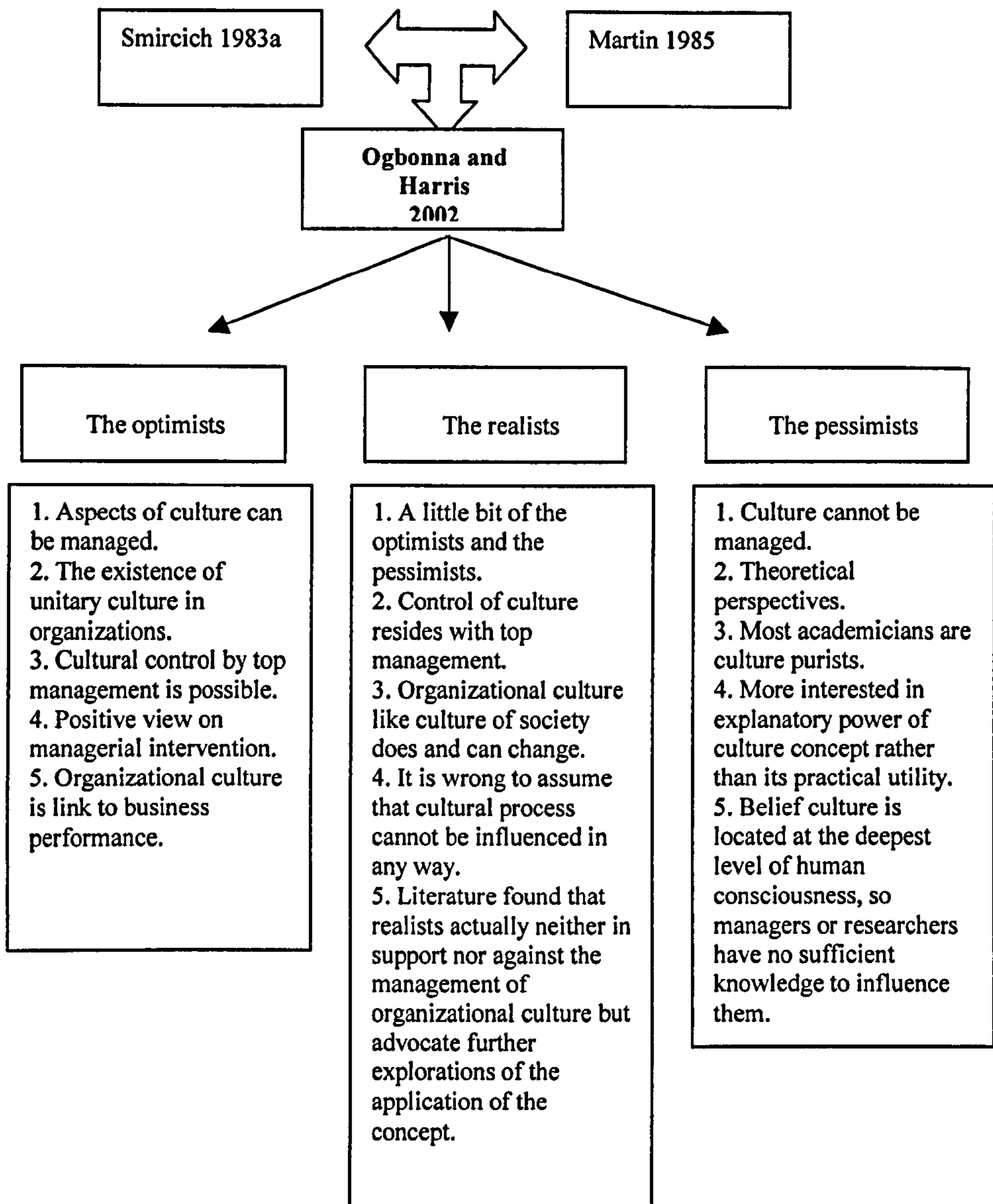
Barley et al.	Academic Practitioners
Schultz	Rationalists Functionalists Symbolic perspectives Labelling
Alvesson and Berg	Cultural metaphor Organizational symbolism Post modernization
Martin	Integration Differentiation Fragmentation Purist Pragmatics
Hawkins	Pluralistic and holistic Tangible and intangible qualities
Legge	Protagonists Detractors

Source: Ogbonna and Harris (2002: 34-35)

To begin to make sense of the many interesting and diverse typologies, which have been offered by various researchers. Ogbonna and Harris usefully summarise this work. Table 1.2 outlines this summary and is useful because there is need to acknowledge the existence of various typologies offered by numerous researchers and as a result of a multiplicity of perspectives from which organizational culture has been studied. The concept provokes a variety of meanings and definitions among academics and practitioners.

However, Ogbonna and Harris argue that rather than aiding the understanding of culture, the existing organizational culture typologies have added to the complexity of understanding the concept within organizational theory. Hence, Ogbonna and Harris categorise the management of organizational culture into three broad typologies, namely the optimists, the pessimists and the realists as shown in Figure 1.3.

Figure 1.3: Ogbonna and Harris organizational culture perspective



Source: Ogbonna and Harris (2002: 35-37)

As can be seen above researchers who believe that certain aspects of culture can be managed were labelled ‘the optimists’, while those who believe that culture cannot be managed are classified as ‘the pessimists’. Finally, the researchers who were ‘in between’ and finding merits in both views are seen as ‘the realists’.

Basically, optimists are both very positive and persuasive about the prospects of planned managerial intervention in managing culture in organizations. Most of the 'optimists' work shows evidence of the existence of unitary cultures in organizations and at the same time implies that control by top management is possible and desirable. The view that organizational culture can be managed is based on the assumption of identifiable unifying values in the organization in which the interests of senior managers are shared across organizational hierarchies. Interestingly, the rationale for the interest in managing culture is founded on the assumption that organizational culture is linked to business performance.

The 'pessimists' frequently approached organizational culture and culture change from a theoretical perspective. Mostly consisting of academics and culture purists who regard 'corporate culturism as a superficial, commercial and theoretically impoverished orientation to the study of management and organization' (Wilmott, 1993: 520). Thus, the 'pessimists' are interested in developing the explanatory power of the culture concept rather than identifying its practical utility for managers of organizations. The 'pessimists' argue against cultural intervention based on two reasons. First, the researchers question the logic inherent in the assumption that organizational culture can be controlled, since culture is located at the deepest level of human consciousness and neither researchers and managers have sufficient knowledge to influence them. The second argument relates to the ways through which cultures emerge and can be changed through leaders or founders. In this respect, the pessimists rejected the idea of monolithic views of culture, where the values of top management are assumed to be sacrosanct and supposedly shared by all organization members. While optimists are searching for shared meanings in organizations, they tend to ignore the conflicts and contradictions that many pessimists conceive as providing the reality of organizational life.

The 'realists', contrary to the optimists and pessimists, have adopted an 'in-between' perspective. The realists believe that organizational culture, like the culture of society, can and does change and it would be wrong to assume that the whole process cannot be influenced in any way. The realist perspective has increasingly been gaining interest

among organizational culture researchers. Ogbonna and Harris (1998: 285) have gathered some evidence of 'genuine value re-orientation'; which provides illustrations of successful culture change in retailing organization. Ogbonna and Harris (2002) found in their review of the literature that the realists neither support nor are against the management of organizational culture. Basically, they advocate fuller explorations of the application of the concept, in order to develop better understanding of the dynamics of culture change. They acknowledge that organizational culture may be influenced to a certain extent, but not controlled. The influences may be greater during the inception of an organization, periods of crises and during leadership turnover.

It can be clearly seen from the above that organizational culture has attracted quite a spectrum of researchers. Indeed, this is not the end of the debate between academic researchers and practitioners, while the former continue to criticise the culture management approach, the latter have seemingly increased their involvement in various forms of cultural intervention in organizations. While some academics still debate the manageability of organizational culture, a number of practitioners have moved forward with their ideas on how to manage and stabilise corporate culture. They believe culture is about people. People are an asset to the organization. Hence, managing corporate culture is about managing assets. Thus, the organization's culture is as much a corporate asset as the skills set of the employees. Therefore, in this view practitioners and managers would argue, do not just let culture happen, but manage it.

1.8 Various schools of thought on organizational culture

There is no specific school of thought on organizational culture, but rather the analysis of organizational culture has evolved originally from organizational studies. Historically, since the 1980s, organizational culture has evolved through many interesting phases. For many, writing and researching in this area is seen as the great 'ontological rebellion against the dominant functionalist or 'scientific' paradigm'. (Denison, 1996: 619). This shift is basically a reaction against the pervasive quantification and managerialism of mainstream organizational studies. The shift helped to initiate a decade-long re-examination of the foundations of organizational studies that still continues until now.

However, in the 1980s, the 'culture' of corporations emerged as a central theme in not only organizational studies but also the management field (Wilmott, 1993). Deal and Kennedy (1982), Ouchi (1981) and Peters and Waterman (1982) are amongst the leading proponents of the idea of strengthening corporate culture to enhance organizational performances. Later on work by Denison (1990), Kotter and Heskett (1992) and Ueki and Umezawa (1994) was rather more objective in focus by offering evidence related to economic and productivity performances. The area has become mature with the introduction of many books on the subject, from authors like Alvesson (2002), Brown (1998) and Schein (2004), which deal with organizational culture and performance.

The following section proceeds to look at the functions of organizational culture.

1.9 Functions of organizational culture

Organizational culture has an important influence on organizational strategies and may determine their success. On the other hand, managers very often overlook or ignore organization culture as an important tool in their strategic armoury (Dwyer, et al., 2000, Kemp and Dwyer, 2001). Primarily the function of culture is to help employees make sense of things and to create communication shortcuts so that employees know how to behave or how to get approval in the organization. One of the important aspects is organizational culture distinguishes members from non-members. It also provides a system of control by encouraging employees to act in certain ways. On the other hand, organizational culture is quite confusing due to many reasons such as culture is not spoken and largely unseen. Culture is usually deeply rooted and the organization's members usually communicate culture and the members are its products. By its very nature, culture is very complex, hard to understand and subjected to many interpretations.

1.10 Weak and strong cultures, espoused and culture-in-practice

Some organizations have very strong cultures, which means that the core values are intensely held and widely shared by the organizational members (Simpson and Cacioppe, 2001). A strong culture very often signifies continuity in leadership, stable group membership, many commonly held values and behaviours, related to lower turnover (Robbins, 2005) more likely to enhance organizational performance. On the contrary, weak cultures imply lower organizational commitment. Most often employees are confused about the goals and purpose of organizational culture. Additionally in some organizations subcultures or countercultures may also be competing for attention. One of the positive aspects of weak cultures is that it is also less resistant to change. Two terms, which are significant in organizational culture studies are espoused culture and culture in practice. While, the espoused culture refers to a normative or desired state and vision for an organization, in other words what the organization should be (Brown, 1998), the culture in practice is the actual culture as experienced by employees. Among the most frequent terms used in dealing with organizational culture are, good, valuable and strong culture. These are characterized by norms that are beneficial to the company, to customers, and to mankind and by good performance in general, Alvesson (2002: 43) quotes Baker (1980: 10) who equated strong culture to:

... norms and values supportive of excellence, teamwork, profitability, honesty, a customer service orientation, pride in one's work, and commitment to the organization. Most of all, they are supportive of adaptability - the capacity to thrive over the long run despite new competition, new regulations, new technological developments, and the strains of growth.

For Baker, good cultures are cultures that incorporate all good things in peaceful co-existence. Meanwhile many other authors focus on highly positive-sounding virtues, attitudes, and behaviour that may be useful to the achievement of corporate goals as defined by the management (Deal and Kennedy, 1982; Trice and Beyer, 1985).

Kilmann et al. (1985) argue that culture has a positive impact on an organization when it points behaviour in the right direction and on the other hand, culture has a negative impact when it points behaviour in the wrong direction. Wilkins and Patterson (1985: 272) in offering a solution to this issue suggest the ideal culture is characterised by a clear assumption of equity 'a clear sense of collective competence ... and an ability to continually apply the collective competence to new situations as well as to alter it when necessary'. However, within the larger culture there is an existence of a cultural group having beliefs or interests at variance with the majority of the larger culture, often known as a subculture, and the following section will discuss the idea of subcultures; a culture within culture.

1.11 Subcultures

Subcultures can be formal or informal commonly found in larger organizations (Simpson and Cacioppe, 2001). They develop because of shared experiences that create cohesiveness. The existence of subcultures will often result in clashes among employees because they might have different goals. As an example operational staff and management staff, these two groups naturally have different objectives and goals apart from achieving organizational objectives. However, sub cultural conflict can be positive for the organization. In some ways, agents of change can easily penetrate and assimilate through the conflicting subcultures in an organization. Wilson (1997) in his study of organizational cultures in the banking sector found strong evidence that subcultures exist and suggested that further research needed to be carried out in other sectors to identify whether they exist in other types of service organization. He also suggested that studies of intra-organizational cultures should aim to look at the existence and effect of subcultures within organizations. Meanwhile countercultures develop when a dominant culture tries to squash the evolution of subcultures (Brown, 1998). The counterculture is also most likely to develop when subcultures are treated differently, one better than the others. The whole purpose is to challenge, undermine, or destroy the dominant culture. In another situation, a subculture, which is dominant in an organization, can be a threatening phenomenon to the main culture. This

happened when the core or dominant culture was totally modified and added to by values within these subcultures.

1.12 Culture liability

Culture liability is a situation when organizational values disagree with those needed to further organizational effectiveness (Simpson and Cacioppe, 2001). The disagreement usually occurs in periods of dynamic change when flexibility is essential to survive. In other words, culture is a liability when shared values are not in tandem with those that will contribute to organizational effectiveness (Robbins, 2005). Robbins further identified barriers to change, barriers to diversity and barriers to acquisition and mergers as dysfunctional aspects of culture, which hinder organizational effectiveness. Lee and Yu (2004) in a similar vein, suggested that strong cultures are only valuable if they are more flexible and adaptive, however they become a liability during the periods of rapid change. Therefore the organization culture can limit ability to adapt to a changing environment.

1.13 Organizational culture in the hospitality sector

Guerrier and Deery (1998) regard Whyte's (1948) work as one of the earliest studies into the culture of hotels and restaurants. The classic research by Whyte is much about structures and effect that these have on people as about human interaction. Wilkins and Patterson (1985) focus on a number of issues that hinder the efficiency of many hospitality organisations, citing the fast food giant, McDonald as being culturally a unique company and not trying to be like other company. While, Glover (1987 cited in Ogbonna and Harris 2002) found that management intransigence towards culture in the industry could result in ineffectiveness. Similarly, the most recent findings by Kemp and Dwyer (2002), suggest that developing a strong culture can enhance organisational culture and it seems to further prove the points made by Glover. On the other hand, Tidball (1988) argues that there are direct links between organisational culture and company profitability. Meanwhile, LeBlanc and Mills (1995) found that a strong organisational culture is a prerequisite to organisational improvement and performance in the sector. They identify several factors, which

executives should aim to control in order to develop a positive organisational culture. These factors are formal organisational structures, physical surroundings and a range of emotion-influencing factors. Table 1.3 shows some of the related research interest and focus in organizational culture in the hospitality sector.

Table 1.3: Research interests and focus in organizational culture in the hospitality industry

RESEARCHERS	FOCUS
1. Whyte (1948)	A classic-analysis of social structure of a restaurant, interaction patterns among different status, gender, and occupational grouping.
2. Enz (1988)	Researched the corporate head quarters of a quick service restaurant chain on how they perceived departmental power and how they shared organizational values with top management.
3. Christensen (1988)	Research on organizational values, which, influenced by employees attitudes, can lead to success and growth at South Seas Plantation resort.
4. Tidball (1988)	Research on ideological congruence. Employees' beliefs have strong effect on company performances in US restaurant company.
5. Dienhart, Gregorie and Downey (1990) and Groves, Gregorie and Downey (1995)	Research on the influence of restaurant employees' service orientation on organizational performance outcomes such as sales and productivity.
6. Fintel (1989) and Woods (1989)	Research on the subject, but limited to only a few organizations, observational nature and limited use of quantitative techniques. Identify three level of culture (Woods, 1989) Hence, no reliable generalization made on the elements of culture that affect performance.

Amongst these significant contributors are Ogbonna and Harris, Dywer et al., and Kemp and Dwyer. Ogbonna and Harris (2002) carried out a study on cultural intervention in the hospitality industry based on data from four companies. The companies selected included an international five-star hotel chain, a national four-star hotel operator and two national restaurants and wine bar groups. Three forms of data were collected through in-depth interviews, document analysis and observation. A total of 182 interviews were undertaken. Coding and categorization were done and later reviewed by an experienced grounded theory researcher. The findings appear to

be more supportive of the realist position by forwarding some pragmatic evidence of culture management.

The findings in Ogbonna and Harris (2002) indicate four main insights into the management of organizational culture. The four insights are:

Firstly is the issue of the level of intervention. The evidence suggested that certain industry specific factors might reduce the probability of achieving culture change at the deepest levels of basic underlying assumptions across the organizational hierarchy. As an example, almost all managers agree that motivating lower-level staff is difficult due to reasons such as lack of pension provision to unsocial working hours. These can be barriers to achieving deeper-level cultural transformation.

Secondly, is the issue of the core and peripheral workforces. In the hospitality industry, it is a common labour management strategy to employ a large pool of peripheral workers in order to support the small core workforce. Although organizations might benefit from this in terms of cost saving, the implications may not be healthy for those organizations that attempt to develop an appropriate organizational culture.

The third issue is concerned with whether the management of culture can be formalised. Many companies, admitted practising the key techniques for managing culture based on the models of culture change, which emphasizes training, rewards, communication, recruitment and selection and internal promotion policies. However, the question arises as to what extent the management of culture was viewed as a formalised activity. Findings indicated many employees were dissatisfied with the level of senior management control over the culture change.

The last aspect aimed to assess how changes are made. This point is related to attempts made by management to manage organizational culture. In particular, it is concerned with whether the culture change should consist of a planned single intervention to inculcate the required values and make changes to the systems in the whole organization. Some findings pointed to success from culture interventions made at particular, predetermined, points in

time. However, the overall findings raise rather interesting implications for the theorists and practitioners to investigate further. Especially, when the results of this qualitative study indicate that the less comfortable continuous organic approach is ultimately more successful.

Dwyer et al. (2000) studied organizational culture and human resource management in an Indonesian resort. They identify ten keys characteristics, which are most likely to have an impact on employee performance. The data was collected mainly by interviews with senior and middle managers in a number of resort hotels, in addition to site visits and observations.

The 10 characteristics that have impact on employee performance are shown in Table 1.4.

Table 1.4: The 10 characteristics that have impact on employee performance

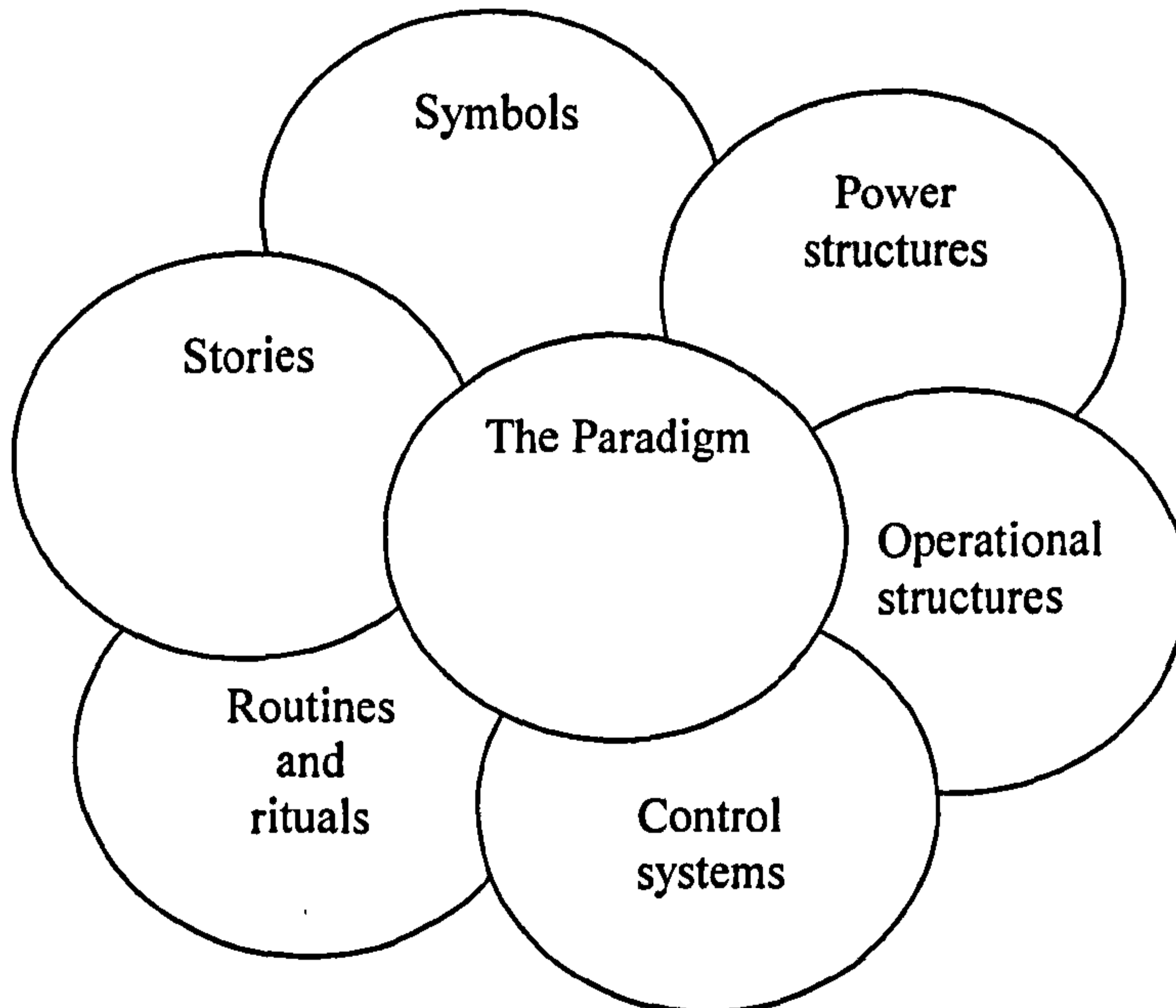
	Characteristic	Description
1	Individual initiative	The degree of responsibility, freedom and independence possessed by staff at different levels.
2	Risk tolerance	The degree to which employees are encouraged to be assertive, innovative, and risk seeking.
3	Direction	The degree to which the organization creates clear objectives and performance expectations.
4	Integration	The degree to which the units within the organization are encouraged to operate in a coordinated manner.
5	Management support	The degree to which managers provide clear communications, assistance, and support to their subordinates.
6	Control	The numbers of rules and regulations, and the amount of direct supervision that are used to oversee and control employee behaviour.
7	Identity	The degree to which the employees identify with the organization as a whole rather than with their particular work group or department.
8	Reward system	The degree to which the rewards to staff are based on employee performance criteria as opposed to seniority, favouritism, etc.
9	Conflict tolerance	The degree to which employees are encouraged to openly discuss grievances and conflicts and to voice criticism.
10	Communication patterns	The degree to which organizational communications are restricted to the formal hierarchy of authority.

Source: Dwyer et al., (2000: 5-8)

In another study of the organizational culture of a hotel in Sydney, Kemp and Dwyer (2001) examined the importance and power of culture as an integrating and unifying 'driver' of action within organizations. This study used Johnson's (1992) cultural web as a framework.

The cultural web framework shown in Figure 1.4 has been applied in the Kemp and Dwyer case study in order to examine the influence of culture on behaviour within the organization and its impact on the organization. The findings pointed to the application of the cultural approach to increase organizational performance as well as the usefulness of the cultural web to carry out strategic analysis. For example, the successful cultural approaches that emerged are 'decentralised power structures, shared goals of the organization and its employees, organizational stability and growth, and planning that includes sufficient organizational slack (unused resources) to absorb the costs of implementing and maintaining the culture of the hotel' (Kemp and Dwyer, 2001: 90). These are among the most important findings by Kemp and Dwyer, which explain the success of the cultural approach as an instrument of strategy.

Figure 1.4: The cultural web of an organization



Source: Johnson and Scholes (1997: 69).

By using Johnson's (1992) cultural web as a framework, Kemp and Dwyer (2001) examined the organization's culture and its main elements consisting of six major types of artefacts which can be distinguished as rituals and routines, stories, symbols, power structures, organisational structures and control systems. The artefacts are the most common visible and superficial manifestations of an organizational culture. That is the total physical and socially constructed environment of an organization, which Johnson and Scholes (1997) refer to as the outer layer of the firm's 'cultural web'.

In trying to understand the above phenomena at Regent Hotel, the case study utilised by Kemp and Dwyer, used multiple sources of data, or multiple methods, consisting of semi-structured face-to-face interviews; documents analysis of in-house publications, staff bulletin board notices and flyers, and advertising materials. These aspects were followed by a series of observations of interactions between both hotel staff and hotel staff and guests. Interestingly, the richest source of data came from interviews conducted with section managers and with a range of employees, from each department of the hotel. The criteria used in selecting interviewees were based on the length of their service with the assumption that the respondent with a longer period of service was more likely to accept the Regent's culture. The following section will examine the theoretical framework of studying organizational culture.

1.14 Theoretical frameworks in the study of organizational culture

The impact of corporate culture on effectiveness

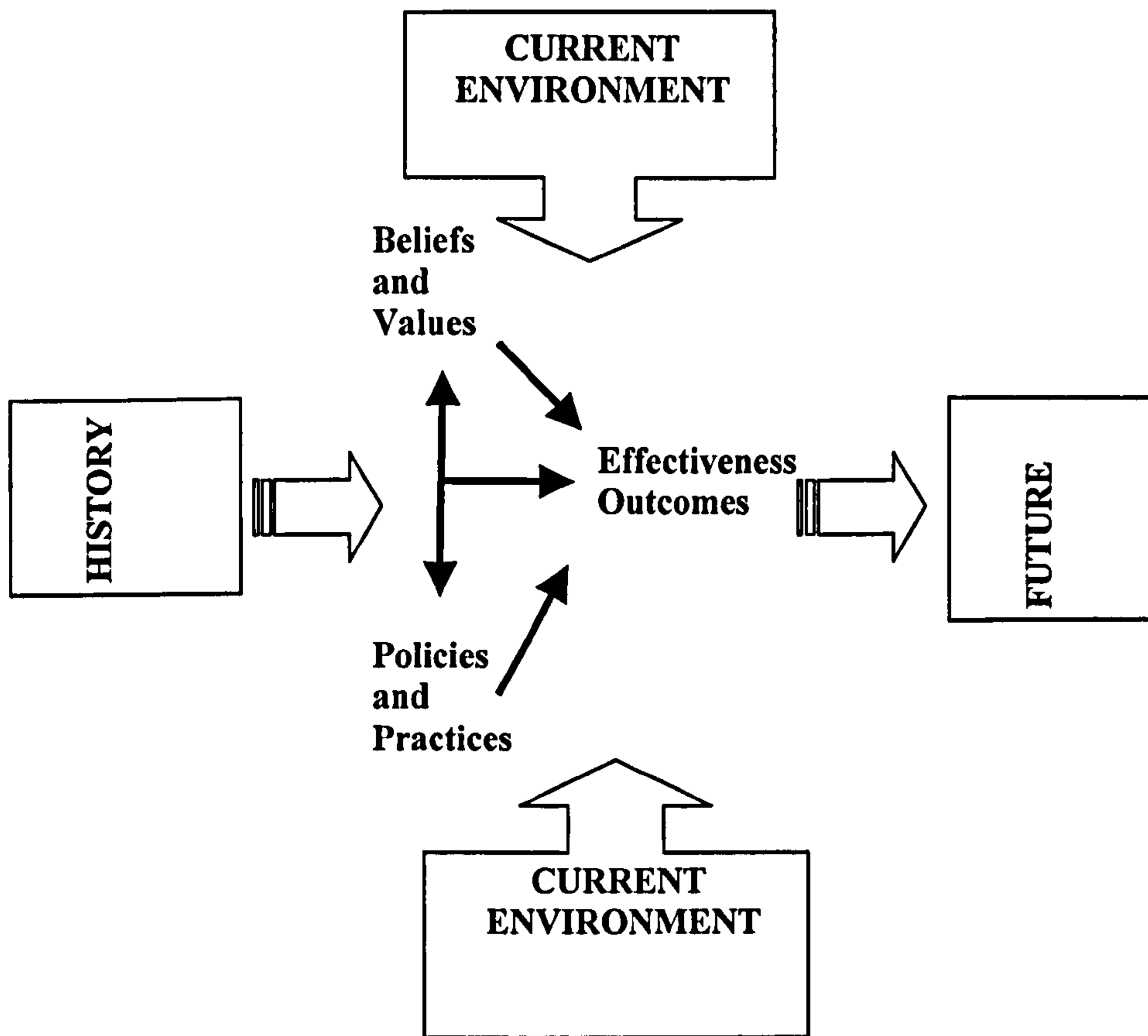
This section presents relevant literature related to this study and in particular a review of studies assessing the relationship between corporate culture and performance and effectiveness.

In Asia and the Pacific Region, corporate culture has not received much consideration until the 1980s when the rapid change in the business environment forced firms to undertake management renovations in order to stay competitive in

international markets (APO, 1994). Since then companies have increasingly given attention to corporate culture as a means of coping with management renovations. Today, the significance of corporate culture has been duly recognized but the focus remains on productivity improvements activities.

There has been some work that shows corporate culture has a close relationship to the effectiveness of companies (Denison 1990). Denison's (1990) work examined the impact of corporate culture on performance and effectiveness. Denison proposed that there are several ways to examine the relationship between culture and effectiveness. A general framework for studying an organization's culture and effectiveness is shown in Figure 1.5 below:

Figure 1.5: Framework of culture and effectiveness



Source: Denison (1990: 5)

The framework above forms a basis to examine the relationship between corporate culture and effectiveness (Denison, 1990). Among the four aspects of corporate culture and effectiveness in Denison's arguments are:

- Effectiveness (or lack of it) is a function of the values and beliefs held by the members of an organization.
- Effectiveness is a function of the policies and practices used by an organization.
- Effectiveness is a function of translating the core values and beliefs into policies and practices in a consistent manner.
- Effectiveness is a function of the interrelation of core values and beliefs, organizational policies and practices, and the business environment of the organization.

Denison compares behavioural data and financial performance data of companies to predict future performance from information about each company's current culture and management system. The other part of his study traces the development of the organization's culture and its impact on effectiveness. The work of Denison has contributed towards the establishing of a framework that links organizational culture to organizational effectiveness, while most of the earlier authors like Deal and Kennedy (1982), Ouchi (1981) and Peters and Waterman (1982) merely make suggestions about the existence of linkages between organizational culture and performance of the companies. For instance, Peters and Waterman (1982) found excellent organizations possess values about quality, service, and the importance of treating people as individuals, and innovations may motivate employees to improve performance, thus increasing morale, satisfaction and commitment.

Meanwhile, Kotter and Heskett (1992) did four studies on the relationship between culture and long-term economic performance. The finding led them to suggest that there was a positive correlation between corporate culture and long-term economic performance, but it was extremely weak. Another interesting finding in their studies was that a number of organizations had strong cultures but performed poorly, while

organizations with weak cultures can be performing very well. Their analysis on these organizations suggested that strong cultures could also lead organizations into decline while weak cultures do not necessarily mean disaster. The work of Denison and Kotter and Heskett is quite similar and Brown (1998) believes that Kotter and Heskett's work built on Denison's ideas. Anyway, both of the books, *Corporate Culture and Effectiveness* by Denison (1990) and *Corporate Culture and Performance* by Kotter and Heskett (1992) addressed the crucial issues of corporate culture and performance.

Other authors who also found organizational culture has a relationship with success are Ouchi (1981) and Peters and Waterman, (1982). However they pointed out to particular cultural configurations, which led to organizational success. While, authors like Deal and Kennedy (1982) emphasized the importance of a 'strong' culture as the key to success, Deal and Kennedy look at how culture enables an organization to achieve excellent performance. The similarities amongst the three authors are that they offer insight towards a basic understanding of the relationships between organizational culture and performances. Lashley and Lee-Ross (2003) suggest that Deal and Kennedy's typology for example does not fully explain values, beliefs or the subjectivity of perceptions or rather a meaningful content without process. Peters and Waterman's (1982) work claims that strong cultures have positive outcomes without the need for formal protocol because everyone in the organization knows what needs to be done (Lashley and Lee-Ross, 2003). Ouchi (1981) in his work speaks of organizational culture that mirrors the Japanese culture in which it is assumed that workers are presumably motivated, loyal and committed to make company succeed and better trust between managers and workers may also benefit the company.

1.15 Linking organizational culture to performance.

The earlier works by Denison (1990), Kotter and Heskett (1992) and Ueki and Umezawa (1994) shown in Table 1.5 can be considered as a breakthrough in the studies of culture and performance. Although all the authors discuss a similar theme,

culture and performance, each work significantly points to a different facet of performance. Denison examines corporate culture and organizational effectiveness, Kotter and Heskett investigate corporate culture and performance, while Ueki and Umezawa explore corporate culture and productivity.

Table 1.5: The three studies in organizational culture and performance

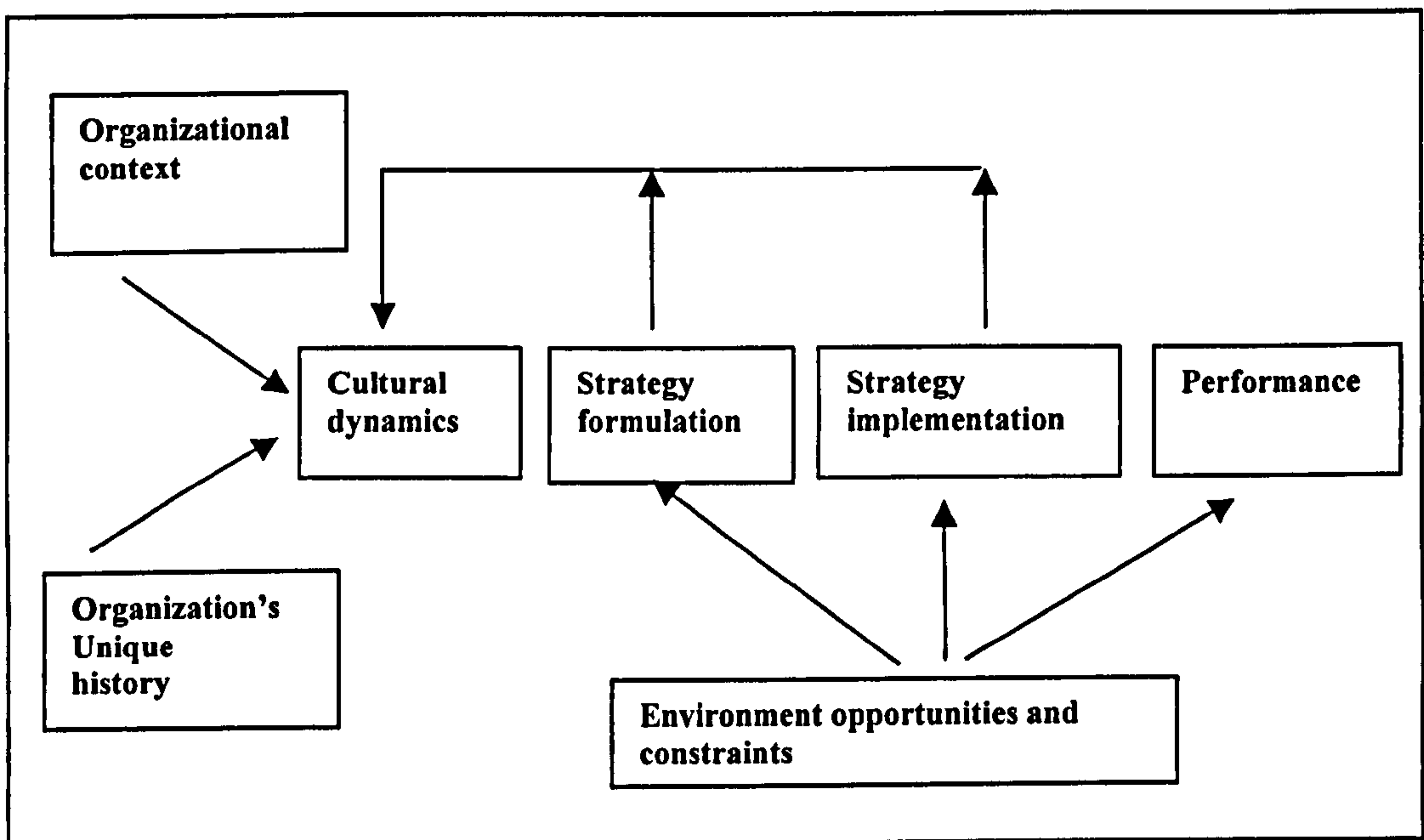
Authors	Dimensions	Methods	Focus	Perspective
DENISON 1990	Involvement Consistency Adaptability Mission	Quantitative and qualitative case study 5 companies	Corporate culture and organizational effectiveness	Financial perspective
KOTTER AND HESKETT 1992	Shared values practices Ability to adapt Effective leadership	Qualitative case study of 22 industries/ 207 companies	Corporate culture and performance	Economic perspective
UEKI AND UMEZAWA 1994	Beliefs, values and philosophy Customs, institutions, system and procedure practices employee integration	Qualitative and quantitative case study of 2 companies	Corporate culture and productivity	Productivity perspective

Some of the related studies which link organizational culture to other factors are; relations between organizational culture and identity and image (Hatch and Schultz, 1997), the management of change in the supermarket industry (Ogbonna and Wilkinson, 1988), improving organizational culture through innovative development programmes (Jackson and Hinchliffe, 1999) organizational culture and human resource management (Dwyer et al., 2000), differing effects of corporate culture on TQM (Sousa-Poza, Nystrom and Wiebe, 2001), the effect of organizational culture and market orientation on the effectiveness of strategic marketing alliances (Leisen, Lilly and Winsor, 2002), the study correlates success and failure as a result of the changing organizational culture (Smith, 2003), job satisfaction (Lund, 2003), the influence of organizational culture on attitudes toward organizational change (Rashid, Sambasivan and Rahman, 2004), the impact of organizational culture and person-organization fit on organizational commitment and job satisfaction

(Silverthorne, 2004) and corporate culture and organizational performance (Lee and Yu, 2004). Lim (1995) comments that Kotter and Heskett's work was probably the most extensive study of the relationship between culture and performance. However, since then, many of the studies mentioned above have taken into consideration other factors in performance, thus making a considerable contribution towards the understanding of culture and performance.

In relation to the above, Brown (1998) and Alvesson (2002) provide a better way of understanding culture, strategy and performance in organizations. Figure 1.6 provides a clearer picture of understanding how an organization's culture, has a direct and significant impact on its performance.

Figure 1.6: Understanding culture, strategy and performance



Source: Brown (1998: 243)

Figure 1.6 illustrates that cultures develop under the influence of the wider environmental context (business environment and national culture) and also in response to the unique personalities, events, decisions and processes that have characterized its evolution. Thus the dynamics of the organizational cultures will affect strategy formulation in many ways. Later, the formulated strategy, which is also a cultural artefact, will lead employees in understanding their roles within the organization. Strategy implementation, however, is very much dependent on the organization culture itself, it is said that the stronger and richer the culture the more likely it is that the strategy will be successfully implemented.

In discussing the approach to the culture-performance relationship, Alvesson (2002) sees it as the managerial tool or rather cultural engineering, similarly seen by some researchers who belong to the corporate culture school. According to Kilmann (1985: 352) in line with the above statement, 'culture provides meaning, direction, and mobilization - it is a social energy that moves the corporation into action'. Kilmann argues that culture could not be measured on the single dimension of 'strength' because it will derive itself from the concept of analytic and interpretive capacity. Culture to him is a complex web of meanings, not a bundle of muscles. He feels that values and norms that comprise 'corporate culture' have a limited direct impact on organizational effectiveness in terms of work behaviour and willingness to work. However, he feels that the relevance of cultural patterns for what goes on in organizations and different kinds of outcomes is great, but in a very much more indirect way.

Indeed, in the sub-heading 'Is it meaningful to try to investigate any causal link between culture and performance?' Alvesson (2002) pointed to Safford's five important shortcomings of empirical studies based on the latter review of several other authors' work. Safford (1988: 546) argues that it is reasonable to expect that 'a phenomenon as pervasive as organizational culture affects organizational performance' (cited in Alvesson, 2000: 55) but thinks the current models oversimplify the relationship. The shortcomings of the empirical studies are such as

strong-culture tends to focus on a single, unitary organization culture thus neglecting the existence of multiple subcultures, which seem to be the rule. Measures of strength of culture are ambiguous (meaning of culture are central and not frequencies). A preference for broad-brush culture profiles, focussing on very general values and norms, this fails to do justice to the complexity of culture. There is insufficient attention to variety of possible culture-performance links, in term of different cultural features, performance and organizational directions. There are also methodological problem in existing studies, most of the time it relies on top management's view and the absence of a control group's views.

Safford (1988) further suggested that in order to overcome the above shortcomings there is a need to offer an enriched framework, which involves the use of appropriate measures of culture's impact. One of them is to measure cultural dispersion, the degree to which cultural characteristics are dispersed throughout an organization. Second, is the measure of cultural potency (the power of culture itself to influence behaviour). Third is studies of how specific culturally conditioned processes contribute to outcomes. Lastly, is the recognition of multiple, mutually causal interactions.

Despite Safford's (1988) argument that his framework reflects the true richness of the culture-performance relationship, Alvesson (2002) thinks that Safford's three correctives measures mentioned above will probably discourage researchers from attempting the task of studying culture-performance relationships. Instead, Alvesson offers four views on the relationship between organizational culture and performance.

First, is the strong culture thesis. This item assumed that both an organization's employees and managers are committed to the same sets of values, beliefs and norms that will produce positive results. The strength of corporate culture is directly related to the level of profits in a company. A common culture will makes it easier to agree upon goals as well as an appropriate means for attaining them. A shared culture

encouraged motivation and creates a better sense of belonging and success brings about a common set of orientations, beliefs and values.

Second, some researchers suggest the reverse relationship between culture and performance: that high performance leads to the creation of a 'strong' corporate culture (cultural homogeneity). This kind of culture is more than just a by-product of high performance; values and meanings may reproduce a successful organization and thus contribute to performance.

Third, ideas build upon contingency thinking: under certain conditions a particular type of culture is appropriate, necessary and contributes to efficiency. In corporate situations where culture is an important regulatory mechanism, there is no need for corporate control because organizations are far too complex and ambiguous to be controlled by traditional means (market and bureaucracy).

Fourth, an adaptive culture is considered to be key to good performance because this particular culture is able to respond to changes in the environment. Adaptive culture here is implying successful adaptation of culture, which is good for business. Such a culture is characterized by people who are willing to take risks, trust each other, be proactive and work together to identify problems and opportunities. However, too much change can lead to instability, low cost-efficiency, risky projects and no real sense of direction.

The first two points are basically concerns with the chicken or egg situation, whether the existing strong organizational culture has led to good performance or whether good performance has resulted in a strong culture in organization. While the other two points, point to the need for an 'appropriate' or non-controlled culture that contributes to efficiency, the last point, however considers organizations with adaptive cultures as relatively more stable and successful due to their flexibility.

Nevertheless, Alvesson also acknowledged the difficulties in investigating the above diverse ideas. The fact that there are relatively few systematic empirical studies that have been done on the culture-performance link proved that the above four ideas have not received much empirical support (Brown 1998). Siehl and Martin (1990 cited in Alvesson, 2002) found some methodological deficiencies in these studies and hence, suggest that the ideas of corporate culture concept cannot be simply and tightly related to corporate results. Moreover, even if some studies have indicated that there are no or only weak general correlation between 'strong' cultures and performance, a specific organization may still benefit, at least from efforts to develop more shared values and orientations within the organization. A more realistic approach by Alvesson is in line with Woods (1996) suggestion that some service company attributes which are affected by cultures are difficult and harder to measure because of the intangible performance attributes. For example, because of its intangibility, performance attributes like employees' satisfaction, teamwork and loyalty are hard to measure. Nevertheless, these attributes are very important to the success of hospitality organizations.

1.16 Conclusion

One of the crucial issues in the study of organizational culture is the presence of different kind of classifications and perspectives, which makes it difficult for new researchers to embark on their research. Hence, the aspiring researcher needs to employ a perspective, which will provide a framework to understand and analyse the organization's culture effectively. Issues related to organizational culture have been widely debated by academics in recent years (Schein, 2004) and consequently there are many approaches adopted in defining and studying culture. In simple terms, organizational culture can be perceived as the personality of the organization. Culture is comprised of the assumptions, values, norms and tangible signs (artefacts) of the organization, its members and their behaviours. The issue of managing culture can also become complicated without a clear perspective or worldview. Therefore in this study, Ogbonna and Harris' (2002) framework is adopted to examine organizational culture from the realist perspective and in reviewing organisational

culture they attempt to categorise the range of work into three broad labels, 'the optimists', 'the pessimists' and 'the realists'.

A key aspect of the optimists position is that culture can be used as a mechanism to facilitate organisational unity and cohesion. Thus, 'the key works of key "cultural optimists" show that this perspective not only assumes the existence of unitary cultures in organisations but it also implies that cultural control by top management is possible and desirable' (p. 35). Indeed, Ogbonna and Harris suggest that in recognising the manageability of culture 'optimists', 'generally argue that those organisations that fail to control their cultures will be missing an opportunity to harness their human resources' (p. 35). The 'optimists' view relies on a lot of assumptions, not least that the interests of senior managers are shared by others in the organisational hierarchy. This type of thinking was particularly prevalent in much of the research and writing about organisational culture in the 1970s and 1980s, most obviously exemplified by the excellence genre. 'Optimists' also argue that there is a potentially positive relationship between organisational culture and business performance.

With regard to the 'pessimists', Ogbonna and Harris note that academics tend to predominate in this group and often approach the issue from largely theoretical perspectives. In that sense 'pessimists' seek to develop the 'explanatory power of the culture concept rather than in identifying its practical utility for managers of organisations' (p. 36). Thus, and arguably in response to the excellence genre, much of the research and theorising from the 1980s onwards has frequently questioned the extent to which organisations can manage culture successfully. The main thrust of the 'pessimists' critique is that such a complex issue as culture has been overly simplified by the optimists; 'it is argued that that culture is located at the deepest level of human consciousness, of which neither researchers nor managers have sufficient knowledge to influence' (p. 36). A second strand to the critique is the unitary assumptions that underpin the 'optimists' position on culture. 'Pessimists' would point to the potential for conflict and contradiction in organisations which may be at odds with what the leaders and managers in an organisation think

The last category suggested by Ogbonna and Harris are the 'realists'. Increasingly many researchers and writers are seeking a middle-way between the optimists and pessimists and this has led to the emergence of a realist research agenda. 'Realists' recognise that potentially culture can be changed. Equally, though, they eschew the idea that this process will always be controlled by top management. Consequently, 'realists are neither in support nor against the management of organisational culture. Rather, they advocate fuller explorations of the application of the concept, in order to develop greater understanding of the dynamics of cultural change' (p. 37). For example, Ogbonna and Harris note how culture change is more likely to occur during the formation of the organisation, periods of crisis or during leadership turnover. In sum, the realist position, which is advocated by Ogbonna and Harris, is one which aims to merge theoretical rigour with contributions to the practicality of how organisational culture may be usefully used within a specific organisational context.

On the same point, despite the continuing debates on the different stance of organizational culture research, researchers in hospitality sector continue to contribute significantly to the existing literature. Woods (1989) examined certain aspects of culture in the restaurant industry, for example how elements of culture might affect performance, Tidball (1988) considers employees' beliefs and effect on company performance and (Vallen, 1993) burnout and organizational climate. While, Christessen (1988) and Watson and D'Annunzio-Green (1996) examine cultural fit and cultural change in hotel industry. The work of Nickson (1997) has shown the ever-growing interest in the culture of multi-national hotel companies. Nickson in particular, investigated the impact of the company founders on culture. Meanwhile, Roper et al. (1997) examine the harnessing of cultural diversity in international hotels using Pizam's 'hierarchy of cultures'. However, it is significant to acknowledge that there is still a relative lack of studies linking organizational culture in the hospitality industry to employee performance, job satisfaction and organizational commitment (Guerrier and Deery, 1998). Consequently, any further research on organizational culture in the hospitality sector will significantly add strength to the existing organizational culture literature. In moving towards this,

perhaps efforts could be made to apply Ogbonna and Harris's framework in assessing the impact of organizational culture on internal service quality in the hotel industry in particular.

This chapter has discussed organizational culture in general and particularly in the hospitality sector, considering various definitions of organizational culture, and examining its links to organization strategy formulation, implementation and ways in which these may have influence on organizational performance. The next chapter will discuss service quality and in particular internal service quality.

CHAPTER 2 SERVICE QUALITY IN THE HOSPITALITY SECTOR

2.1 Introduction

This chapter will review the concept of service quality, its developments, definitions, models, instruments and issues relating to service quality measurements and performance in the hospitality industry. Service quality has become an important topic in business primarily during the last two decades. Quality management systems have been identified as ways and means of increasing the professionalism and social competence of the staff by making them more sensitive to customer requirements.

2.2 The emergence of service and service quality management concepts

J.M. Juran (1994), a consultant on quality control and a pioneer in the development of principles and methods for managing quality control programmes, pointed out that all institutions, whether for manufacturing, service or others purposes, face problems pertaining to quality. However, within manufacturing industries, a lot of work has been done in the past three decades to find solutions to problems on quality issues. Some successful solutions have been identified and are a great aid to practitioners. Among them are process capability, the Pareto Principle, quality cost analysis and statistical methodology. However, some of the applications are not really suitable for use in service industries.

According to Juran (1994) service is work which is performed for someone else. The recipient of the service, often called the client, can be an individual user, an institution or both. In addition, service work may include sale of the product, for example, food in restaurants and spare parts used during automobile repair. However, the sale of a product is normally incidental to the work performed for client or customer. In his definition of service industries, Juran includes public

transportation, public utilities, restaurants, hotels and motels, marketing finance, news media, personal services, professional services and government services but excludes manufacture, agriculture, mining and construction. The important contribution of services in the world economy has been realized since the late 1970s. This point is reflected in the number of scholarly articles mainly devoted to topics such as customer satisfaction, service quality, customer service and services marketing.

Unlike goods, services contain some intangible elements and the output is viewed as an activity, instead of a tangible object (Johns, 1999). In reality, it is possible to see that in services the intangible and tangible benefits are usually clustered together. Nevertheless, services have always demonstrated varying degrees of the tangible dominant and the intangible dominant. Service is defined by Palmer (1993, cited in Lashley, 1997: 150) as ‘the production of an essentially intangible benefit, either in its own right or as significant element of a tangible product, which through some form of exchange satisfies an identified need.’

On the other hand, services based on the earlier work by Regan (1963: 57) are ‘activities, benefits or satisfactions which are offered for sale, or are provided in connection with the sale of goods’. He further elaborates that services are either intangibles yielding satisfaction directly (insurance), tangibles yielding satisfaction directly (transportation, housing), or intangibles yielding satisfaction jointly when purchased either with commodities or other services (credit, delivery). Meanwhile purchased meals, a joint commodity-service group, has been classified as a nondurable commodity and a shoe repair is classified as service. Regan (1963) notes the question of how much service is involved in dining at a restaurant or a snack bar. In relation to that point, although Regan employed a four-category typology of inseparability, intangibility, perishability, and heterogeneity in describing service characteristics the subjective nature of services make total comprehension of services difficult. Regan added that the above phrase may take on variable meanings depending upon whether the usage is directed to employment, national accounting or

marketing activities. However, Regan has contributed significantly to the development of the service systems. Based on Regan's initial conceptualisation of service, many authors have since expanded the concept of service, to the extent of drawing their own parameter in defining 'service' and 'service quality'.

2.3 Service quality

The core service features of intangibility, inseparability, variability, and perishability provide service organizations with some difficulties and dilemmas in managing delivery of services. As has been already noted at the early stage of conceptualisation of service quality, Grönroos (1984 cited in Johns, 1996a) identified technical and functional elements for defining service quality. Technical elements are mainly concerned with what is delivered, the quantifiable aspects of the service. While the functional elements are dealing with how it is delivered, and focuses more on customer judgements of service, based on the interaction between service deliverer and consumer. On the other hand, Bitner and Hubbert (1994) defined service quality as the customer's overall impression of the relative inferiority or superiority of the organization and its services which relates to overall quality of the organizations and its offering. While Gronroos focuses on product and service delivery, Bitner and Hubbert, are concerned with overall satisfaction, including customers' past experiences. Consequently, service quality and customer satisfaction are increasingly seen as an integral part of total quality management. Although much has been written on service and service quality, attracting endless debates among the researchers, nevertheless it is necessary to examine some of the important concepts of service quality in order to better explain the whole concept of service quality. The next section will look at the evolution of the service quality concept.

The evolution of service quality started in the 1980s, where the first wave of researchers defined the frontiers of service quality. Among these pioneers in service quality research are those who have made an impact on service management and also are 'household names' in the more general business community (Rust and Oliver,

1994). Some of these 'household names' are Christian Grönroos (Nordic School), others like Len Berry, A. Parasuraman, Valarie Zeithaml, Lynn Shostack, Steve Brown, Terri Swartz, Larry Crosby, Mary Jo Bitner and Steve Grove are from American School (Rust and Oliver, 1994). We can now consider some of the key contributors made by these influential thinkers, particularly from the Nordic school and the North American school.

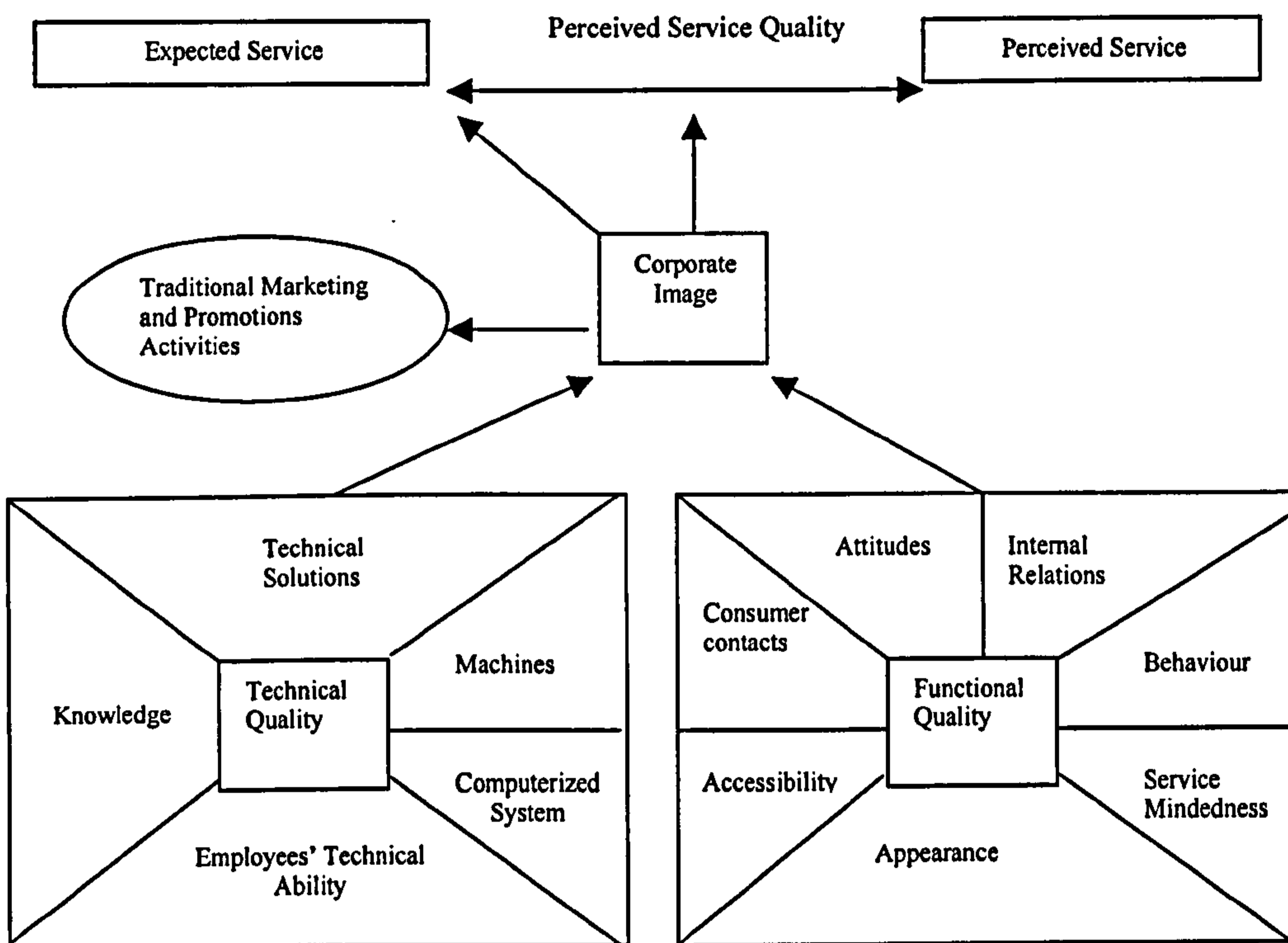
Both schools have developed various models to provide insight into consumers' evaluation of service quality and the first conceptual model of service quality was developed by Grönroos of the Nordic school to enhance the understanding of consumers service quality perceptions and this effort was followed by Parasuraman et al. (1985) from the American school by developing their gap model (Mangold and Babakus, 1990). Both schools have made significant contributions to the development of service quality theories. Johns (1996a: 16) describes both schools, 'it seems that there is good agreement, if not a precise correlation between the theories proposed by the Nordic school and the North American school'. Both schools will be explored more below.

2.4 The Nordic School

Researchers from the Nordic school of services have developed various conceptualisations and models in service quality to explain the complex nature of the concept in the context of customer relationships (Grönroos, 1991). In particular, Christian Grönroos of Finland established a research agenda for service quality measurement. Grönroos (1983, cited in Johns, 1996a) offers a model (shown in Figure 2.1) based on the relationship between corporate image, technical quality and functional quality. As can be seen in Figure 2.1, Grönroos defines the technical content of the service as the outcome received by the service customer, for example the quality of a hair cut, banking transaction or professional advice which were quantifiable. While the functional quality is the way the service is delivered, as an example promptly or efficiently or otherwise which is very much dependent on

customer judgements. Grönroos also stresses the importance of the gap between perceived and expected quality. The model focuses on consumers' perceptions of service quality results from an evaluation process in which consumers' expectations are compared with the service delivered (Mangold and Babakus, 1991). However, the perceptions of service quality are the outcome of service delivery, which is technical quality and the service delivery process, which is functional quality combined with the corporate image.

Figure 2.1: Grönroos' Model of Service Quality Delivery



Source: Grönroos 1983 cited in Johns (1996a: 14)

In the earlier studies by Levitt (1972, 1976), service was treated as being similar to products in a factory. Levitt (1972) shows how companies like McDonald's and Honeywell successfully applied manufacturing approaches to solve people-intensive service problems. Levitt (1976) also demonstrated how inefficiency in service industries could be overcome through the application of assembly-line techniques. In

fast-food restaurants like McDonald's, Burger King, Pizza Hut, Dunkin Donuts, or Kentucky Fried Chicken, each applied the same rational system of division of labour and specialization which is rigorously followed to produce speed, quality control, cleanliness, and low prices. Although manufacturing techniques can be applied to service industries for improved consistency and productivity, standardized service often becomes too routine due to lack of a personal touch. As a consequence, hospitality organizations have to pay a much higher price for losing the personal touch in exchange for productivity gained through a production line approach (Wyckoff, 2001). Hence, Grönroos (1994) stressed that the principles of scientific management are not applicable to the same extent as before in the industrial era. On the contrary, Grönroos points out that during the post-industrial society many companies are now faced by what is known as service competition, hence managing services has become of strategic importance for service firms and manufacturers of goods alike. In one of his recent works, Grönroos compares traditional marketing models to service marketing models, stating that the most important characteristics of services is the fact that services are processes, not things (Grönroos, 2001) He further elaborates that a service firm has no products, only interactive processes and the consumption of physical products can be described as 'outcome consumption', while the consumption of services can be characterized as 'process consumption'. Most of Grönroos' work is seen as representative of the approach of the Nordic school of services, particularly in distinguishing the three aspects of quality: technical, functional and reputation. Other contributions of the Nordic school of services is mainly related to marketing, service quality, internal marketing, and management from an operations management approach. Having considered the Nordic school attention now turns to the significant contribution of North American School.

2.5 The North American School

The so-called North American school of service quality management is generally felt to be led by a numbers of leading proponents such as A. Parasuraman, Len Berry, and Valarie Zeithaml and Brogowicz and others (Johns, 1996a). Parasuraman,

Zeithmal and Berry devised an influential service quality measurement scale known as SERVQUAL in 1988. Parasuraman et al. have become famous for their 'gap' model that identifies five discrepancies, or 'gaps' which may develop in the service supply process and interfere with the service experience. SERVQUAL has turned out to be the most important tool and has become a benchmark for increasing service quality.

The second wave of researchers in the 1990s consists of a new generation of researchers, with most of them highly trained in quantitative methods, psychology, sociology, or anthropology (Rust and Oliver, 1994). Among the quantitative modellers are Ruth Bolton and Jim Drew, Claes Fornell, Wayne DeSarbo and Gene Anderson at Michigan, John Hauser and Birger Wernerfelt at Massachusetts Institute of Technology, Rick Staelin and Bill Boulding at Duke, Steve Shugan at Florida, Donna Hoffman at Vanderbilt, Valarie Folkes at University of Southern California, Aaron Ahuvia at Michigan.

The above researchers expanded the field of investigation and built upon the works of the first wave, which still continues to make important contributions. In 1990, Vanderbilt University founded its Centre for Services Marketing, which has become a focal point for cutting edge thought in the management of service quality; its Owen Graduate School of Management also instituted an innovative curriculum in customer service and service quality (Rust and Oliver, 1994). Vanderbilt's strong ties to both leading academic researchers and the business community created a new opportunity to expand the scope of research in service quality. Many of the second wave researchers are still making cutting-edge contributions to service quality, much of their earlier works were looking at measuring the various elements of service quality and philosophising about the nature of customer value.

Service quality research in US and elsewhere was built on the early findings of the Nordic researchers (Grönroos, 1991). However, the North American school focuses its service quality approach on conceptualising the act of service as the customer's

opinion as to overall superiority or excellence of service, measured by the five SERVQUAL dimensions (Parasuraman Zeithaml and Berry, 1988). Unlike the Nordic school, the contribution of the North American school to service quality studies are mainly from marketing perspective (Grönroos, 1991).

The Nordic and North American schools discuss the same issues related to concept and theory in service quality, but both have put the emphasis on slightly different things. Hence, the following section further examines the meaning of service and issues relating to service quality.

2.6 The conceptual model of service quality

The above discussion of the Nordic and American models has led into Parasuraman et al. model. However, in research conducted by Parasuraman et al. (1988: 17), they concluded that 'perceived service quality is therefore viewed as the degree and direction of discrepancy between customer's expectations and perceptions'. The key factors, such as word-of-mouth, communications, and personal needs, past experience and external communications influence customer's expectations. At the same time, they identified ten general dimensions that represent the evaluative criteria customers use to assess service quality. This was based on their earlier work (Parasuraman, Zeithaml and Berry, 1985), which identified ten dimensions which consumers specifically in marketing use in forming expectations about perceptions of services. The 1985 conceptual model of service quality marked the pioneering and continuing work of Parasuraman et al. which led to the development of the SERVQUAL instrument (Parasuraman et al., 1988). Since then, SERVQUAL has been widely applied across a variety of service sector settings by researchers including hotel and restaurants (Saleh and Ryan, 1991) and rail services (Low and Lee, 1997).

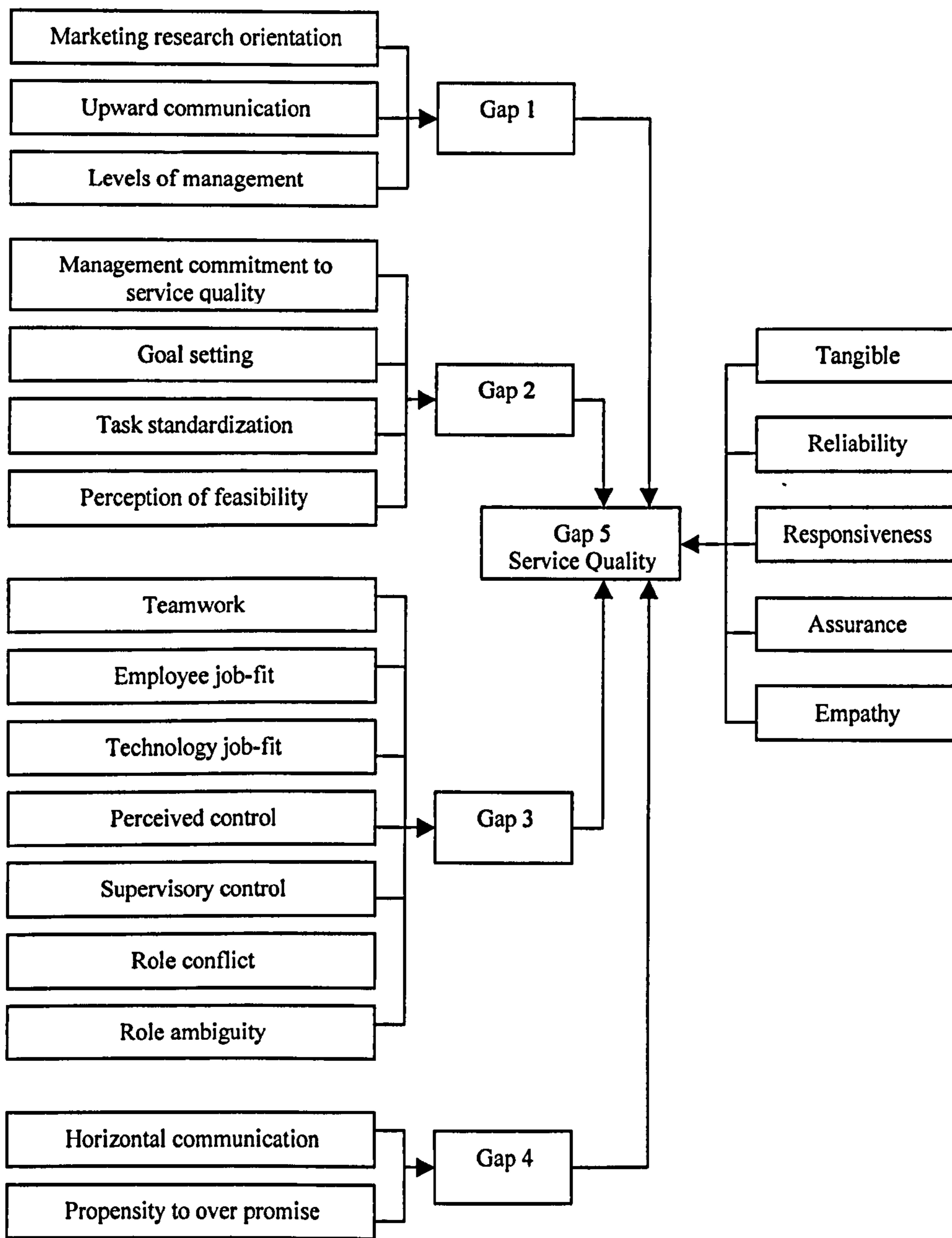
Table 2.1: Determinants of service quality

	Dimension	Definition
1	Reliability	Ability to perform the promised service dependably and accurately.
2	Responsiveness	Willingness to help customers and provide prompt service.
3	Competence	Possession of the required skills and knowledge to perform the service.
4	Accessibility	Approachability and ease of contact.
5	Courtesy	Politeness, respect, consideration and friendliness of contact personnel.
6	Communication	Keeping customers informed in language they can understand and listening to them.
7	Credibility	Trustworthiness, believability, honesty of the service provider.
8	Security	Freedom from danger, risk or doubt.
9	Understanding The customers	Making the effort to know customers and their needs.
10	Tangible	Appearance of physical facilities, equipment, personal and communication materials.

Source: Parasuraman et al. (1985: 47)

Table 2.1 shows the earlier finding of the dimensions and definitions of service quality by Parasuraman et al. (1985) where they identified 10 determinants of service quality. Parasuraman et al. (1988) further indicated that consumers' quality perceptions are influenced by four distinct gaps that may occur in organizations and another gap, which may occur from the customer's perspective.

Figure 2.2: The Extended Gaps Model of Quality of Service



Source: Parasuraman et al. (1991: 340)

The gaps shown in Figure 2.2 are as follow:

- Gap 1:** Differences between consumer expectations and management perceptions of the consumer expectations.
- Gap 2:** Differences between management perceptions of consumer expectations and service quality specifications.
- Gap 3:** Differences between service quality specifications and actual service delivered.
- Gap 4:** Differences between service quality delivery and what is being communicated about the service to customers (external communications).
- Gap 5:** Differences between consumer expectations and consumer perceptions of service.

Although initially there were four gaps proposed the fifth gap is actually the quality that a consumer perceives in a service or 'the judgements of high and low service quality depend on how consumers perceive the actual service performance in the context of what they expected' (Parasuraman et al., 1985:46). Further work by Parasuraman et al. (1988) summarized the ten dimensions shown in Table 2.1 into five dimensions which is shown in Table 2.2. The five dimensions (three original and two combined dimensions) of service quality were known as SERVQUAL. Table 2.2 explains the labels and concise definitions of SERVQUAL dimensions.

Table 2.2: SERVQUAL dimensions

	Dimensions	Definition
1	Tangibles	Physical facilities, equipment and appearance of personnel.
2	Reliability	Ability to perform the promised service dependably and accurately.
3	Responsiveness	Willingness to help customers and provide prompt service.
4	Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence.
5	Empathy	Caring, individualized attention the firm provides its customers.

Source: Parasuraman et al. (1988: 23)

2.7 The evolution of SERVQUAL

Parasuraman et al., (1988) designed SERVQUAL, a 22 facet measure that gauges service quality. In their argument, service quality is more about the consumer's judgement about the organization's overall excellence or superiority. In many ways it is similar to attitude, a psychological state indicative of an enduring affect orientation while service satisfaction relates to a specific transaction (Parasuraman et al., 1988). The instrument uses a 7-point Likert scale; from strongly agree to strongly disagree. Subjects were asked to indicate the expectation (E) (the service that should be offered by the firm) and the perception (P) (the actual delivery of the service). Hence, the service quality (Q) is better expressed as $Q = P - E$. In relation to that, SERVQUAL also consists of five stable dimensions (down from an initial ten dimensions). The dimensions are tangibles, reliability, responsiveness, assurance and empathy. Four or five numbered items are used to measure each dimension. An analysis of SERVQUAL data can take several forms: item-by-item analysis, as an example $P1-E1$, $P2-E2$ or dimension-by-dimension analysis, example $(P1+P2+P3+P4/4) - (E1+E2+E3+E4/4)$, where P1 to P4, and E1 to E4, represent the four perception and expectation statements relating to single dimension. The

computation of a single measure of service quality $(P1+P2+P3\dots+P22/22) - (E1+E2+E3+\dots+E22/22)$ is known as SERVQUAL gap (Buttle, 1996). Normally, the SERVQUAL instrument is administered twice, first to measure customer expectations and second to measure customer expectations. Later, Parasuraman et al. (1991) published a follow-up study, which refined their previous work. The revision includes changes in wording in the statements, as an example the revised wording now focussed on what customers would expect from excellent service companies. Parasuraman et al. further argued that SERVQUAL was a generic instrument and highly reliable with a consistent factor structure and usable in many organizations with some changes in wording if necessary.

2.8 The application of SERVQUAL in hospitality sector

Parasuraman et al.'s work provides a technology for measuring and managing service quality (Buttle, 1996). The technology has since been further developed, promulgated and promoted by Parasuraman et al. through their publications. The application of SERVQUAL has since been tested in various industries, commercial and non-profit settings by many researchers. Published studies in the hospitality sector include, hotels (Saleh and Ryan, 1991), travel and tourism (Fick and Ritchie, 1991), hospitality (Johns, 1993), recreational services (Taylor, Sharland, Cronin and Bullard, 1993) and airline catering (Babakus et al., 1993 cited in Buttle 1996), rail services (Low and Lee, 1997). Table 2.3 outlines a number of researchers who have sought to refine the original instrument and this is particularly apparent in the hospitality sector.

Table 2.3: Evolution of service quality instruments since SERVQUAL.

INSTRUMENT	AUTHORS	INDUSTRY
SERVQUAL	PASARURAMAN et al. (1988).	GENERAL SERVICE
LODGSERVE	KNUTSON, STEVENS, WULLAERT, PATTON AND YOKOHAMA (1991)	HOTEL / LODGING
SERVPERF	CRONIN AND TAYLOR (1992)	GENERAL SERVICE, FAST FOOD
DINESERV	STEVENS, KNUTSON AND PATTON (1995)	RESTAURANT
SERVQUAL	AMSTRONG, MOK, GO AND CHAN (1997)	HOTEL
SERVQUAL	LAM, WONG AND YEUNG (1997).	CLUBS
INTQUAL	CARUANA AND PITT (1997)	GENERAL SERVICE
INTERSERVQUAL	WHITE AND RUDALL (1999)	INTERNAL SERVICE QUALITY/ HOSPITALITY
HOLSERV	MEI, DEAN AND WHITE (1999)	HOTEL/ HOSPITALITY

Using, SERVQUAL as a foundation, Knutson, Stevens, Wullaer, Patton, and Yokoyama (1991) developed LODGSERV, a specific instrument to measure consumers' expectations and perceptions of service quality in the lodging industry. They further confirmed the five generic dimensions hypothesized by Parasurman et al. (1985). Originally 36 items were developed, but they later found that only 26 items were contributing to the LODGSERV index and it has the same five dimensions as SERVQUAL. In Knutson et al.'s research, reliability was found to be the most important of the five dimensions, followed by assurance, responsiveness, tangibles and empathy. The same instrument was used to test consumers expectations based on the price segment: economy, mid-price and luxury hotels in the United States (Knutson, Stevens, Patton and Thomson, 1992). The findings proved that the five dimensions maintained their ranking position across the three segments. They also determined that the higher the hotel price, the higher the service quality expectations. Patton et al. (1994 cited in Armstrong, Mok, Go and Chan, 1997) even translated LODGSERV into Japanese and Chinese and administered the instrument in Japan, Taiwan, Hong Kong, Australia and the UK. The studies found that LODGSERV still retains its reliability even when administered in cultures

outside the US. However, the validity of LODGSERV was not measured in the latter study.

Cronin and Taylor (1992) further investigated the concept of service quality as developed by Parasuraman et al. (1988), by concentrating on satisfaction and attitude. Cronin and Taylor however, identified the performance-based measure of service quality, which raised concerns by Parasuraman et al. that the performance-minus-expectation is an inappropriate basis for use in the measurement of service quality. In the SERVPERF model Cronin and Taylor found that service quality has a statistically significant effect in three industries (banking, pest control, and fast food). Similar to SERVQUAL, SERVPERF also uses 22 items for measurement. They also examined the relationship between service quality, consumer satisfaction and purchase intentions. Using several interactions of expectations, perceptions and importance measures, Cronin and Taylor developed several tests on the operation of service quality. Based on their research, Cronin and Taylor found using SERVPERF to measure the service perceptions alone explained the most variance in the measurement of overall service quality. They suggested that performance-based measures better reflect long-term service quality attitudes in cross-sectional studies. Cronin and Taylor (1994) believe that the SERVPERF scale can provide managers with an assumption of overall service quality score that can be plotted relative to time and specific consumer subgroups (e.g., demographic subcategories, individual constituencies)

In order to adapt SERVQUAL into the restaurant setting, Stevens et al. (1995) developed DINESERV. DINESERV was drafted using the lessons learned in developing and refining LODGESERV. Initially the instrument contained forty statements of what should happen. Responses were on a seven-point scale, from 'strongly agree' to 'strongly disagree'. A random sample of people was selected from telephone directories of a midsize city in United States and DINESERV was used to conduct telephone interviews with adults who said that they had eaten out six or more times during the previous six months. The interviewers asked the respondents

whether and where they had dined out in the past week. The respondents were asked about their expectations of the restaurants they had gone to whether it was a fine-dining, casual dining, or quick service establishments. A total of 596 respondents were contacted, consisting of 200 for fine dining, 198 for casual dining, and 198 for quick service restaurants. The researchers insisted on a sample size of about 200 for each group because the other scales developed in the marketing area had used similar sample sizes to purify initial instruments. Later, the survey items were reduced to only 29, consisting of ten items representing tangibles, five representing reliability, three for responsiveness, five for assurance and five for empathy. Again, DINESERV proved to have a high degree of reliability and the finding pointed out that there were no significant differences in consumers' service quality expectations across the three restaurant categories. This is because the distribution of total indexes scores suggested that consumers have only small differences in their 'expectations' of service quality across the three restaurant categories. According to Stevens et al. (1995) perceived quality is a function of the interaction among three independent variables: normative expectations, predictive expectations, and actual service quality. The lower the expectations the consumers have about what should happen, the better their perceptions of the actual service. And the higher their expectations about what will happen, the better their perception of the actual service. Hence, in their opinion marketing plays an important role in improving customers' perceptions about service, one of the ways is to improve the service, lower the expectations of what should happen and raise the expectations about what will happen (Stevens et al., 1999). Consequently, Knutson et al. feel that DINESERV is a valid, reliable, and a cost effective instrument.

Meanwhile, HOLSERV which was developed by Mei, Dean, and White (1999) is also an extension of the SERVQUAL scale. HOLSERV however included eight new items that specifically pertain to the hospitality industry. Some modifications on the questionnaires items was done to suit the hospitality setting, changes were made to certain items and inclusion of new items and deletion of items. A one-column format questionnaire was used in this study with a single rating ten-point scale. A total of 1,000 questionnaires and covering letter were distributed to guests of five hotels in

Australia. The hotel standard ranged from three-star to five-star hotels. The study was carried out over a duration of four months and samples of 155 respondents were collected in which the response rate is 15.5 percent. The findings of the study are service quality is represented by three dimensions in the hospitality industry relating to employees (behaviour and appearance), tangibles and reliability. Based on this research Mei et al. (1999) found that the best predictor of overall service quality is the dimensions referred to as 'employees'. In this study the researchers found that the one-column format questionnaire provides a valid and reliable, but also much shorter, survey. Meanwhile, Mei et al. (1999) felt that hotel managers, in order to uncover the causes of underlying problem areas identified in the study, should supplement and refine the HOLSERV scale with additional qualitative research such as in-depth interviews or focus group discussions. However, HOLSERV is a good and useful starting point, and it is not the final answer for assessing and improving quality (Mei et al., 1999).

2.9 The focus on internal service domain

While, most of the earlier studies were focused on external customers perceptions, the works of Grembler et al. (1994) Reynoso and Moores (1995) and Vandermerwe and Gilbert (1991) are particularly significant because these authors have challenged the assumption that internal customers use the same factors or criteria as external customers in evaluating the service quality as proposed by Parasuraman et al. (1988) and White and Rudall (1999). Apart from that, each work has also contributed significantly to theoretical constructs of internal service quality, for example Grembler et al. (1994) provide a step in that direction by applying a method used to study external service encounters to the internal encounters. While Vandermerwe and Gilbert's (1991) study found that internal service users clearly value certain aspects of the services more than others. Meanwhile, Reynoso and Moores (1995) suggest researchers should be searching for a set of dimensions in which some are generic whereas others are more peculiar to a specific situation. The three studies to a certain extent have justified their earlier disagreement on the idea of the possible straightforward transferability of the SERVQUAL dimensions from the external to

the internal customer. Table 2.4 below shows the internal service quality dimensions found in their studies as compared to the original work by Parasuraman et al.

Table 2.4: Comparative ISQ dimensions based on Parasuraman et al. 1988

	1	2	3	4
	External	Internal	Internal	Internal
	Parasuraman et al. 1988	Vandermerwe and Gilbert, 1991	Grembler et al. 1994	Reynoso and Moores, 1995
1	Tangibles			Tangibles
2	Reliability	Reliability On Time		Reliability
3	Responsiveness	Responsiveness	Recovery	Helpfulness
4	Empathy		Spontaneity	Promptness
5	Assurance			Professionalism Consideration Confidentiality
6			Adaptability	Flexibility
7				Communication
8		Relevance		
9		Cost		
10		Within budget		

Apart from the work mentioned above, Caruana and Pitt (1997) investigated the relationship between internal service quality and business performance by using two measuring instruments. First, the questionnaire items for the service quality, which were developed based on Parasuraman et al.'s work and also a focus group involving 18 managers from service firms. They generated 41 measurement items, which was later reduced to 34. These items were measured on a seven-point Likert-type scale. A mail survey was directed to the marketing director of a thousand of the largest service firms in the UK. The list was taken from the FAME CD-ROM database. Even with a reply-paid envelope, only 131 usable responses were received with an effective response rate of 13.1 percent. In their attempt to measure performance, Caruana and Pitt resort to subjective perceptual measurement based on Pearce et al. (1987 cited in Caruana and Pitt, 1997), which indicated subjective evaluations are a reliable means for measuring performance. Although a subjective measure, a Likert scale consisting of three items was used to measure performance, two of the items were supposed to measure return on capital employed (ROCE) and sales growth of the respondent's firm in the last five years relative to other companies in the industry.

The third item asked respondents of their impression of their firm's overall performance in the last five years, relative to others. Basically, the study utilized Parasuraman et al.'s model, however INTQUAL focuses on internal actions that management needs to implement to ensure a quality service to customers. The findings suggested that the service quality delivered by a business has an effect on performance. In their opinion, INTQUAL is a fairly reliable instrument, mainly as an internal measure. Partly because it offers an opportunity to investigate links between quality and performance among non-profit organizations where profitability is not the main concern.

There is also a small amount of research that specifically examines the internal service domain in the hospitality sector. The work of Grembler et al. (1994) Reynoso and Moores (1995) and Vandermerwe and Gilbert (1991) are specifically significant to both Paraskevas (2001) and White and Rudall's (1999) research. White and Rudall (1999) also carried out an investigation of the dimensions and measurement of internal service quality (the internal customers) in the hospitality industry. The researchers developed INTERSERVQUAL, which focused specifically on the internal service domain and included the dimensions that were not included in SERVQUAL. INTERSERVQUAL uses twenty-seven items, as compared to twenty-two items used by Parasuraman et al. (1988), to capture the dimensions not contained in SERVQUAL. A nine-point scale accompanied each item. The data was collected from a large entertainment and gaming complex, the site was chosen because the organization was interested in possible outcomes of the proposal and willingness to co-operate. For the study, four departments were selected; with the maintenance department as the internal service provider as it provide services to all departments within the complex. The service receiving departments were identified as food and beverage, housekeeping and gaming department. The study used a sample consisting of employees who worked in the receiving departments and had experienced the service of the maintenance department. The sample size selected was representative of the actual organization's demographics and profile. The human resource department distributed a total of 180 questionnaires, which generated 140 usable

responses. Employees were surveyed to determine their perceptions and expectations of the services provided by the maintenance department.

The results indicated that there is a high degree of reliability of both scales (as the researchers used both instruments SERVQUAL and INTERSERVQUAL in their studies) and the use of INTERSERVQUAL was more appropriate in conceptualising and measuring internal service quality. The study shows that internal customers use five distinct dimensions that capture the area of empathy, reliability, tangibles, responsiveness, and assurance when evaluating internal service quality.

Table 2.5: Comparative ISQ dimensions by Caruana and Pitt and White and Rudall

	Caruana and Pitt, 1997	White and Rudall, 1999
	Dimension	Dimension
1	Tangibles	Tangibles
2	Reliability	Reliability
3	Responsiveness	Responsiveness
4	Empathy	Empathy
5	Assurance	Assurance
6		Flexibility
7		Communication
8		Relevance

Source: Caruana and Pitt (1997) and White and Rudall (1999)

Hence, both Caruana and Pitt and White and Rudall employed quantitative methods in their investigations and both studies have resulted in identical dimensions shown in Table 2.5. Because much of the attention and debates were on understanding of service quality from the external customer perspective, Grembler et al. (1994) regard the research on the internal service domain as relatively new. On that account, Caruana and Pitt (1997) and White and Rudall (1999) were amongst a few who have initiated similar studies in the service and hospitality sector. It is also important to note that the work on internal service quality by authors such as Grembler et al. (1994) and Reynoso and Moores (1995) and Vandermerwe and Gilbert (1991) have a considerable influence on the White and Rudall work.

In summary, SERVQUAL despite a number of theoretical and operational criticisms, has endured as a highly valued and widely applied instrument in measuring customer perceptions of service quality. Table 2.6 displays various instruments used in measurement of service quality and understandably some of the dimensions used are very similar to Parasuraman et al.'s (1988) work. It has undoubtedly had a major impact on the business, as well as an academic community. Parasuraman et al. (1985) have led the way in developing a conceptual model of service quality where the focus of their research is on the delivery aspects of the service quality (Johns, 1993).

However, most of the above mentioned techniques are quantitative in nature, which may seem to assume that consumers and providers perceive service performance in similar terms. Some researchers think this is very unlikely, as is it appropriate to equate provider-oriented concepts of service with customer-oriented (Johns, 1999). Johns proposes a more appropriate way of accessing customer perceptions because the positivistic approach a scientific research will be inadequate for probing the complexities of customer perceptions. Thus, the analysis of rich qualitative data using a linguistic or postmodernist approach is needed to identify the main features of consumers' and providers' mythologies, such that the gap between the two may be reduced. Johns and Lee-Ross (1995) developed the qualitative research method that focuses on profile accumulation techniques (PAT) which provides accessibility to consumers own words. Similarly, Flanagan's (1954) critical incident technique (CIT) allows people to say what they think about the service and their responses to be coded and counted accordingly.

Table 2.6: Summary of various service quality instruments and dimensions

1. SERVQUAL	2. LODGSERV	3. SERVPERV	4. DINESERV	5. INTQUAL	6. INTERSERVQUAL	7. HOLSERV
Revised PARASURAMAN et al.	KNUTSON et al.	CRONIN AND TAYLOR	STEVENS et al.	CARUANA AND PITT	WHITE AND RUDALL	MEI et al.
1988	1991	1992	1995	1997	1999	1999
Tangibles	Reliability	Tangibles	Assurance	Tangibles	Tangibles	Employees
Reliability	Assurance	Reliability	Empathy	Reliability	Reliability	Tangibles
Responsiveness	Responsive- ness	Responsiveness	Reliability	Responsive- ness	Responsiveness	Reliability
Assurance	Tangibles	Assurance	Responsiveness	Assurance	Assurance	
Empathy	Empathy	Empathy	Tangibles	Empathy	Empathy	
					Communication	
					Flexibility	
					Relevance	
METHODOLOGY						
Quantitative	Quantitative	Quantitative	Quantitative	Quantitative/ Qualitative	Quantitative	Quantitative
QUESTIONNAIRES ITEMS						
22	26	22	29	34	27	27
Questionnaire Format/Column						
2	2	2	2	2	2	1
FOCUS						
Expectation and Perceptions	Tested on different cultures	Performance only	Expectation & Perceptions *telephone survey	Internal actions *Mail survey	Internal Service domains	Reliability of one column format question- naires
Likert-Scales						
1-7		1-7	1-7	1-7	1-9	1-7

The following section will discuss the qualitative method as an alternative approach to study service quality.

2.10 The qualitative approach in service quality measurement in the hospitality sector

The qualitative approach is generally not as popular as quantitative methods, presumably offering a more pragmatic and realistic approach. Johns (1996) argues that although SERVQUAL is widely used in measuring service quality, it may not be suitable for the tangible and intangible mix nature of hospitality services. While Buttle (1996) has criticised SERVQUAL for being too focused on the process of service delivery rather than outcomes of the service encounter. Johns (1996) feels that many of the research questions in service quality require contextually sensitive qualitative research. He pointed out that consumers do not always evaluate service quality in terms of expectations and perceptions. But rather, the formation of expectations is a result of consumers accumulating and processing information about the service providers. Being a strong proponent of qualitative methods in service quality, Johns and Lee-Ross (1995) developed PAT. Meanwhile, Bitner, Boom and Mohr (1994) and Lockwood (1994) found CIT technique to be the best approach as an alternative to the SERVQUAL instrument. These qualitative approaches would be able to explore more deeply into matters that would be difficult, using survey methods. The critical incident technique, which has been around since 1954, will be explored in the next section.

2.11 Critical incident technique (CIT)

Flanagan (1954) is the founder of the critical incident technique (CIT), Paraskevas, (2001) describes CIT as a procedure for gathering certain important facts concerning behaviour in defined situations. It was offered as an alternative approach to using scaled questionnaires. This technique was used by Flanagan to identify critical requirements in job performance. The concept was later developed in order to study satisfactory and unsatisfactory services in airlines and hotels. Bitner, Boom and Tetreault (1990: 73), have defined 'incident' as an observable human activity that is complete enough in itself to permit inferences to be made about a person performing

an act and the critical incident as 'an event that contributes to, or detracts from, the general aim of the activity in a significant way'. Similarly, (Clark et al., 1998) describe CIT as a method of observing and analysing human behaviour within very limited parameters. In their opinion, in order for the incident to be critical, the observer must be able to identify what was intended to happen and what the effect in fact was.

Grembler et al. (1994) used CIT to better understand internal service encounters in banks based on a similar framework used in external service encounters. The incidents are collected through qualitative interviews or questionnaires. The subjects are asked to recall a remarkable experience, which can be positive or negative in any service situation and describe it. Bitner et al. (1994) and Lockwood (1994) used this technique to study critical service encounters from the employee viewpoint and using the CIT to identify quality improvement points in a hotel setting.

Paraskevas (2001) explored an 'internal service chain' in international city hotels and identified the events and behaviours (service dimensions) that distinguished a successful internal service encounter from a non-successful one. The sample of the Paraskevas study consisted of employees from the rooms division service chain of three international hotels in Athens. In this study, two forms of internal service encounter were identified. First, the front office efficiency is very much dependent on the housekeeping department and on the other hand, the housekeeping department efficiency depends on the response of the maintenance department. A random sample of 82 employees from rooms division with an average of 3.9 years of work experience participated in this research. Both the internal customers and service providers were asked to describe the encounter. Instead of asking the respondents to use an either/or approach, both the negative and positive service experiences were solicited from respondents. This was done to differentiate between aspects relating to minimum service requirements and value-enhancing service aspects. In-depth interviews were used with senior and middle management. Interviews were tape recorded with the agreement of the participants and later transcribed verbatim. To

ensure the reliability quotient in the process, two analysts were asked to read, sort and re-read the incidents until they reached an agreement. However, Chi-square tests for homogeneity were also done, but it showed no significant differences between the analysts' classifications at 0.05 level. Apart from appointing another judge, an industry professional, to check on the classifications, the study also asked the two analysts to repeat the same tasks. The quotient this time was higher than the prescribed level of acceptance (Paraskevas, 2001).

The study resulted in the development of an internal service provider framework, consisting of five categories, professionalism, dependability, conscientiousness, communication and consideration. Generally, the five categories only reflected the view of the rooms division service chain employees and managers, but may also apply for the entire hotel (Paraskevas, 2001). Paraskevas, however, suggests it would not be appropriate to generalise the findings of this study before more studies are done on other service chains within the hotel. Furthermore, CIT records only the exceptional impressions, which represent the subject's under or over-fulfilment of expectations. The next section outlines another technique, which is quite similar to CIT, however the profile accumulation technique (PAT) is a unique tool as it is quite versatile. Apart from being qualitative in nature, it can also generate statistical analysis.

2.12 Profile accumulation technique (PAT)

Profile Accumulation technique (PAT) was introduced by Johns and Lee-Ross (1995) as a new technique for assessing perceptions of service quality. This technique was a result of disappointment with SERVQUAL as a research tool and PAT has become an important research tool. According to Johns (1996), most of the time people find questionnaires ambiguous, so they tend to give their general impression rather than their specific answer to what was asked. As an example, 2000 respondents will re-interpret the questionnaire 2000 ways. Johns does not believe the

statistical treatments, such as averaging would be able to iron-out the 'human error', because most often respondents tend to answer the way they like.

On the other hand PAT, is a semi-quantitative quality assessment methodology which allows respondents to say what they think about the service. The researcher is the only person who will code, count and interpret the data. There are number of processes involved in PAT. First, respondents will write down their best and worse aspects of a particular service experience on a simple form and give reasons for their choices. Then the numbers of responses are counted to provide a profile of the strengths and weaknesses of the service. Among the uses of the data are to compare relative strengths and weaknesses of several outlets and to differentiate between customers segments, or compare changes in the quality of service over time.

The response forms, although simple, are able to provide accessible feedback about customer preferences; it allows respondents to say exactly what they want and the data is not tainted by the possibly irrelevant assumptions of the service provider. The approach is verbal rather than numerical and is a free-response technique. Thus, customer perceptions of service experiences can be assessed without in any way prescribing or influencing their responses (Johns, 2001). Specialised software called 'Pasadena' is available to aid the data entry and analysis. A novel statistical approach has been developed, so that all the multivariate techniques used in the conventional closed type questionnaires can also be applied to PAT data (Johns, 1996). PAT is an extremely versatile technique, Johns used it to assess the service quality of various customers services, including hotels, restaurants, management associations, training organisations and tourist attractions. As for the other statistical techniques, the larger the numbers of responses collected the more reliable the quantitative data becomes, but in case of PAT even as few as fifty completed response forms could provide meaningful information.

Moreover, Johns (2001) conducted a study of an importance-performance analysis using PAT. The aim of the study was to produce an importance-performance analysis

for a professional association. The method employed was similar to studies done by Martilla and James (1977), Ennew, Reed and Binks (1993), Keyt, Yavas and Riecken (1994) and Aigbedo and Parameswaran (2004) where the importance-performance analysis was used in the measurement of service quality. However, Johns (2001) utilized this technique with a conventional, Likert-style questionnaire and found it was easier to distinguish between different aspects and attributes of service offered, identify items exhibiting segmental differences and to distinguish the perceptions of different segments. Johns (2001) obtained 90 PAT forms from a random sample of association members were used to draw up a 22 item closed questionnaire, which was later administered to a different, randomly selected sample. Means from the items on 388 returned questionnaires were used as the performance data for analysis. Meanwhile, PAT scores obtained from the previous survey were use as the importance values. So, the resulting matrix used comparable data from two different sources, reducing methodological bias. The data collected was entered into the spreadsheet, listing the cases down the left hand, while the aspects related attributes across the top of the data matrix. Then, the calculation started with counting the occurrences of the aspects and attributes down the columns and dividing it by the total number of responses. A more sophisticated statistical analysis is carried out on this data by using 'Pasadena'. Data from PAT is then used to construct an importance-performance grid, which examines the performance and marketing of the association's member services. PAT has been used to compare different service incident, to differentiate between restaurants and hotels. This study suggested that PAT is feasible and relevant to be used as a basis for importance-performance studies. The data was robust and reliable and demonstrated good construct validity in terms of Grönroos' dimensions of service quality but did not correspond very well with the service quality dimensions of Parasuraman et al. (Johns, 2001).

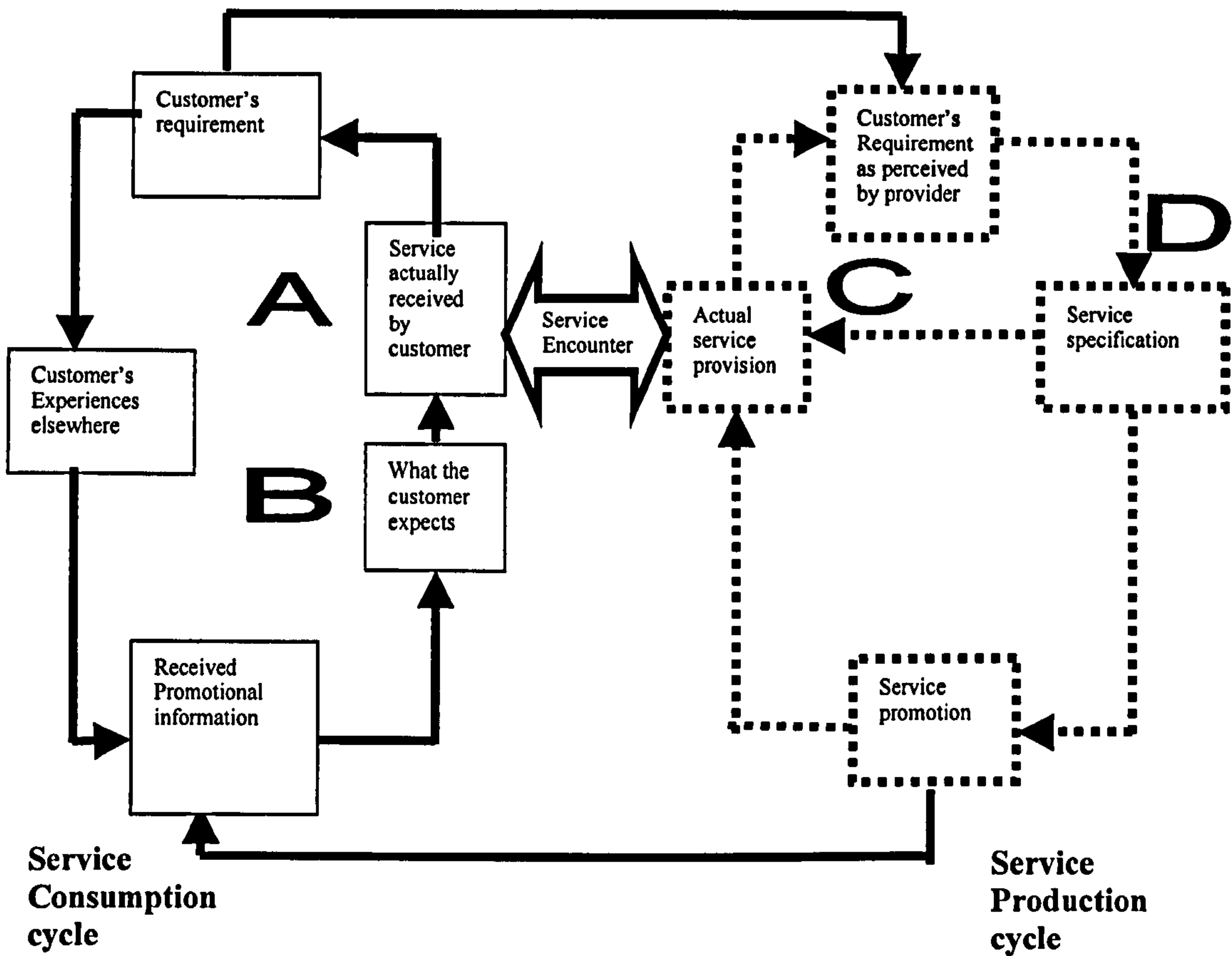
Table 2.7 compares the applicability of CIT and PAT techniques in researching service quality in hospitality sector.

Table 2.7: The qualitative techniques in service quality measurement

	(CIT) CRITICAL INCIDENT TECHNIQUE	(PAT) PROFILE ACCUMULATION TECHNIQUE
WHAT	<ul style="list-style-type: none"> -Identifying a large number of service incidents. -A method of observing and analysing human behaviours within a very limited parameter (Clark et al. 1998). - An alternative approach to a scaled questionnaire. 	<ul style="list-style-type: none"> -A free-response technique, verbal rather than numerical, easy and accessible for manager and staff to understand. -Investigate importance-performance relationship using PAT-A Semi-quantitative method. -Eliciting customer’s free responses. -It is a verbal approach rather than numerical.
WHO	<ul style="list-style-type: none"> Inventor -Flanagan (1954). Other researchers: -Bitner et al. (1990). -Lockwood (1994). -Danaher and Mattsson (1994a, 1994b). -Bitner et al. (1994). -Paraskevas (2001). 	<ul style="list-style-type: none"> Inventor - Johns and Lee-Ross (1995). Other researchers: -Johns and Howard (1998). Importance-performance analysis. -Martilla and James (1977).
METHOD	<ul style="list-style-type: none"> -Qualitative interview or questionnaires. -In-depth interview. 	<ul style="list-style-type: none"> -Respondents write down (PAT form) their best and worse aspects of a particular service experience. -Questionnaires were developed based on attributes from PAT survey.
ANALYSIS	<ul style="list-style-type: none"> -Content analysis. -Inventories. -Pareto and Fishbone analysis. 	<ul style="list-style-type: none"> -Researchers will code, count and interpret data. - PAT forms. Open ended Software: “Pasadena.”
	<ul style="list-style-type: none"> - Prioritised critical and non-critical incidents. -Action taken to the most significant satisfiers/dissatisfiers. 	Quantitative and qualitative evidence.
	<ul style="list-style-type: none"> -Two Analysts appointed. -Judge appointed. 	Data from PAT study and questionnaires are use to construct an importance-performance grid.

The service provision model (Johns, 1996) shown in Figure 2.3 explains the current models of analysing service quality that has been discussed earlier. The consumption cycle represented by solid lines, outlines how the consumer forms an expectation and compares it with service performance in a moment of truth. Meanwhile the provider cycle (represented by the dotted lines) is the service provided being matched to the requirements through consumer feedback. Although both quantitative and qualitative methods aim at providing the consumers feedback, each method is measuring a different service quality gap.

Figure 2.3: Service provision model



Source: Johns (1996: 2)

While, SERVQUAL is targeting the measurement of the gap A-B, the CIT analysis measures gaps C-D or perhaps A-C, depending on whether staff or customers provide details of the incidents (Johns, 1996). Hence, the gaps assessed by both importance/performance analysis and PAT are hard to specify, Johns (1996) proposes more research to clarify the gaps which are measured and their value to the management. Even though, most of the quantitative techniques led by the North American School assume that the consumers and providers perceive service performance in a similar terms, Johns (1999: 8) disagrees because to him 'service can be viewed from either a provider's or a customer's view, and the

phenomenological nature of the service experience means that these viewpoints will always be distinct'. From the provider's perspectives, the service process contains elements of core delivery and interpersonal performance, while the customer perspectives contains elements of core transaction and personal experience and each requires different ways of managing. In addressing the issue, Johns (1996) proposes qualitative research such as PAT, which is able to identify the main features of consumers' and providers' mythologies and clarify the gaps between the two. The strength of PAT is in its ability to access consumers perception in their own words.

The next section will review the importance of the service quality management to the service sector.

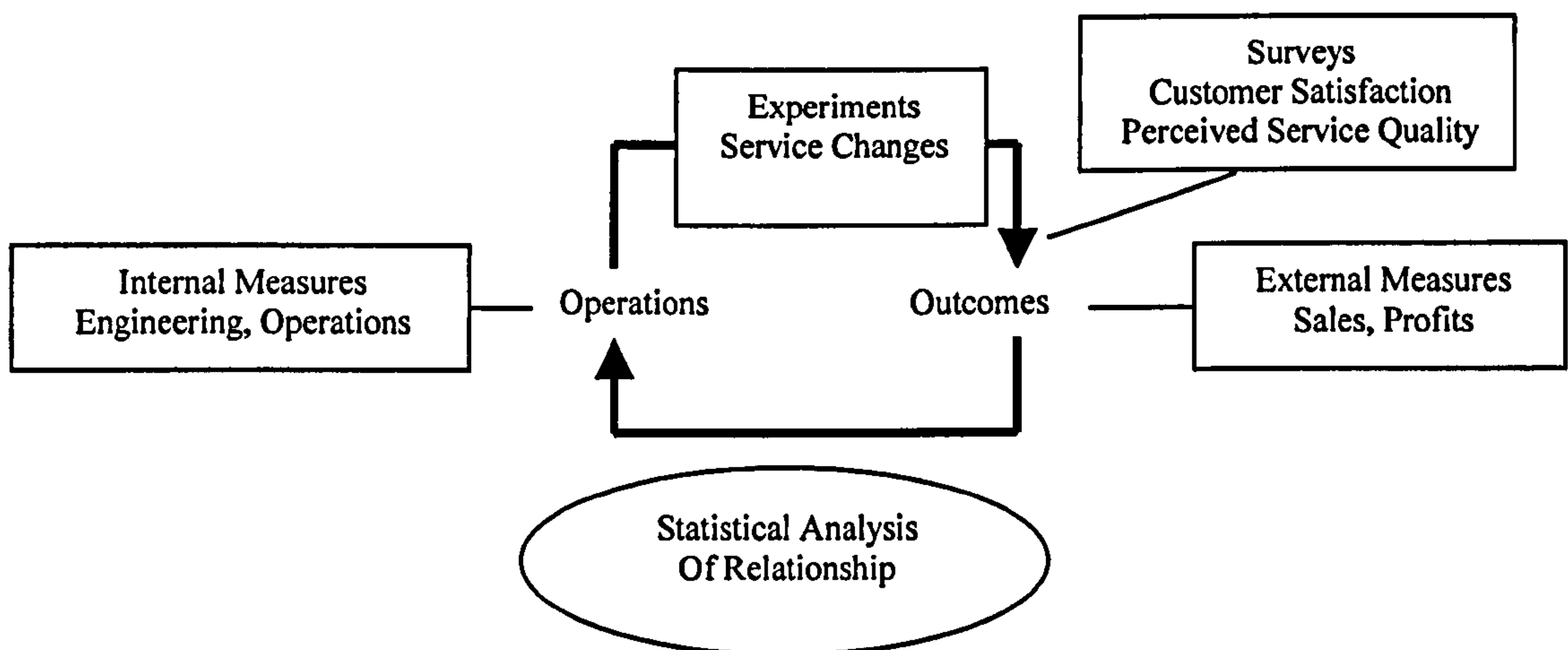
2.13 The importance of the service quality management in the service sector

The existence of many quality management systems has been recognised as an effective way of increasing efficiency in the service sector. Some of the earlier systems that have had made an impact in the service sector initiatives such as, quality assurance (QA), quality control circle (QCC), total quality management (TQM) or BS5750 and ISO 9000. However, the above systems are very much 'borrowed' or adopted from the manufacturing sector. Although these systems may have similar intentions, or conceptual origins and perhaps the same ideological roots, the real issue that needs to be addressed is the characteristics of services, especially in dealing with customers' interactions involving service intangibility. The definition of quality in service industries has become sophisticated, due to the interpersonal nature of the service, especially the difficulties in standardizing service and difficulties in reworking or replacing faulty services, as they can neither be returned for correction or reworked. In other words, service needs to be right the first time. The difficulties and dilemmas lie in dealing with customers who are actors and audiences at the same time during the service delivery.

The introduction of the service quality concept should be seen as an attempt to move away from the earlier methods of assessing service quality using the pattern set by the manufacturing sector. The earlier approaches are very much focussed on the tangible aspects of quality assessment. In the hospitality industry, the earlier approaches were normally aimed at measuring the tangible aspects such as the quality of food and accommodation. Such mechanistic approaches were found to be very suitable for mass catering or fast food where the intangible aspects of the service are less significant. However, the methods were found to be of little assistance in assessing the full service restaurants, when these establishments were really dealing with the total meal experience (Johns, 1996).

Another interesting issue pertaining to service quality is the relationship which links service quality to human resource management (HRM) practices, productivity, performances and empowerment. As Bolton and Drew (1994) point out customer satisfaction rating has become one element in a loop that links service operations and outcomes, as shown in Figure 2.4.

Figure 2.4: Customer satisfaction loop

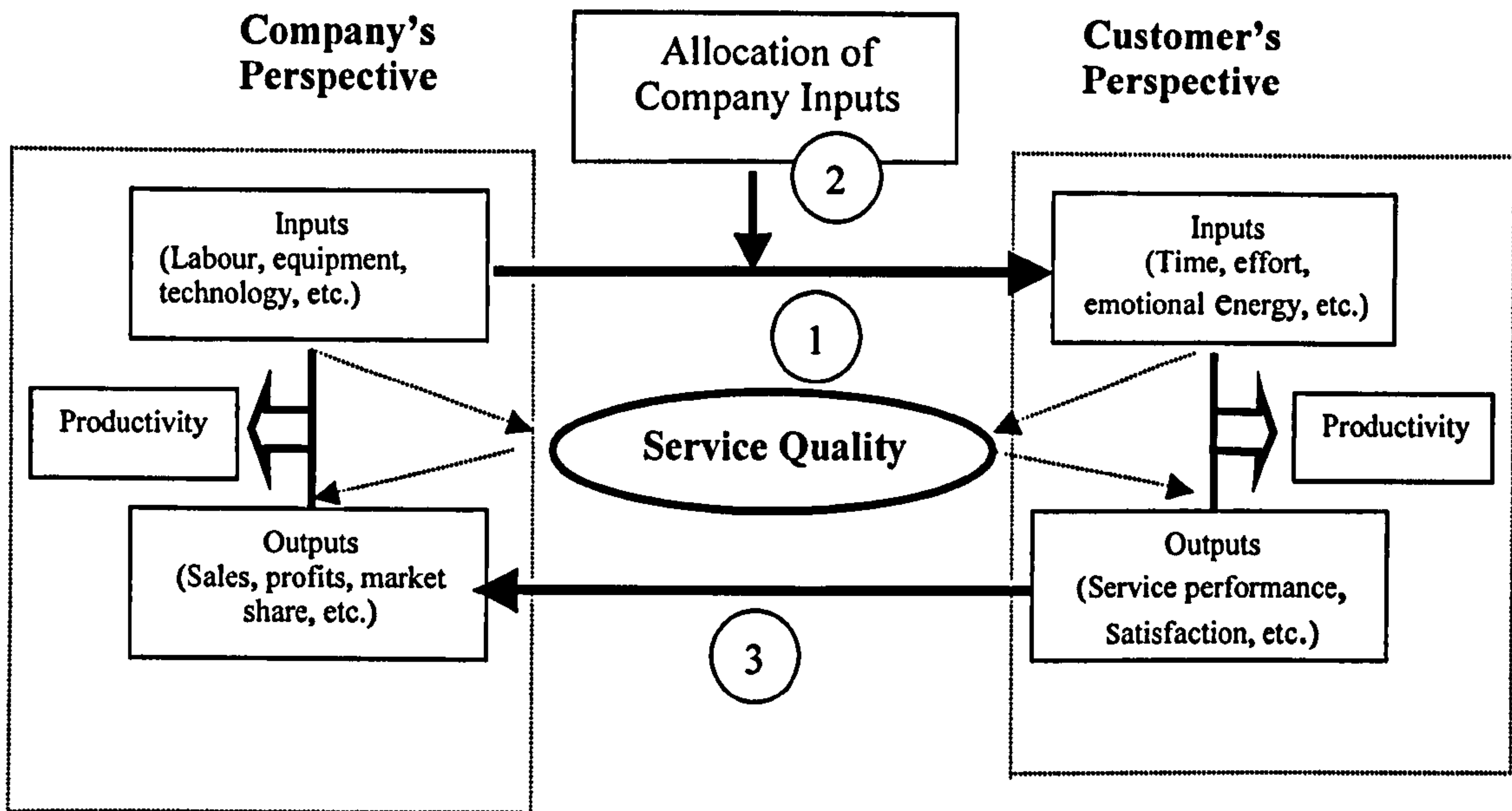


Source: Bolton and Drew (1994: 175)

Consequently as the link between service operations and outcomes become important as suggested by Bolton and Drew (1994), organizations are said to become more interested in the relationship between service operations and market outcomes. Service operations are primarily characterized by internal measures such as engineering and operations, while market outcomes are primarily characterized by external measures such as sales and profit. As a result of this, managers in many ways were able to predict service changes that affected customer satisfaction and ultimately the revenues or profit. At the same time they were able to diagnose low customer ratings and use it to evaluate the effectiveness of personal and organizational units (Bolton and Drew, 1994).

On the other hand, Parasuraman (2002) proposes a synergistic perspective to service quality and productivity. He believes that service companies should broaden their examination of productivity from the conventional company-oriented perspective to a dual company-customer perspective. Productivity should not be narrowly defined and viewed solely from the producer's standpoint but instead should consider the customers' inputs into the process as well as the outputs experience by the customers. He further proposed a conceptual framework for understanding the inter-linkages among service quality and the various components of the company-customer perspective of productivity, which is outlined in Figure 2.5.

Figure 2.5: A conceptual framework for understanding the interplay between service quality and productivity



Source: Parasuraman (2002: 8)

The above framework proposed the idea that service quality influences outputs from both the company and customer perspectives. Obviously, it is time to start viewing productivity from two perspectives rather than traditional ways of viewing productivity from a purely production perspective. To complement that, a broader definition of a company's output (e.g. sales, profits, markets share) needs to be adopted from a previously narrow term (e.g. number of customers served, number of transactions processed). Parasuraman's framework encourages service executives to think more broadly about productivity. In Parasuraman's view, the process of improving service quality and boosting service productivity is halted when productivity is narrowly defined and viewed solely from the producer's standpoint. Hence, the framework hoped to highlight the potential synergy between service quality and productivity where service executives can start leveraging on it, by examining the following questions in their own contexts (Parasuraman, 2002: 8):

- What inputs do our customers and we currently channel into our service processes?
- In what ways are changes on our inputs likely to effect customer inputs and perceptions of service quality?
- Are we allocating our input resources in a manner that is consistent with customer priorities?
- In evaluating the results of our service operations, do we define the outcomes sufficiently broadly and from the perspectives of our customers as well?
- What is the nature and extent of the association between the outcomes experienced by our customers and realized by us?

Apart from these questions, Parasuraman hopes the proposed framework provides an impetus for further research in the overlapping domain of service quality and productivity. In particular, the mathematical models, which will help decision makers determine the optimum amount and allocation of company inputs for maximum outputs.

Meanwhile, productivity measurement is treated as an internal efficiency issue only, where the impact on perceived quality and customer satisfaction is often neglected (Johnston and Jones, 2004). For example, the practices of using productivity measurement is based on models developed within the manufacturing context and these models are usually based on the ratio of inputs and outputs which are inappropriate for the service environment (Dobni, 2004), thus this gives the wrong signal to the decisions makers in service organizations, particularly in hospitality services. In a related sense, Politis (2005) examines the relationship between organizational creativity, productivity and the underlying dimensions that foster quality function deployment and found that the greatest challenge for organizations is to create a working environment that facilitates the process of quality function deployment. To this extent, in order to improve productivity in the service sector, a focus on both internal operational performance and external marketing is paramount

and there is a need for marketing, operations and human resources to work together (Dobni, 2004).

Haynes and Fryer (2000) point out that the relationship between HRM policies and practices and organizational performance are not always well understood, although over the past decade a number of studies have reported a positive relationship between high commitment or high performance HRM policies and practices, and organizational performance. Haynes and Fryer used a case study to deepen the understanding of the relationship between service quality and HRM. The study used a number of the organizations own measures of organizational performance which allowed a range of longitudinal examination of measures of interest to multiple stakeholders. Meanwhile, Schneider (1994) points out the use of customer evaluations, as an index of organizational effectiveness is more appropriate for the service sector. The existence of organizational dynamics in the service sector will normally have a direct impact on the people it serves. Haynes and Fryer further argue that a hotel, unlike other service providers, is not a public company where their financial data are always accessible for use to calculate financial performance indicators. Hence, they concluded that although there are some indication of linkages between HRM and performance (Guest, 1997), still further research is necessary in order to determine precisely the characteristics of high performance bundles (HRM policies and practices) and the exact nature of the relationship in the service sector.

Similarly, Ashness and Lashley (1995) propagate the idea that employee commitment to service quality requires the development of a service driven culture or a total quality culture. To ensure greater employee involvement and empowerment in the Harvester group's restaurants HRM approaches were used. Ashness and Lashley believe the emotional state of being empowered will produce workplace behaviour, which, in return, leads to improvement in organizational performance, increased customer satisfaction, more, repeat business, improved turnover and profits. In their case study of the Harvester restaurants they found that

the strategic approach to restructuring was based on a model that has taken into consideration of culture, organization, people and systems.

By the same token, Woods (1996) illustrates the importance of culture congruence to service delivery, without culture people in organizations would not know how to behave. In ensuring the delivery of quality service, it is indispensable that the human element both within the organization and externally, in the form of the customer is considered critically. Employees as the internal customer should be given equal attention by management as to the external customers. Woods (1989) found that the company that spreads information effectively throughout the organizations are less likely to experience culture congruence. Similarly, Bienstock, DeMoranville and Smith (2003) found that employees' positive behaviours resulted in more effective service delivery to organizational standards and enhanced customer perceptions of service quality. Culture within organization could play an important role through a formulation of a system that links human resource management policies to desired service quality performance.

2.14 Conclusion

Service quality has come a long way since its inception in the 1980s. The existence of an extensive literature proves that it has never failed to attract old and new researchers across the globe to contribute. That said, obviously the most significant contributors presently are both from the USA and Europe. Their contributions should not go without recognition through the two schools of thought that existed: The Nordic school consisting of important personalities like Gronroos, Gummesson, and others have been dealing with service quality from the perspective of service product: the technical content and the service content and associated buyer-seller interaction as determinants of service quality. Meanwhile the North American school consisting of Parasuraman, Zeithmal, Berry, Brogowicz and others focus their research on the delivery aspects of the service quality through the five 'gaps'. Their

opinions and suggestions on the subject have continued to contribute towards further development of the service quality concept.

Generally, it seems that the contribution of the North American school is more noticeable after Parasuraman et al. (1988) devised the influential service quality instrument SERVQUAL. SERVQUAL has made a significant contribution to the hospitality sector when many authors published their works using SERVQUAL as a base of their studies. Authors like Cronin and Taylor (1992), Johns (1993), Knutson et al. (1991), Saleh and Ryan (1991), Stevens et al. (1995) and Mei et al. (1999) have applied SERVQUAL in different hospitality settings. The popularity of SERVQUAL as an instrument was further enhanced with its research applications in cultures outside US. While, most of the studies were focussed on external customers perceptions, a few authors have attempted to research internal customers (Caruana and Pitt, 1997 and White and Rudall, 1999). However these works are mainly quantitative in approach leaving a lot of gaps for further research from this perspective.

Parasuraman et al. (1988) model was not spared from criticism, authors like Buttle (1996) have criticised SERVQUAL for being too focused on the process of service delivery rather than outcomes of the service encounter. While Johns (1996) feels that the inappropriateness of the SERVQUAL instrument for hospitality sector mainly because the research questions in service quality requires contextually sensitive qualitative research. Service quality measurement in the hospitality sector cannot be based solely on an assumption that consumers always evaluate service quality in terms of expectations and perceptions. Instead, Johns and Lee-Ross (1995) offer a more robust semi-quantitative method known as profile accumulation technique (PAT). PAT is a free response technique in which qualitative data are collected and then assessed quantitatively.

Furthermore, some related issues in service quality are such as Parasuraman's (2002) framework encourages service executives to think more broadly about productivity.

In Parasuraman's view, the process of improving service quality and boosting service productivity is halted when productivity is narrowly defined and viewed solely from the producer's standpoint. A similar argument is offered by Johns (1996) where service can be viewed from either a provider's or a customer's view, implying that each perspective requires different ways of managing them. In addition to that, the introduction of the service quality concept that should be view as an attempt to move away from the earlier methods of assessing service quality using systems set by the manufacturing sector. The earlier approaches are too focussed on the tangible aspects of quality assessment. In the hospitality industry the earlier approaches that normally aimed at measuring the tangibles aspects such as the quality of food and accommodation, which tend to neglect the issues of service as a total experience. Haynes and Fryer (2000), though, indicated some linkages between service quality and HRM, nevertheless further research is necessary in order to determine precisely the characteristics of high performance bundles (HRM policies and practices) and the exact nature of the relationship in the service sector. Ashness and Lashley (1995) propagate the idea that employee commitment to service quality requires the development of a service driven culture or a total quality culture.

The next chapter will examine the methodological considerations of this research, and in particular the development of a multi-method approach to assess organizational culture and internal service quality.

CHAPTER 3 METHODOLOGY

3.1 Introduction

This chapter will discuss the methodological considerations and research approach adopted in the collection of primary data based on the aims and objectives for this research. There are two types of primary data collected for this thesis, namely interviews and survey data collected using PAT technique. The aims of the research which correspond to the three research objectives mentioned earlier, is to look at the impact of organizational culture on the internal service quality performance. Hence, the study aims to scrutinize issues related to organizational culture in three hospitality organizations. Specifically, it attempts to understand the relationship between organizational culture and internal service quality, focussing on interdepartmental relationships amongst employees. The study employs a multiple-case study approach with the main objective of examining and assessing the impact of organizational culture of the hotels on their internal service quality performance. The key research questions are:

- What are the dimensions of organizational culture that might affect the internal service quality performance of the hotels?
- Is there any significance impact of the organizational culture on the internal service quality performance of the hotels?

In order to better explain the nature of the research, it is necessary to understand the reality of the research subject from the ontological perspective. Hence, it is also important to identify some of the philosophical underpinnings related to the research questions in an attempt to justify the chosen paradigm. It is also significant to understand the nature of the organizational research, which is not 'objective' in nature, but rather very 'subjective'. Realistically, organizational culture exists in every organization and many of the important organizational attributes affected by culture are rather difficult to measure. Due to this reason, assessing organizational

culture has been a challenging task especially when dealing with the intangible aspects of the culture itself.

Before proceeding to the issue of research philosophy, it is important to consider the genesis of the research. The inception of the idea for the research was initially developed many years ago from a post-graduate course called '*Multi-cultural Human Resource Management*', which the researcher took as an elective for a master degree. The course, which focused mainly on managing multi-ethnic employees in organizations, prompted an idea of studying the uniqueness of organization (read 'culture' now) as the whole. Meanwhile, the idea of incorporating service quality element in the research was initiated from the in-house research carried out by the researcher and colleagues while working at the hotel directorate of the National Productivity Corporation in Malaysia before joining academia. Both aspects of organizational culture and service quality were then further developed to become the focus of the thesis. Although the initial proposal aimed to investigate the external domain of service quality, after reviewing the existing literature, it was evidence that it would be more meaningful to relate organizational culture phenomena to the ways employees are behaving towards each other in their working relationships.

3.2 Reflections

The whole research process was a journey, indeed a long and fascinating journey. Along the way, the researcher encountered many new and thoughtful experiences. These experiences deepened understanding of the whole research process, in which no amount of textbooks or lectures would be able to substitute.

During the journey, two of the most challenging tasks in the research process was fieldwork and data analysis. The fact that fieldwork was carried out in Malaysia has added a potential constraint to the situation. Furthermore, getting access to the organizations was also a problem; like in other kinds of management and organizational research, the permission of the organizational gatekeepers was necessary to gain access to the employee respondents. In this particular research,

permission was only granted at just before the actual fieldwork began. Initial permission to access five organizations at the beginning of the research however ended up with only three organizations opening their doors to the researcher. Consequently, the case study was based on three organizations, who provided full cooperation and access to their organizations. Despite this, the data gathered passed the researcher's initial expectations and the richness of the data gathered has enabled a number of strong case studies to be developed. In other words, the case of Foreign5, Local5 and Local3 has equally contributed to existing knowledge and 'evidence and theories drawn from a multi-case study may be far more powerful, but the objective of the exercise may not be to make generalizations, but purely to investigate a "one-off" situation' (Clark et al., 1998: 102). In this respect, it is important to acknowledge gratitude to Mr. Mohd. Iliyas Zainal Abidin, President of the Malaysian Association of Hotels (MAH) and Mr. Sarjit Singh, Executive Director of MAH for their roles in making the case studies possible and their 'contribution to knowledge' are greatly appreciated. This gratitude also goes to the General Managers and Human Resource Directors and Managers of Foreign5, Local5 and Local3 for opening their gates.

Another equally important process was the data collection process in which the researcher has to rely mostly on his intuitive and previous experience in the industry. Indeed, arguably the researcher's over twenty years of experience in hospitality and hospitality education might have allowed him to see through the whole research process with more assertiveness and objectivity. This experience includes working in various department in the hotels such as front desk, kitchen, purchasing, accounting and a short stint as catering supervisor in a catering company (see Appendix 13) helped him in the process of understanding and dealing with the operative respondents much better, especially in making them feel at ease during interviews. The researcher did not have any problem dealing with any of the respondents, the operative or the managerial staff and they always regarded the researcher as one of them.

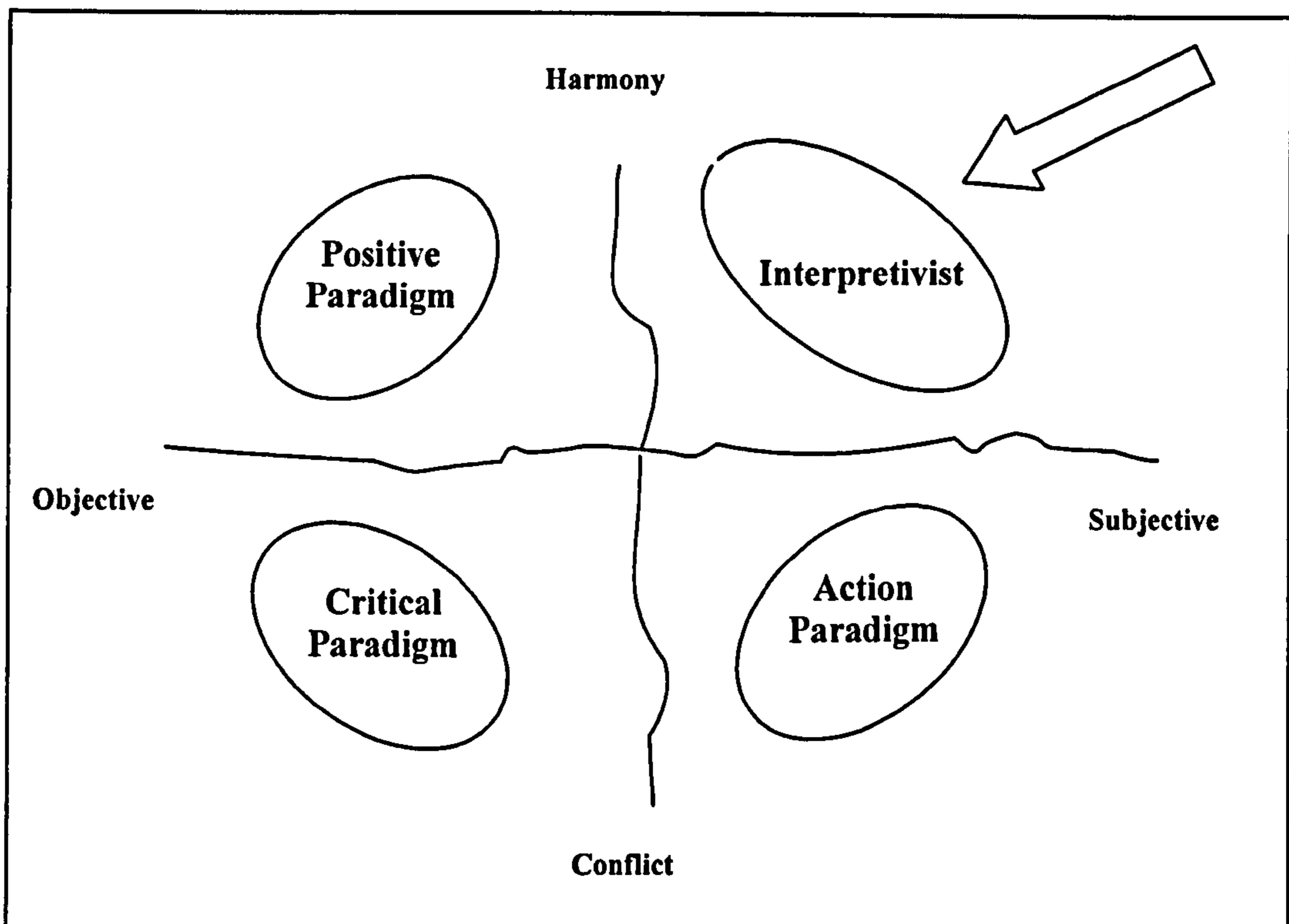
In any qualitative research, the researcher was indeed a research tool, being the driving force behind the data collection process; he was actually part of the research

process. For this reason, qualitative research by its nature could be far more difficult and more demanding of the researcher than quantitative research (Clark et al., 1998). For example, it required personal involvement and interpretation from the researcher; in other words it was impossible for the researcher to detach himself from the data. Although there were efforts made to provide a balance between managers and employees views in the research by sampling equal numbers from both groups, nevertheless the managerialist leanings in the findings was unavoidable. This was not done on purpose neither was it a reflection of researcher's own engagement but due to the several limitations. One of the reasons identified was the inability of the operative staff to effectively verbalise their feeling on most of the issues. Unlike managers, many of the operative level staff were not very educated and were not specifically aware of the cultural issue in their organization. In most instances, the researcher had to rephrase the questions posed to them in order to get to the issue. Consequently, the entire research has unintentionally become a managerial discourse. The research was aiming to investigate discourses about organizational culture and internal service quality rather than focussing on the concepts themselves. However, the core requisites for qualitative analysis seemed to rely on the researcher's own creativity, systematic approach and sensibilities in transforming the data into 'interesting' and sensible results and findings. Those criteria are the assets in executing good research apart from the researcher's own experience, knowledge and deep background in the related industry. It is important also to acknowledge that without the help and invaluable guidance from the researcher's supervisor, this study would not be possible.

It should be noted that there is no short cut in the research process, nor there is only a single route to achieving the research objectives. Besides the right method that was relevant to the aims and objectives of the research, a more focussed and organized display of commitment and systematic analysis could also enhanced confidence in the findings.

3.3 Research philosophy

Figure 3.1: Epistemology: the matrix



After studying the epistemological nature of the research issue and having given due consideration to the various paradigms, the best-suited epistemology for this research is the interpretivist paradigm. This is clearly indicated in the epistemology matrix in Figure 3.1, where the interpretivist paradigm exists in the natural world, somewhere between harmony reality and subjective matter. The research philosophy is based on the fundamental nature of the subject to be investigated, the organizations existed in the social world and the culture manifest by them is the 'social reality'. Again, the 'truth' very much depends on the observer or researchers worldview where the researcher role is equally significant. In trying to understand any phenomena in any research, the researcher needs a philosophical stand. The researcher's vantage point is significant in addressing issue from his own perspective and for this research, the researcher is adopting a realist position from an interpretive paradigm.

The interpretive paradigm, which is also known as phenomenology to some researchers, is very often treated as a 'package' method with grounded theory (Goulding, 1998). Qualitative research tends to use an interpretivist approach, where the multiple case study aims at producing not only, qualitative anecdotal evidence but also some numerical evidence. The multiple-case study approach is chosen to enable investigations on key research issues to be carried out in detail, rather than aiming at making generalisations. 'Most of the research situations are dealing with an array of interpretive techniques which seek to describe, decode and translate. ... the meaning... of certain or more or less occurring phenomena in the social world' (Van Maanen 1983: 9 cited in Clark et al., 1998: 100). In most instances the frequency of the phenomenon is not an issue in most research as it is about the process of finding out what happens in order to explain why it happens (Veal, 1992) but this research aims to support the recurring phenomena with simple statistical evidences in order to better explain why the phenomenon happens. Consequently, the research attempted to develop a theoretical framework, which forms a basis to link organizational culture and internal service quality. The findings should be able to provide a better understanding of a new phenomena and the research evidence could serve as a foundation for replicating effective organizational culture as well as a better work environment.

In order to understand the appropriateness of the proposed method, it is necessary to understand the interpretive/phenomenology paradigm. The founding father of phenomenological method, Husserl developed this method as a descriptive procedure for examining social behaviour (Goulding, 1998).

Despite the fact that qualitative data generates rich data, qualitative research is often criticized as being unscientific, not objective and reliable (Peterson, 1994). Positivists generally regard qualitative data analysis as not rigorous, compared to quantitative data. However, Lincoln and Guba (1985) suggest that qualitative research could be judged by its trustworthiness, and identified four attributes that contributed to its attainment: credibility, transferability, dependability and confirmability. As an example, the use of content analysis technique does not focus on the holistic approach

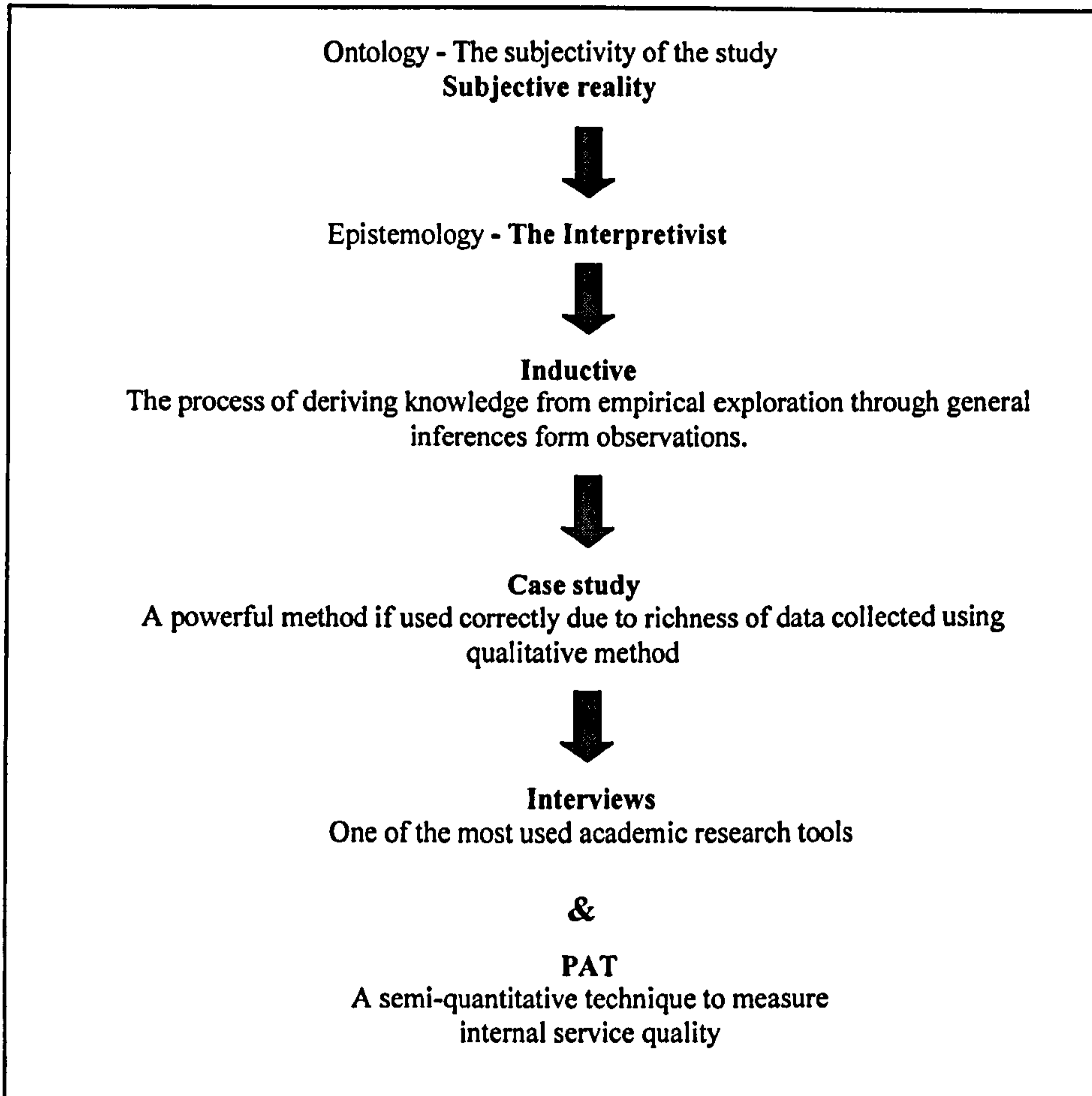
to theorizing and explanation, but rather offers some 'hard-facts as evidence. Ogbonna and Harris (2002) guided by the works of (Turner 1981 cited in Ogbonna and Harris, 2002) which provides a very systematic approach to study transcripts and (Krueger, 1994 cited in Ogbonna and Harris, 2002) open, axial and selective coding during the analysis of data. In addition to that, internal and external validity were carried out as well. Coding review by an experienced grounded theory researcher can further strengthen the whole validity process. Presently, there is computer software that deals with qualitative analysis: QSRNVivo, which may help qualitative researchers. Even though the whole process of collecting and data analysis in qualitative method is time consuming, the effort is worthwhile. One of the researchers who used both methods to study organizational culture has commented on the usefulness of qualitative research:

Statistics only tell part of the story. They make broad generalization about culture that tells us little about what actually occurred, and they imply that the process by which culture influences effectiveness will be the same in all cases. By taking a closer look at the individual firms, more could be learned about culture and effectiveness.' (Denison, 1990: 87)

Figure 3.2 below traces the philosophical and epistemological positions of the study, which form the basis for the choice of research design. The research began with the identification of philosophical underpinning, which is related to the subjective reality of the study. The study used qualitative approach in particular the inductive method as the process of deriving knowledge from empirical exploration through general inferences. A case study was chosen in order to have an in-depth investigation of the cultural phenomenon while internal service quality used PAT in looking at employee relationship. During the fieldwork, two qualitative tools were administered to the respondents from three hotels. One of the tools was semi-quantitative technique known as PAT, which was used to measure internal service quality, while organizational culture was investigated using semi-structured interviews. The whole methodological approach was designed inline with the research objectives mentioned

earlier. Theoretically a multi-method approach was employed in this research, while the data collection process presented an innovative approach to fieldwork.

Figure 3.2: Philosophical positions and the methodological issues



3.4 Measuring organizational culture

Present and past researchers in organizational culture use various methods and instruments to measure organizational culture. Traditionally research on organizational culture, due to the nature of the subject, has used qualitative methods such as interviews and observations (Smircich, 1983). Generally speaking, qualitative research tools were seen to be preferable because they helped researchers to understand the underlying elements of culture such as artefacts, stories, values and

beliefs. However, interviews and observations have their own drawbacks. For example, employees might behave differently by trying to please the researcher and there is a need to recognise that making inferences from observations very much depends on the eyes of the beholder. On the other hand, quantitative methods may be advantageous due to their ability to cover a broader sample and to allow for generalizations to be made based on the findings. Nevertheless, researchers who use qualitative methods believe that statistics only tell part of the story (Denison, 1990). The next section will look at qualitative research and how qualitative technique best suit the nature of organizational culture research, which requires an in-depth investigation.

3.5 Qualitative research in the service sector

Qualitative research is described by Hammersley, (1990: 1 cited in Johns and Lee-Ross, 1998: 121) as investigations ‘using unstructured forms of data collection, both interviewing and observation, and employing verbal descriptions and explanations rather than quantitative measurement and statistical analysis’. Qualitative research originally evolved from approaches used in sociology, anthropology, and history studies. Realistically, the nature of the study heavily relies on verbal descriptions and interpretations of evidence rather than statistics. Therefore, the researcher must be the main instrument of data collection, either through participant observation, field observations and perhaps interviews which are considered to be the widely used instruments in qualitative research. There are many types of qualitative research, however the most appropriate approach for this study is a case study using a phenomenological approach. As has been mentioned earlier phenomenology can be described as the experience of an activity or phenomenon from the participant’s own perspective. In trying to understand the link between phenomenology and qualitative research in the hospitality sector, it is useful to examine some of the earlier studies done in this area.

Woods (1989) was one of the earliest researchers to study and describe restaurant culture. He investigated five restaurant firms and the culture of the ‘dinner house’

segment of the restaurant industry. He used a case study method and qualitative approaches. By using one of the most powerful qualitative tools, interview and direct observations, and scaling techniques, he identified three levels of cultures:

- The visible or manifest level (artefacts and stories).
- The strategic level (vision and market expectations).
- The deeply rooted level (values and assumptions).

Woods also found that although the five restaurant companies' demonstrated different cultural aspects on the surface (manifest) level, they had remarkably similar values and assumptions on the deepest levels of culture (Tepecci, 2001). The strength of this study lies in its detailed descriptions of manifest level elements of restaurant culture, which are inherently difficult to isolate with quantitative measurement. One of the examples is the ability of qualitative methods to examine stories told in employee meetings and ceremonies. Table 3.1 summarizes the shared organizational values as identified by Woods.

Table 3.1: Dimensions of dinner-house restaurant culture

Dimensions	
1	People make a difference in the success or failure of the company.
2	A people-oriented personality profile fits the industry.
3	The industry requires hard work and burnout is a big problem.
4	Teamwork is essential and fun is important.
5	Successful people have energy and a clear sense of direction.
6	Training is important.
7	Managers rise through the industry ranks.

Source: Woods (1989)

Meanwhile, Ogbonna and Harris' (2002) research contribution to organizational culture studies, especially research in the hospitality industry, is very significant and should be acknowledged. A qualitative approach was used in their study of cultural intervention in four selected hospitality companies. The instruments used were mainly, in-depth interviews, document analysis and observations for data collection.

Interviews were the principle form of data collection and at the same time explored informants' interpretations of the nature of both 'culture' and 'change', espoused and actual rationales for change, perceptions of existing, past and desired cultures, beliefs regarding the extent of change and perceived difficulties in change.

Nevertheless, the real challenge in qualitative method is the data analysis, which is usually very demanding. Ogbonna and Harris (2002) besides adopting a systematic approach to studying transcripts also carried out internal and external veracity checks. The external check included four ex post interviews with senior managers, one from each case company which were done to verify the insights uncovered. The reliability and validity of the findings very much depends on a sound research design, which is reflected in Ogbonna and Harris work.

The earlier study by Woods (1989) and the later study Ogbonna and Harris (2002) representing wise use of qualitative tools, which could be effective in investigating restaurants and hospitality companies' organizational culture. In both studies, the elements of reliability and validity of the findings is reflected in their research methodology and design rather than the ability of the findings to be generalised. Woods (1989) does not indicate a specific method for data analysis, he basically identified many aspects of each of the five companies by outlining the similarities and differences of the likely elements of the restaurant culture. On the other hand, Ogbonna and Harris (2002) employed a systematic approach to study the interview transcripts for their data analysis, which includes line-by-line analysis of the text and categorizing data into emerging categories. The following step involves reviewing and re-sorting of data into subcategories, finding linkages and relationships between them before refining the emerging interpretation. Similarly, for both case studies the findings were presented in interesting narratives that give key insights into the culture of the organizations.

Walsh (2003: 72) argues that a properly executed 'qualitative research by design can capture insights from field and specifically examine their implications for ways that organizations strategize, exploring both the creation and the consequences of his

management initiatives'. This would be more pragmatic approach as the study based on organization's needs and realities and thus producing meaningful and useful findings. On the other side of the argument, quantitative method offers different kinds of perspectives in researching organizational culture, which could also be meaningful.

3.6 Quantitative technique

Among the advantages of quantitative method is the ability to do cross-sectional research and large-scale studies (Cooke and Rousseau, 1988) besides enabling researchers to replicate assessments of culture in different units and compare data across studies. Questionnaires as a tool are argued to be less prone to bias as compared to interviews. Tepecci (2001) found many researchers use several quantitative instruments to measure work values in organizational culture studies as shown in Table 3.2.

Table 3.2: Quantitative instruments to measure work values in organizational culture

- The Survey of Work Values (SWV) (Wollack, Goodale, Wijting, Smith, 1971)
- The Meaning and Value of Work Scale (MVW) (Kazanas, 1978)
- The Organization Values Congruence Scale (OVCS) (Enz, 1986)
- The Comparative Emphasis Scale (CES) (Meglino, Ravlin, and Adkins, 1989)
- The Organization Culture Profile (OCP) (O'Reilly et al., 1991)

Source: Tepecci (2001: 9)

Tepecci (2001, 2002) in his study used the 7-dimension Organizational Culture Profile (OCP) in order to capture the cultural elements of the restaurant industry. His approach followed earlier work by Christensen (1988), Kent (1990) and Pizam's (1993) work on the hotel industry and Woods (1989) which explored the restaurant industry. Similarly, in a more general project are the service industry culture studies,

which were done by Chatman and Jehn (1994) and Siehl (1992). In a sample of US firms, O'Reilly, Chatman, and Caldwell (1991) originally identified the seven dimensions of organizational culture using an instrument they developed, the OCP, the dimensions being: innovation, stability, respects for people, outcome orientation, detail orientation, team orientation, and aggressiveness. The same seven dimensions have been found to characterize firms across various industries (Chatman and Jehn, 1994) and also among a sample of international firms (Hofstede et al., 1990). Similarly, the OCP used by Lee and Yu (2004) discovered that certain cultural dimensions are recurrent elements in organizations and also proved its robustness in their application. The above studies proved the existence of recurring dimensions within and across industries, which has been tested and confirmed in several situations.

Apart from the above-mentioned methods of measurement, the Organizational Culture Inventory (OCI) invented by Cooke and Lafferty (1986 cited by Dwyer et al., 2000) could also be used to measure normative beliefs and shared behavioural expectations. The OCI is composed of 120 items, with 12 scales of 10 items each. Each of the 12 scales measures a style reflecting the normative beliefs and expectations regarding achievements, self-actualising, conventional, dependent, avoidance, oppositional, power, competitive, and perfectionistic. Later, a range of values is calculated for each of the scales. However, according to Dwyer et al. (2000), the use of analysis instruments such as the OCI becomes complex and their explanatory value is rather limited. Hence, carrying out detailed interviews with key employees and direct observation by the researcher facilitates a comprehensive analysis of an organization's culture. Ideally, the combination of sophisticated questionnaires survey and detailed interviews and also observations would give much better insight into the organization's culture. In spite of that, the process is very time consuming, labour intensive and rather complicated. Hence, this kind of research was rarely conducted.

Amongst the instruments mentioned above, O'Reilly et al.'s (1991) organizational culture profile (OCP) has been identified as one of the most utilised person-organization fit (P-O fit) instruments in assessing of organizational culture profile.

Nevertheless, this study uses largely qualitative methods to collect data on organizational culture and then re-group the cultural elements of the organizations into recurring dimensions of OCP. This is mainly following the works of Christensen, Kent and Pizam's work on hotel industry and Woods in the restaurant industry as has been discussed earlier. Recent research by Lee and Yu (2004) used OCP as the primary research instrument in their investigation of the possible relationships between organizational culture and performance in Singaporean companies and found OCP to be a robust instrument.

Nonetheless, another common research method used in organizational culture studies is the case study. Generally, case study research usually looks at characteristics of a person, entity, or phenomenon. The following section will discuss the case study as a research technique.

3.7 Case study as a research technique

The case study is an ideal research technique when a holistic, in-depth investigation is required. Case studies were initially used widely in sociological studies, but increasingly have gained acceptance in other areas such as business research. The method is known for its compatibility with qualitative research and is usually able to bring out robust details by using multiple sources of data. This is very important if the issue of validity is a concern. Yin (1994) suggested the use of multiple sources of data. Another issue concerned pertaining to the use of case study is generalization, frequent criticisms focus on the inability of case study findings to be widely applicable in the real life. Yin (1994: 30) refuted this criticism by offering 'a well-constructed explanation of the difference between analytic generalization and statistical generalization: in analytic generalization, previously developed theory is used as template against which to compare the empirical results of the case study'. The improper ways of generalizing, usually assumes that some sample cases has been drawn from a larger universe of cases. Hence, incorrect terminology such as small sample arises, as though a single-case study were a single respondent.

Clark et al. (1998) believe the decision to go for a single case or multiple case study very much depends on the reason for the choice of subject and also 'external validity'. At the same time, they feel that 'evidence and theories drawn from a multi-case study may be far more powerful, but the objective of the exercise may not be to make generalizations, but purely to investigate a "one-off" situation' (p.102). On the contrary, the use of a single case study is mainly to test an already well-formulated theory, investigating a unique case, or observing a phenomenon, which previously has not been accessible, or non-existent. Obviously, the decision to use case studies in this research was based on the unique nature of each organization. The case study approach provides an opportunity for an in depth investigation to be carried out on each organization and can be more extensively tested (Guest, 1997).

According to Yin (1994), these applications are appropriate for a case study model:

- To describe the real-life context in which the intervention has occurred.
- To describe the intervention itself.
- To explore those situations in which the intervention being evaluated has no clear set of outcomes.

Assessing the links between organizational culture and internal service quality arguably involves all of the above categories especially when management of culture is basically a form of formalised intervention by the management (Ogbonna and Harris (2002). However, literature that relates the links between the two subjects is almost nonexistent, even though a substantial amount of literature was found discussing the relationship between organizational culture and performance (Lee and Yu, 2004). This study is intended to explore further the above issue and thus add to the body of knowledge. Some researchers believe that the case study approach can be lacking in objectivity and methodological rigour, undoubtedly the case study method over time has proven to be a very powerful method if it is used correctly. This has led to a change in perception amongst researchers in recent years.

Furthermore, the decision to use the case study for this research is mainly due to the explanatory nature of the study which basically attempts to answers the 'how' and

'why' questions. In answering such questions, the appropriate research strategy would be a multiple case study. Yin (1994) describes the relevant situation for case study is when the form of research questions is 'how' and 'why', besides the study does not require control over behavioural events and the study focuses on contemporary events. Thus case studies can be used in studying the impact of organizational culture on the internal service quality, as their unique strength is their ability to deal with a variety of evidence such as documents, artefacts, interviews, and observations. As Yin (1994: 13) summarises 'a case study is an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and the context are not clearly evident'. The case study as a research strategy must tally with research design and incorporating specific approaches to data collection and to data analysis, in this case incorporating qualitative technique with a semi-quantitative tool; PAT. The link between the research subject and the research strategy can be better appreciated by understanding the relationship between culture, strategy and performance discussed below.

3.8 Understanding culture, strategy and performance

Brown (1998) believes that an organization's culture has a direct and significant impact on performance. He suggested that organizational effectiveness must be interpreted as a cultural phenomenon where various management systems, strategies and procedures are just mediators. However, in his opinion it is too simplistic to argue that culture causes good or poor performance because culture is massively affected by changes in strategy and changes to organizational structures. Despite the complexity in understanding the inter-causal relationship between culture and performance many researchers have proceeded to investigate the relationship. Peters and Waterman (1982) suggested to managers that a strong culture was a key to organizational success in their famous *In Search of Excellence*. Since then, many researchers have ventured into investigating these phenomena. Amongst them, Denison (1990), Ueki and Umezawa (1994) and Kotter and Heskett (1992) look at culture, strategy and performance from three different vantage points, effectiveness, performance and productivity. The three researchers above employed the case study

method in their studies. Apparently, the decision to use the case study was based on the purpose and the nature of the investigation. Denison, Kotter and Heskett and Ueki and Umezawa used case studies to link organizational culture and organizational performances. Hence, each organization's culture should be understood in its own terms, after all the performance of a company is better explained in relation to its own unique culture. Nevertheless, even with the continuing debates on qualitative and quantitative methods on organizational studies, the case study method can be considered as very popular among organizational culture researchers. Table 3.3 lists several researchers who chose to carry out case study research in their study of organizational culture.

Table 3.3: Case study studies in organizational culture

Researchers	Method	Data analysis employed	Organization/ Sector
Ogbonna & Wilkinson (1988)	Qualitative	Does not indicated a specific method for data analysis but Data were presented using anecdotal method	Supermarket
Woods (1989)	Qualitative	Does not indicated a specific method for data analysis except from outlining the similarities and differences of O.C.	Restaurant
Denison (1990)	Qualitative and Quantitative	Qualitative data were analysed anecdotal approach and clinical approach Survey data d using were Analysed both using correlational analysis and direct comparison.	Several companies
Kotter and Heskett (1992)	Qualitative and Quantitative	Questionnaire and Interviews (multi-method) Interviewees quantified their answer based on scale 1-7.	22 industries/ 207 companies
Ueki and Umezawa (1994)	Qualitative and Quantitative	Questionnaires surveys, document search and interviews Survey: frequency analysis Survey data were analysed with other basic data such as companies documents.	Services, Manufacturing
Dwyer et al., (2000)	Qualitative	Analysis of interview and observations data were guided by a framework with 10 characteristics	Hospitality
Kemp & Dwyer (2001)	Qualitative	Data collected from interviews, documents and observations, were analysed using cultural	Hospitality

		web	
Sadri & Lees (2001)	Qualitative	Data analysis by categorizing organizational cultures based on on: the academy, the club, the baseball and the fortress	General
Ogbonna and Harris (2002)	Qualitative	A systematic approach to study the interview transcripts for their data analysis, which includes line-by-line analysis of the text and categorizing data into emerging categories.	Hospitality

3.9 Designing the case study protocol

The preparation and planning for case study methodology started with designing the case study protocol as suggested by Yin (2003). The first stage in developing case study based research recommended by Yin (2003) is the development of the case study protocol. Yin reminds the researcher that there is more to a protocol than the instrument. He emphasises the importance of the development of the rules and procedures contained in the protocol, which will enhance the reliability of the case study research. It is desirable to have a protocol for all studies, but Yin (2003) reiterated that it is essential in a multi-case study. The protocol should consist of the following sections:

- An overview of the case study project.

The project objectives, case study issues have been covered earlier.

- Field procedures.

These are reminders about procedures, credentials for access to data sources, location of those sources.

- Case study questions.

These are questions that the investigator must keep in mind during data collection.

- A guide for the case study report.

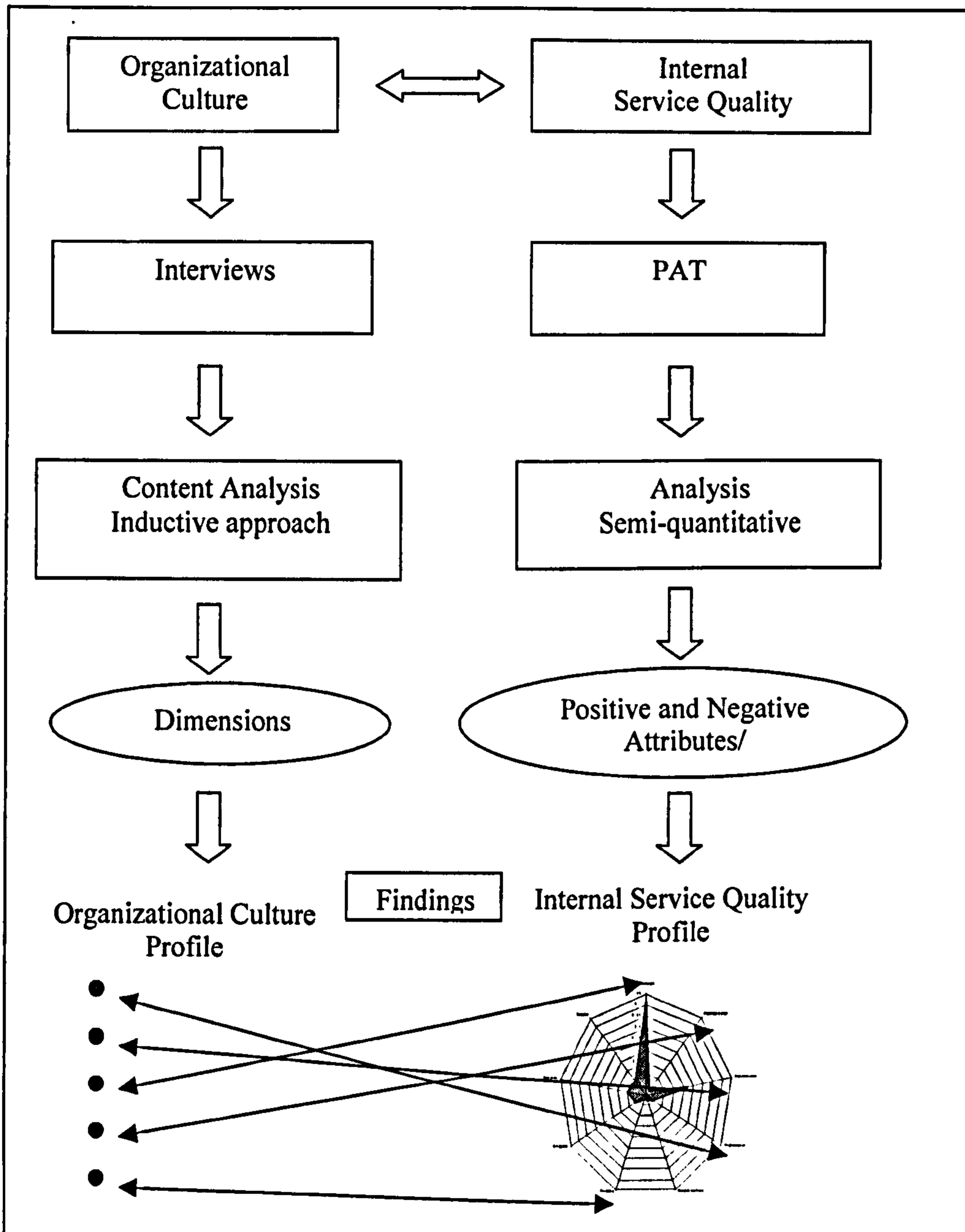
The outline and format for the report is often omitted from the case study plan, since the reporting stage is still far in the future.

Basically, the discipline imposed on the researcher by the protocol is important to overall progress and reliability of the study. It also helps the researcher to remain on the right track; focus on the tasks and goals, while addressing the potential problem before the actual investigation.

3.10 Methods

After having considered various methods including both qualitative and quantitative approaches, this study utilises multiple methods to generate, multiple sources of data, multiple methods otherwise known as triangulation, allows the researcher to confirm their emerging findings (Miles and Huberman 1994). The aim of using multi-methods is to establish validity through the use of the right tools to find the right things or different methods are used for specific purpose. Creswell (2003) uses the term mixed methods to explain the application of both qualitative and quantitative methods in a single research. The methods employed below fit into what was described by Creswell (2003: 218), as ‘concurrent nested strategy’ where the data collected from the two methods are mixed during the analysis phase of the study. The advantage is the researcher can gain perspectives from different types of data or from different levels within the same study. The method considered is a crossroad where the multiple methods was used to collect data, mainly consisting of an in depth semi-structured interviews complemented by the semi-quantitative technique known as PAT. The researcher decided to the use only two of the tools for this research, hence investigation using more than two tools normally apply in a longitudinal study where generally a much longer period of time is required (O’Reilly and Chatman, 1994). According to Mason, (1996: 25 cited in Silverman, 2000: 98) combined methods can be used when you want to use different methods or sources to corroborate each other so that you are using some form of methodological ‘triangulation’. The methodology for this study is shown below in Figure 3.3.

Figure 3.3: Methodological considerations



3.11 Developing an innovative approach to fieldwork

The fieldwork for this study was carried out between September 2003 to December 2003. The Malaysian Association of Hotels (MAH), the umbrella body for hotels in Malaysia, assisted in the process of identifying three hotels that were willing to participate in this study. The three hotels were a five star multinational which was unionised; a locally owned, non-unionised, five-star hotel; and a locally owned three-star hotel, which again was also non-unionised. A total of 36 semi-structured interviews were conducted with managers and operational employees. The interviews were carried out with a range of employees, representing different departments in the hotel. The final selection of the respondents was finalised on site, with the help of the human resource department personnel of each hotel, in particular the human resource director or human resource manager. The interview questions from the work of Brown (1998) and Kemp and Dwyer (2002) shown in Appendices 6 and 7 were used merely as a guideline during the interviews with both managerial and operative staff. Brown (1998) and Kemp and Dwyer's (2002) questions were selected because of their comprehensiveness in painting a picture of the organization. During the interview, the researcher used his own skills and judgement in administering the questions to both parties as each respondent was coming from a different background. The researcher also found that some of the questions could not be asked directly especially when dealing with operative staff, in most instances these questions need to be rephrased to facilitate better responses. However, the researcher did not have many problems when dealing with managerial staff. Nevertheless, the researcher found that Brown's (1998) questions were more appropriate and realistic in uncovering organizational culture, while Kemp and Dwyer's (2001) questions were not really questions but a merely guideline and some questions like 'What picture does the physical layout of the organization provide? For example what does the hotel layout and style of furnishing suggest about the organization' could be better as a guide during observations rather than to be asked during the interviews.

The interviews were tape recorded and transcribed verbatim. A content analysis, coding and encoding were carried out on the interviews transcripts. During the same period, a free response survey (PAT) was carried out at the three hotels. Sampling for qualitative study in contrast to quantitative research, is relatively small and non-random as the objective is to have deeper understanding of some complex behaviour or meaning (Kwortnik, 2003). On the other hand, the PAT survey forms were distributed to the entire population of the hotel to enable some simple frequency analysis. The response rates are reported below.

The most critical aspect in any case study research is getting access to the organization. The success factor in this kind of research very much depends on getting permission from the organization to conduct in-depth interviews and surveys. Permission must be sought from the gatekeeper as well as the stakeholders because in order to carry out this type of research, not only is consent required from the organizations, the organizations as well as the participants must also accept the researcher (Clark et al., 1998). The organizations in this research wanted to know the purpose of the study, degree of disruption in their daily activity, why were they chosen for the study, what will be done with the findings and the benefit they will receive from their cooperation. Some of the problems encountered before and during the fieldwork are discussed later in the chapter.

In an attempt to select the case study organizations, the selection of the hotels was based on the Klang Valley Hotels listings (MAH members only). Malaysian Association of Hotels (MAH) is the umbrella body for hotels in Malaysia. It was formed in 1974, initially known as the Malaysian Association of Hotels and Restaurants (MAHAR) and later in 1983 changed to become MAH (Malaysian Hotel Association, 2003). Among the objectives of the organization is to unite hotels in Malaysia into one representative body, promote and foster cooperation between hotels and all similar businesses within and without the areas of the association. Followed by to protect and advance the interest of all Ordinary Members and Associate Members and secure mutual advantages, to encourage its members to provide quality service, to keep abreast of the changing needs of the travelling public, and to promote good relationships between the industry and the public

At the same time to promote international, regional and domestic tourism, to acquire, preserve and disseminate information and to provide educational programmes of value to the membership and to the industry. Ordinary Membership is open to all hotels officially registered with the relevant authorities with a minimum of 10 rooms. Such members have voting rights at meetings of the Association. Associate Membership is open to any company or corporation directly or indirectly associated with hotel trade may write to join the association. Meanwhile, associated members shall not hold office nor have voting rights at any meeting of the association. Hence, MAH members consisting of hotels all over Malaysia, however the focus of the study is only in Klang Valley where the capital city of Malaysia is located. Currently, MAH is the only association representing a large numbers of hotels in Malaysia, for this reason MAH list was selected and consulted for this study. Purposive sampling or non-probability sampling was used in selection of the organizations and respondents (Peterson, 1994). Hence, their brands and ownership were not the main considerations in terms of choosing the organizations. Table 3.4 shows the numbers of hotels in Klang Valley, the data is based on the MAH membership listing. The procedure for selecting case study organizations is discussed below.

Table 3.4: MAH member hotel listing

State	Number of Hotels	Star Rating	Rooms
Kuala Lumpur	71	2 to 5	49 to 643
Selangor	29	2 to 5	40 to 563

Source: Malaysian Hotel Association (2003)

3.12 Selecting of case study organization

Klang Valley was chosen as the area for the case study primarily due to its geographical importance. Kuala Lumpur is the capital city of Malaysia and housed many businesses, governments departments and tourist attractions. Over one hundred hotels with star ratings ranging from two to five are spread around the valley where most of the main players in the industry are located in either Kuala Lumpur or Selangor. A part from that, Malaysia was selected for this case study because

Malaysia is the researcher's native land and consequently it was much more comfortable to begin the fieldwork in a familiar territory and work with the data that was closer to his heart rather than to begin somewhere from the very beginning. In other words, being a Malaysian, meant greater familiarity with the society and business environment and ensured the research was in a better position to understand the country's socio-economic development.

All hotels listed in MAH member listings come with contact address, telephone numbers and e-mail address. Initially hotels were contacted randomly by emails, however the response was very poor with only two managers responding, both negatively. However, when contact was made with the president of MAH, he referred the request for access to the association's executive director. Initially, MAH identified five organizations that were willing to participate. However, when contacted by telephone later, only four hotels expressed a willingness to participate in the study. The four hotels were visited allowing for discussion with the human resource managers and directors and in one hotel the General Manager. Ultimately though only three organizations participated in the research and amongst the three hotels participated: two organizations representing 5 star hotels while another one is a representing a 3 star hotel. To preserve the anonymity of the hotels and the staff, the pseudonyms Foreign5, Local5 and Local3 are used. The companies selected were in line with the criteria stated in the request letter to MAH, which asked for a 5, 4 and 3 star hotel. The other two hotels that were not willing to participate in the research indicated at the very last minute 'we are very busy' as the reason for not being able to accommodate the researcher mainly because the study was dealing with employees.

3.13 The need for historical background of the cases

Foreign5 is a five star multinational hotel with some foreign interest. It is located at a busy highway in the Klang Valley of the Malaysian capital. One of the largest and most dynamic groups in Malaysia owns this property and the company currently owns several other hotels and resorts in Malaysia; Foreign5 International manages

this property. The hotel was first opened as part of Foreign5's group of international hotels in 1984 after a major renovation and refurbishment. A co-operative group initially owned this property until it was bought by the international holding company. Under the flagship of Foreign5 international, the property has been operating for almost 20 years and for over a decade the hotel has been under local general managers. In 2001 an expatriate took over from the local general manager. The hotel has 563 rooms and over 500 employees.

Local5 is a five star tropical 'boutique' resort. It is located in the heart of Multimedia Super Corridor¹, known as Cyberjaya, a neighbour to Putrajaya, which houses the federal government new administrative centre. A local company in Malaysia owns the property and currently a hotel management company is managing the resort. The resort was opened in 1998 and had an expatriate as the general manager from the opening. The property has 74 rooms and 52 service apartments and it has over 260 employees.

Local3 is a three star hotel, which is wholly owned by a state government agency. It is located in Kuala Lumpur. The hotel first opened for business in 1996 and is managed by the Local3 group. Under the flagship of Local3 the group consists of five properties, including one executive business centre. These properties are strategically located at different part in the state of Selangor. An experienced local group general manager has headed the group since its inception in 1996. The hotel has 204 rooms and over 140 employees.

3.14 Analytical Framework

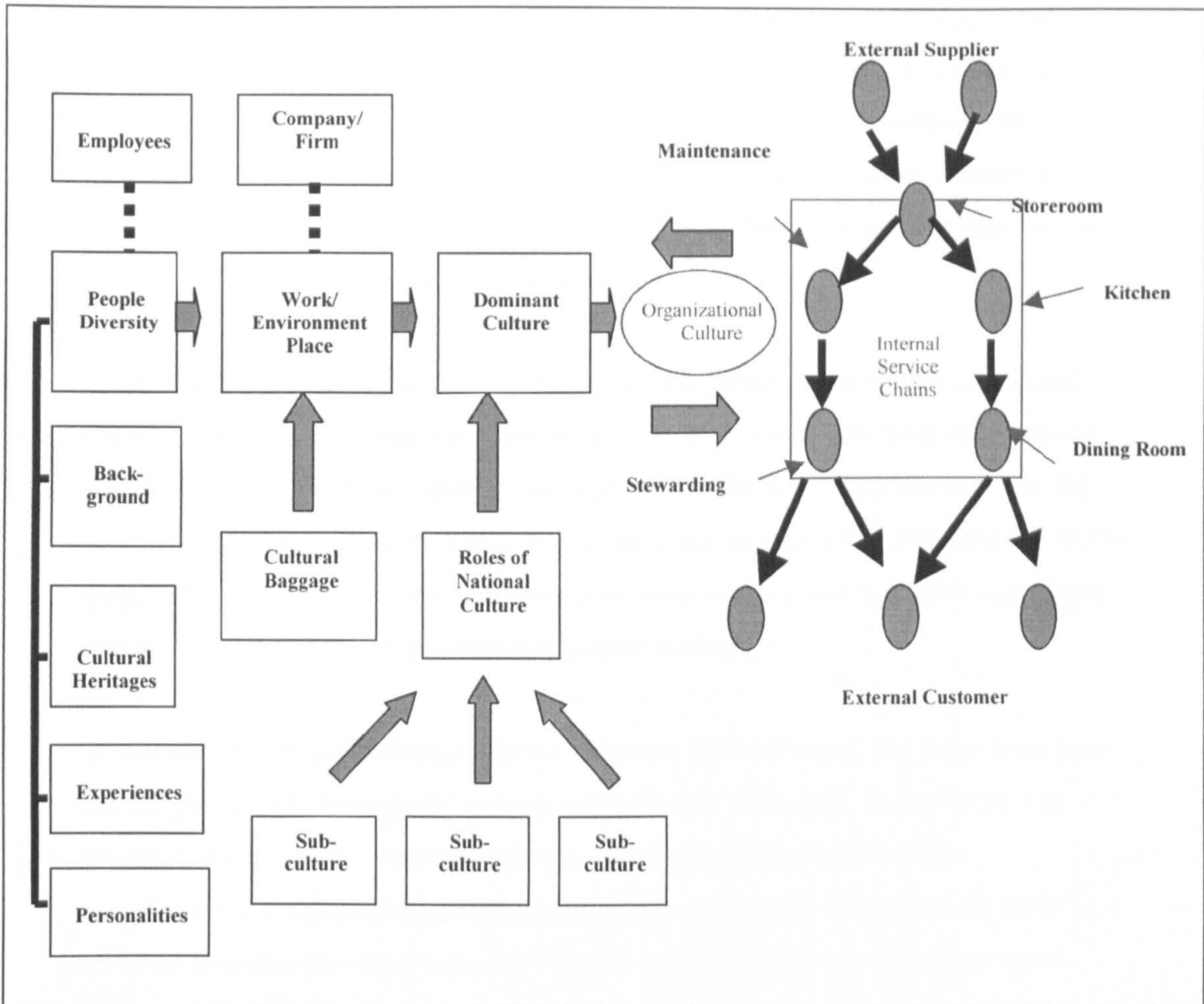
The research framework outlined in Figure 3.4 provided the basis for the collection of data for this study, the focus of which is on the understanding the 'how and why' of organizational culture and followed by the examination of its impact on the internal service quality (ISQ) using PAT. A multi-method research design was chosen to study both organizational culture and ISQ. The combination of qualitative and semi-

¹ Multimedia super corridor (MSC) is the 'Silicon Valley' of Malaysia. Local5 has adapted this concept by naming various committees after the ICT terminology.

quantitative methods aims at helping practitioners to develop theories to explain certain phenomena in term of 'what, why and when' but also was able to tell them 'how many or what proportion of a population thinks or feels certain ways' (Kwortnik, 2003: 118).

The analytical framework was formulated in line with Schein's (1985a) work, which focused on cultural evolution and how it was transmitted throughout the organizations, in turn influencing the organization's strategy and performance. This is in line with Brown (1988) who proposed that analysis and recognition of the surface culture as the initial step in strategy formulation and implementation in the evaluation of organizational performance. Ogbonna and Harris' (2002) realist perspective also provides an important world-view in researching organizational culture as the process involves interpreting a very complex sets of beliefs, values, behaviours, attitudes, and assumptions of both employees and organizations. Hence, the framework proposed that there is a relationship between organizational culture and internal service quality and how these two are linked. The internal service quality concept is based on the works of Caruana and Pitt (1997), Paraskevas (2001) and White and Rundall (1999). The concept is better explained by Heskett et al. (1994), where the quality of internal service encounter is characterized by the attitudes that employees have towards one another and the way employees serve each other inside the organization. Hence, internal service quality consists of perceptions on the relationship between employees from typical operational departments within the hotel such as dining room, purchasing, receiving and store, kitchen, housekeeping and maintenance departments. The framework also to seeks evidence whether employees background such as cultural heritage, experience and personality plays any role in influencing the organization's culture alongside organizational practices and policies. The key question is how does organizational culture affect the relationships of the internal customers and if so, to what extent?

Figure 3.4: Proposed Analytical Framework for the study



Hence, the primary research methods in this research are:

1. In-depth interviews with both managerial and operational staff of the hotel.
2. PAT survey covering the entire population of hotels.

Interviews were conducted with both the managerial and operational staff. The study used the analytical framework shown above to examine organizational culture and internal service quality. The first part of the study explores organizational culture through interviews and the second part of the study explores the internal service quality performance of internal customers using PAT. The two subjective aspects are

then integrated during the analysis of the data. Although organizational culture and internal service quality are both subjective matters, the idea of integrating both aspects was even more challenging. Hence, in operationalizing the concepts only the tangible aspects of the organizational culture as suggested by Schein (2004) were used in the study. Schein model being the best-known model, provides a better way of exploring organizational culture. Meanwhile, the measurement of the internal service quality was made possible by using PAT, which provides an innovative approach to analyse the complexity of internal service quality.

Kemp and Dwyer (2001) in their examination of organizational culture conducted interviews with section managers and with a range of employees from departments within hotel. The positions interviewed represented the hotel population; while the number of respondents is representative of the actual organization population with the length of service varying from six months to more than ten years. This is significant and relevant in terms of organizational culture studies.

To ensure validity and reliability of the interview data collected, the interviews were carried out on both managerial and operational staff. Although, in the Kemp and Dwyer (2000) case the sample suggested the actual representation of the organization's demography and profile, in this study a range of informants from different departments was purposely selected within the hotel to ensure an equal representation of the existing employees if not the representation of the hotel population for each organization. For example, managers and staff were selected as informants representing some of the levels found in the hotel (Ogbonna and Harris, 2002). Interviews were conducted on-site in each hotel. The next section will consider the details of respondents for this research.

3.15 The Employee Interview informants

The richest source of data was the interviews. The interviews were tape recorded and then transcribed verbatim. The duration of the interviews ranged from thirty minutes to one hour and thirty minutes and they were carried out with directors, managers to operational

staff. Respondent ages ranged from 18 to over 50 years old. Their length of service ranged from three months to 25 years as shown in Tables 3.5, 3.6 and 3.7. Kemp and Dwyer (2001: 82) assumed that people with longer service 'lived and breathed' the culture while newcomers with less than six months were still undergoing a socialization process. As this point is very relevant to this study, it was decided to include both managerial and operational staff as the respondents, to avoid what has been described as 'for public consumption culture' by Louis, 1985 cited by Kemp and Dwyer (2001: 91) which usually portrays the culture of top management.

The interview transcripts were then analysed using content analysis which was said to be more appropriate for researcher's who like to see some 'hard facts' coming out of their evidence and it involves identifying and counting certain key words or phrases in a piece of writing or in the recording of an interview, conversation, or surveys which includes unstructured responses (Clark et al., 1998). The analysis process involves coding process in which the qualitative data was categorized and described the implications and details of these categories.

The analysis process began with open coding which involves the line-by-line analysis of the text for the occurrence of categories and the subsequent 'deconstruction' of data into emerging categories. This was followed by axial coding, which involves reviewing, and re-sorting, leading to the emergence of subcategories, linkages and relationship. Meanwhile, selective coding involves the evaluation of selected data that appears particularly relevant in refining the emerging interpretation was also carried out. All the coding processes were manually done with the aid of MS Word, employing copy and paste method. The details on analysing qualitative data for interviews will be discussed later in the chapter.

Tables 3.5, 3.6 and 3.7 show the respondent profile in each of the hotels.

Table 3.5: Foreign5 informants profile of the in depth interviews

Respo ndent	Designation	MGT/ OPR	Length of Service	Gender	Ethnicity	Translation
HM1	Human Resource Manager	MGT	2 years	Female	Chinese	No
HM2	Hotel Financial Controller	MGT	19.5 years	Male	Malay	No
HM3	Acting Chief Steward	MGT	20 years	Male	Malay	Yes
HM4	Banquet Manager	MGT	10 years	Male	Malay	No
HM5	Front Office Manager	MGT	7 months	Male	Chinese	No
HM6	Reservation Manager	MGT	8 years	Female	Chinese	No
HM7	Chief Security Manager	MGT	16 years	Male	Indian	No
HO1	Chambermaid	OPR	19 years	Female	Malay	Yes
HO2	Chambermaid	OPR	3 years	Female	Malay	Yes
HO3	Supervisor: Steward Dept	OPR	17 years	Male	Malay	Yes
HO4	Banquet Waitress	OPR	4 years	Female	Malay	Yes
HO5	Banquet Waitress	OPR	4 months	Female	Malay	Yes

Table 3.6: Local 5 informants profile of the in depth interviews

Respo ndent	Designation	MGT/ OPR	Length of Service	Gender	Ethnicity	Translation
CM1	Chief Steward	MGT	6 years	Male	Malay	Yes
CM2	Duty Manager: Front Office	MGT	2.7 years	Male	Malay	Yes
CM3	Ass. Rest & Beverage Manager	MGT	1.5 years	Male	Indian	No
CM4	Director of Human Resource	MGT	3 years	Female	Indian	No
CO1	F&B Supervisor	OPR	1.5 years	Male	Malay	No
CO2	Floor Supervisor: Housekeeping	OPR	5 years	Female	Malay	Yes
CO3	Demi Chef: Pastry	OPR	1 year	Male	Malay	Yes
CO4	Commis 3: Pastry	OPR	6 months	Female	Malay	Yes
CO5	Commis 3: Coffee House	OPR	6 months	Female	Malay	Yes
CO6	Floor Supervisor: Housekeeping	OPR	1.5 years	Male	Malay	Yes
CO7	Security Officer	OPR	5 years	Female	Indian	No
CO8	Security Officer	OPR	5 years	Male	Malay	Yes
CO9	Front Office Agent	OPR	1.2 years	Female	Kadazan	No
CO10	Kitchen Steward	OPR	5 years	Male	Malay	Yes

Table 3.7: Local3 informant profile of the in depth interviews

Respondent	Designation	MGT /OPR	Length of service	Gender	Ethnicity	Translation
PM1	Asst. Front Office Manager	MGT	7 years	Male	Indian	No
PM2	Group Ex. Housekeeper	MGT	5 years	Male	Malay	No
PM3	Room Division Manager	MGT	1.5 years	Male	Indian	No
PM4	Chief Security Officer	MGT	7 years	Male	Chinese	Yes
PM5	Group Human Resource Manager	MGT	2 years	Male	Malay	No
PO1	Chambermaid	OPR	1 year	Female	Malay	Yes
PO2	Captain: Coffee House	OPR	4 years	Female	Kadazan	Yes
PO3	Captain: Banquet	OPR	7 years	Male	Malay	Yes
PO4	Captain: Coffee House	OPR	2 years	Male	Malay	Yes
PO5	Commis 3: Kitchen	OPR	1 year	Male	Malay	Yes

3.16 Analysing qualitative data

Interviews were tape-recorded and transcribed verbatim by the researcher. Some of the interviews, mainly the interviews with operatives staff, were conducted in Malay language were also transcribed verbatim and later translated into English by the researcher to ensure consistency. To ensure the accuracy of the translated version, the researcher employed the service of two individuals/judges to examine the consistency of the translated scripts with the original transcript in Malay. One of the individuals is the researcher own spouse who is a qualified researcher herself back home in Malaysia, while the other one is a colleague who was a fellow research student also hailed from Malaysia. Both speak fluent English and Malay and they found the translations were meticulously done.

Walsh (2003) describes qualitative analysis as moving from summarizing the data to identifying related themes and patterns, to discovering relationships amongst themes and patterns, and to developing explanations for these relationships. The process of making sense of the data (Lincoln and Guba, 1985) involves the researcher as a sole analyst rereading the transcripts many times (Kwortnik, 2003, Walsh, 2003) before dissecting the text for common categories and themes. The open coding process involves naming or labelling the themes 'emerging' from the data according to the literature or provided by informants and most of the time created by the analyst. Similarly, Ogbonna and Harris (2002: 50) adopted a systematic approach to studying of transcripts by employing open, axial and selective coding, where 'open coding involves the line-by-line analysis of the text for the occurrence of categories and the subsequent 'deconstruction' of data into emerging categories. Axial coding involves reviewing and re-sorting leading to the emergence of subcategories, linkages and relationship. Selective coding involves the evaluation of selected data that appears particularly relevant in refining the emerging interpretation. The interpretive process of the data usually involves labelling the data that reflects the meaning of the text and these labels are provided by the respondent or borrowed from the existing literature (Kwortnik, 2003). These coding processes were chosen mainly because of their pragmatic and simple approach especially with the aid of a word processor such as Microsoft word.

During the data analysis, all interviews transcripts were repeatedly analysed and emerging themes were identified, with the help of some analytic tasks feasible with a word processor as described by Reid (1992 cited in Silverman 2000). For example in searching for string of text using feature such as 'find' in Microsoft word, the researcher enters code word like 'communication' in the text and saving the search result of each paragraph to a separate file. The process enables certain important quotes or paragraphs to be visually inspected or segments of the text extracted for later use. Generally, the method of analysis was comparable to that of Miles and Huberman (1994), which proposed a similar process for inductive approach in qualitative data analysis. The coding process in inductive analysis is when the raw data is reduced to a smaller number of sets, themes, or constructs (Miles and

Huberman, 1994), however in this research the coder, who was also the researcher identified nine keys themes from the text. There was some overlapping between coded and uncoded text where one segment of the text may be coded into more than one category, while a considerable amount of text may not be assigned to any category because the text may not be relevant to the research objectives.

Nevertheless, the findings of the organizational culture in Chapters 4, 5, 6 will be reported by using the following headings (shown in Table 3.8), which were based on the emerging themes. It is also important to note that the emerging themes from the data are very similar to the literature reviewed earlier. The overlapping was due to several reasons such as similarity of language use by the coder, which coincides with the existing literature. Furthermore it is also the objective of this study to identify the existing gap in the literature, for example things or themes that are not in the prior literature. Hence, new themes or slightly different themes emerged as a result of different interpretation or application of the term in the context of this research.

Table 3.8 Organizational culture dimensions emerging from literature

	Emerging dimensions
1	Guiding principle
2	Management of change
3	Work organization
4	Recruitment and selection policy
5	Induction and socialization
6	Training and development
7	Participation and involvement
8	Performance appraisal and reward system
9	Promotion and human resource development
10	Compensation and benefits
11	Communication
12	Shared values and beliefs
13	Roles of leadership
14	Rites and rituals
15	Symbols
16	National culture
17	Sub-culture
18	Conflict
19	Image
20	Relationship with trade union
21	Outsourcing
22	Staff turnover
23	Crisis management
24	Service quality

Subsequently, the above 'emerging themes' were further reduced into nine common categories, which are labelled as nine dimensions in an organizational culture profile. However, as indicated by Kwortnik (2003), conclusions derived from qualitative research are contextually bound, where generalizing to a large population may be inappropriate and risky. In addition, the techniques employed above rely on analyst interpretation of the informants own experiences which is subject to certain limitations. The next section will look at the semi-quantitative data.

3.17 Semi-quantitative data: Profile Accumulation Technique (PAT)

Besides in depth interviews, another method employed in this study is a Profile Accumulation Technique (PAT) survey. PAT is a tool used to explore internal service quality in this study. Traditionally, PAT has been used to measure the external domain of service quality in various hospitality settings. Hence, part of the study tests the applicability of PAT as a tool to the measure internal service encounter.

PAT has been developed and applied widely by two researchers, Johns and Lee-Ross in a number of studies concerned with service quality measurement. Hence, Johns and Lee-Ross (1995: 4) strongly believe that this technique is suitable for different types of study:

The technique seems to have application for comparing the views of customers, managers and front-line staff, for comparing the service quality of different units and perhaps for monitoring the service quality of separate service areas, such as banqueting or leisure facilities. It is likely that profile accumulation is appropriate for all types of service which can be described as providing an *experience*, for example tourist events and attractions, as well as hospitality units.

The main aim in using PAT is to explore how employees serve each other or perceive each other inside the organization. Here, the study is specifically interested in examining the relationship between internal suppliers or provider. PAT is a free

response technique, where respondents can write down what they think of each other, how well they are serving each other and the data provides insights into the strength and weakness of the internal service. This method is quite similar to another qualitative tool, critical incident technique (CIT), which has been used to study the internal service encounter by Paraskevas (2000). The decision to use PAT allowed the study to focus on the fact that many organizational departments are service providers primarily to customers within the organization.

Initially PAT was introduced by Johns and Lee-Ross (1995) as a new technique for assessing perceptions of service quality. This technique was a result of their disappointment with SERVQUAL as a research tool and PAT has become an important research tool. According to Johns (1996), most of the time people find questionnaires ambiguous, so they tend to give their general impression rather than their specific answer to what was asked. As an example 2000 respondents will re-interpret the questionnaire 2000 ways. Johns does not believe the statistical treatments such as averaging would be able to iron-out the 'human error', because most often respondents tends to answer the way they like.

On the other hand PAT, allows respondents to say what they think about the service and the researcher is the only person who will code, count and interpret the data. There are number of processes involved in PAT. First, respondents will write down their best and worse aspects of a particular service experience on a simple form and give reasons for their choices. Then the numbers of responses are counted to provide a profile of the strengths and weaknesses of the service. Among the uses of the data are to compare relative strengths and weaknesses of several outlets and to differentiate between customers segments, or compare changes in the quality of service over time.

One of the reasons why PAT was chosen over the other tools is because several alternatives were available to measure service quality, including qualitative and quantitative methods. The researcher found PAT to be the most versatile and easy to

manage tool. The comparable quantitative tools available are SERVQUAL questionnaires such as LODGSERV, DINESERV, INTQUAL, and INTERSERVQUAL. The most widely accepted service quality measurement uses the expectancy-disconfirmation paradigm, which according to some critics lacks versatility, even Parasuraman et al. (1988) were unable to replicate their own work in the latter study. Johns and Howard (1998) suggested that due to the different nature of services, it is impossible to ask the same series of questions in two different service industries. Parasuraman first developed the original factor structures for a bank, a credit card company, a repair and maintenance company and a long distance telephone company. Hence, many researchers in the hospitality sector were unable to obtain clear similar structures because for example customers experience with restaurant services are a more holistic meal experience, which contained subordinate interpersonal elements like attitudes of the service staff. Babakus and Mangold (1992 cited in Johns and Tyas, 1996 and Johns, Lee-Ross and Tyas 2000) had a similar conception, the reason being that the original service concept proposed by Parasuraman et al. is naturally different from the hospital and hospitality service which always consumed in a package with other benefits. Johns, Lee-Ross and Tyas (2000) touched on the more fundamental issue of SERVQUAL; statistically it is impeccable in orthodox terms. It is argued that the assessment of service quality perceptions has largely moved beyond orthodox solutions.

A closer alternative to PAT is critical incident technique (CIT), which has been used in similar studies in banks by Grembler et al. (1994) and Paraskevas (2001) in hotels. However, the process of collecting the incidents through qualitative interviews or questionnaires can be a lengthy and time-consuming task. The data analysis can also be more complicated when the incidents need to be sorted into groups with similar topics and classified in a step-by-step method using content analysis. Apart from that, to ensure a high reliability quotient of the process, two analysts are required to validate the incidents before statistical tests are carried out. A third judge is then appointed to perform the task of verifying the earlier analysts. Then the two analysts to ensure further reliability again repeat a test retest reliability check. Besides the lengthy procedures and its time consuming nature, CIT also has its own limitation

like recording only exceptional impressions, which represent the subject's under-or over-fulfilment of expectations.

Meanwhile, PAT as a semi-quantitative technique is quite easy to administer as it allows qualitative data to be collected and yet assessed quantitatively. In principle, the technique provides data comparable to that of SERVQUAL, however it does not give a factor structure instead attributes emerged can be re-grouped into service quality dimensions suggested by other researchers. Theoretically this is a less than ideal situation. The data analysis may be lengthy and time consuming, but the application of software can help researcher save a lot of time. Fundamentally, the ability of PAT in allowing the respondents freedom to use whatever language comes to mind is perhaps the best reason why this technique is preferable. As an example a response is proactive and employs the respondent's own words. In the context of the case studies reported in Malaysia, where English is a second language, this factor is crucial in determining its internal validity.

The PAT response form is able to provide accessible feedback about customer preferences, it allows respondents to say exactly what they want and the data is not tainted by the possibly irrelevant assumptions of the service provider (and see Appendix 8). The approach is verbal rather than numerical and is a free-response technique. Thus, customer perceptions of service experiences can be assessed without in any way prescribing or influencing their responses (Johns, 2001). Specialised software called 'Pasadena' is available to aid the data entry and analysis. A novel statistical approach has been developed, so that all the multivariate techniques used in the conventional closed type questionnaires can also be applied to PAT data (Johns, 1996). PAT is an extremely versatile technique, and has been used to assess the service quality of various customer services, including hotels, restaurants, management associations, training organisations and tourist attractions. Johns et al. (2000) in their comparative study of SERVQUAL and PAT, found that PAT is more subjective than SERVQUAL because basically it relies on the researcher to interpret, while closed questionnaires like SERVQUAL requires every

respondent to interpret all of the responses. Thus, in PAT the interpretation is likely to be uniform and controllable. On the other hand, for the other statistical techniques, the larger the numbers of responses collected the more reliable the quantitative data become, but in case of PAT even as few as 50 completed response forms could provide meaningful information.

In terms of looking at internal service quality, Caruana and Pitt (1997) investigated the relationship between internal service quality and business performance by using two measuring instruments: INTQUAL and subjective perceptual measure based on Pearce et al. (1987 cited by Caruana and Pitt, 1997). Caruana and Pitt resorted to subjective perceptual to measure performance, which indicated subjective evaluations that are a reliable means for measuring performance. Although a subjective measure, a Likert scale consisting of three items was used to measure performance, two of the items supposed to measure return on capital employed (ROCE) and sales growth of the respondent's firm in the last five years relative to other companies in the industry. The third item asked respondents on their impression of their firm's overall performance in the last five years, relative to others. The study utilized Parasuraman et al. model, however INTQUAL focuses on internal actions that management needs to implement to ensure quality service to customers. The findings suggested that the service quality delivered by a business has an effect on performance. They also found, INTQUAL to be a fairly reliable instrument, mainly as an internal measure because it offers an opportunity to investigate links between quality and performance among non-profit organizations where profitability is not the main concern.

White and Rudall (1999) also carried out an investigation of the dimensions and measurement of internal service quality (the internal customers) in the hospitality industry. The researchers developed INTERSERVQUAL, which focused specifically on the internal service domain and included the dimensions that were not included in SERVQUAL. INTERSERVQUAL uses twenty-seven items, as compared to twenty-two items used by Parasuraman et al. (1988) to capture the dimensions not contained

in SERVQUAL. A nine-point scale accompanied each item. The data was collected from a large entertainment and gaming complex, the site was chosen because the organization was interested in possible outcomes of the proposal and willing to cooperate. For the study four departments were selected, with the maintenance department as the internal service provider as it provides services to all departments within the complex. The service receiving departments were identified as food and beverage (F&B) department, housekeeping department and gaming department. The study used a sample consisting of employees who worked in the receiving departments and have had experienced the service of the Maintenance department. The sample size selected was representative of the actual organization's demography and profile. The human resource department distributed a total of 180 questionnaires and only 140 questionnaires were usable. They were surveyed to determine their perceptions and expectations of the services provided by the maintenance department. The results indicated that there is high degree of reliability of both scales (as the researchers used both instruments SERVQUAL and INTERSERVQUAL in their studies) and the use of INTERSERVQUAL was more appropriate in conceptualising and measuring of internal service quality. The quantitative study shows that internal customers use five distinct dimensions that capture the area of empathy, reliability, tangibles, responsiveness, and assurance when evaluating internal service quality.

As well as the two studies mentioned earlier, Paraskevas studied three international city hotels in Greece using critical incident technique (CIT). Both the internal customers and service providers were asked to describe the encounter. Instead of asking the respondents to use an either/or approach, both the negative and positive service experiences were solicited by all respondents. This was done to differentiate between aspects relating to minimum service requirements and value-enhancing service aspects. However, the in-depth interviews were carried out with senior and middle management. Interviews were tape recorded with the agreements of the participants and later transcribed verbatim. To ensure the reliability quotient in the process, two analysts were asked to read, sort and re-read the incidents until they reach an agreement. Some statistical tests were also carried out, the Chi-square tests for homogeneity were also done, but it shows no significant differences between the

analysts' classifications at 0.05 level. Apart from appointing another judge, an industry professional to check on the classifications, the study also asked the two analysts to repeat the same tasks. The quotient this time was higher than the prescribed level of acceptance (Paraskevas, 2001).

After a careful review of the various literatures on similar research conducted on internal service quality and PAT, the researcher decided to use PAT to explore internal service quality. The justification for the use of internal service quality chains is based on the works of Caruana and Pitt (1997), Paraskevas (2001) and White and Rundall (1999). According to Heskett et al. (1994), the quality of internal service encounter is characterized by the attitudes that employees have towards one another and the way employees serve each other inside the organization. The summary of their work is shown in Table 3.9.

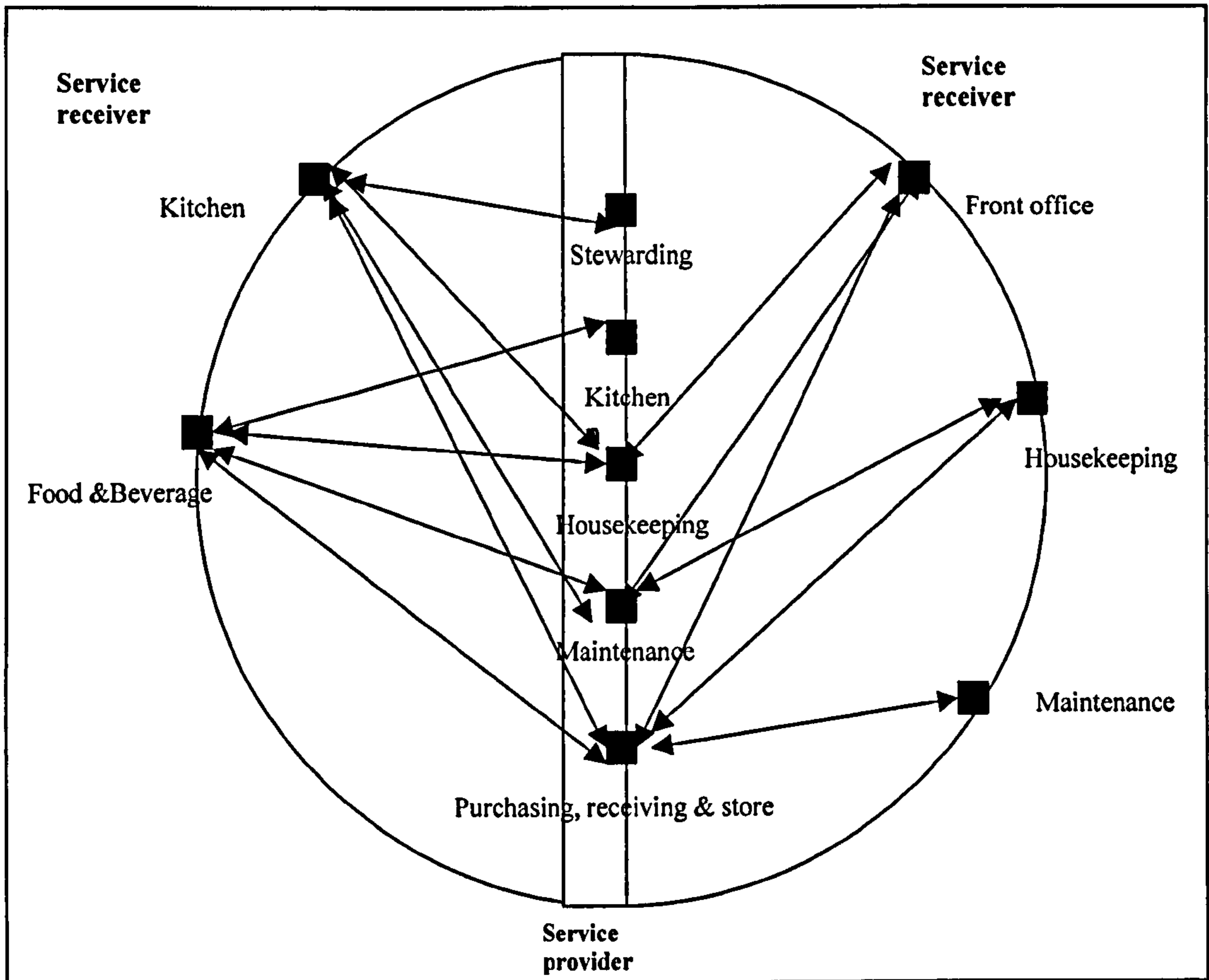
Table 3.9: Internal service quality: service provider and service receiver relationship

Researcher	Focus of the study	Service provider	Service receiver
Caruana and Pitt (1997)	Internal service quality and service firms performance (Intqual)	Service firms →	Managers of the service firms
Paraskevas (2001)	Internal service chain of three international city hotel in Athens, Greece (CIT)	Maintenance →	Housekeeping ↓ Front office
White and Rundall (1999)	Internal service quality of the entertainment and Gaming complex (Interservqual)	Maintenance Dept. → → →	Food and Beverage Housekeeping Gaming Department

In this study, it is very important to determine the relationship between various departments as the first step to explore the internal service quality to determine the most critical departments in terms of the most active service providers to be evaluated and their service receivers who were identified as the evaluators. Figure 3.5 show the

internal service providers and service receivers' web, which mainly consists of typical operational departments within a hotel. The web also points to the potential PAT respondents, which is F&B service employees, kitchen employees, and front office employees. Meanwhile, the departments to be evaluated are purchasing, receiving and store, kitchen, housekeeping and maintenance departments.

Figure 3. 5: Hotel service provider and service receiver relationship web



The concept of internal service quality in the hotel may be illustrated by the following scenario. Hospitality organizations usually include production, marketing, facilities maintenance, purchasing, finance, information technology, human resource management and other departments as have been mentioned earlier. In order to perform effectively in any organization, interdependent individuals and groups within organizations must establish working relationships across internal organization

boundaries. Each individual or department within an organization is servicing other individuals and departments within the organization. Some individuals or departments may have to serve more than one department of the organization. The servers are the internal providers of the services while the receivers are known as internal customers.

To better explain the nature of their activity, it is possible to look at some of their daily activities. In the F&B department each morning purchasing, receiving and stores will have to issue food- stuffs or ingredients to the kitchen for production. The kitchen after preparing the food will make it available for the serving staff, deliver to the customer. In the course of interaction between the employees from each department to serve the external customer, they may experience good service or poor service from each other. Similarly, the same principles and techniques used in the creation and measurement of service quality can be transferred to the internal environment (Auty and Long, 1997). Thus, internal service quality can also use attributes such as 'satisfiers' or 'dissatisfiers' (Johns and Lee-Ross, 1995). The same process also applies to rooms division, front office before it can be sell any room will need the service of housekeeping department to clean the room first. Consequently, if the housekeeping find any electrical devices broken, they need the service of a maintenance department technician.

Paraskevas (2001) pointed out that internal service quality is a dyadic experience hence; both internal service providers and the internal service customers will be the respondents. Another thing which differentiates aspects relating to minimum service requirements and value-enhancing service aspects, respondents will be required to describe both negative and positive internal service experiences instead of either/or approach. Paraskevas (2001: 285) added that 'high level of quality built into the internal service chain consequently result in high level of quality products and services offered to the external customer'.

A slight modification to Johns PAT form was used to measure internal service quality in the case studies (and see Appendix 8). The modification added the following aspects: the respondents gender, years of service and the department the

respondent wished to evaluate. For this research the PAT forms had dual language, English and Bahasa Melayu (Malay language), in order to accommodate people who have low proficiency in English. The use of a dual language PAT form was made after the pilot study. Johns was also contacted and he consented to the modification to fit the particular situation in the research.

3.18 Analysing PAT responses

The following describes the process of coding PAT responses. A total of 900 forms were distributed to the employees of the three hotels. The forms were colour coded: green for Foreign5, yellow for Local5 and pink for Local3. The measure was to avoid mix up during the analysis instead of customising the forms for each hotel. A total of 500 PAT questionnaires were distributed to employees of Foreign5, with 238 returned. Of these 225 were usable giving a response rate of 45.8%, which was the highest amongst the three hotels. 260 PAT forms were distributed to employees of Local5 and 70 returned, a response rate of 25.38% with 66 usable responses, 140 PAT forms were distributed to employees of Local3, 27 were returned, of which 25 were usable, a response rate of 17.86%.

3.19 Coding process of PAT responses

The PAT free responses were coded manually based on the emerging attributes and these attributes both positive and negative were transferred into a coding sheet (shown in Appendix 9) for each PAT form. There were more than one attributes emerging from each question on the form but not more than three attributes. Prior to that, each PAT's response was reviewed by the researcher at least three times, while taking down notes besides each response. The PAT conversion form was used to ensure attributes were coded systematically before being transferred into Excel. These attributes were later sorted using Microsoft Excel.

Table 3.10: Coding process of PAT responses

Sorting 320 PAT forms	Foreign5 225	Local5 68	Local3 27	Total 320	Manually: Coding sheet
Process	Positive R	P Reasons	Negative R	N Reasons	Application
Coding: Attributes	413	346	391	377	Excel
Common: attributes	21	20	44	53	Excel
Variables:	20			42	SPSS
Profile: Dimensions	9			9	Excel

The total numbers of positive and negative attributes emerging from the responses are shown in Table 3.10. Later all the attributes were reduced using Excel and sorted alphabetically, the next step involved reducing the common attributes to one for each attribute from the different categories. The attributes were picked up to become variables, which were later entered into SPSS. Frequencies for each variable were calculated and again all the variables were categorised into common themes or dimensions. The analysis found nine dimensions for both positive and negative responses, which were then transferred into Excel to construct radar profiles or web profiles for both positive and negative dimensions.

The conversion forms also enable responses either in English or Malay to be coded directly into the forms without having to translate them first. Translations were done only if the responses were used for anecdotal evidence in the findings. However, to ensure consistency of the translation carried out, the same judges were sourced as in the case of qualitative interviews.

3.20 Problems related to fieldwork

Primarily, the problems were related to problems of conducting interviews and administration of the PAT forms. For this study, the most important aspect was

getting access to the organization. As has been discussed earlier, the success factor in this kind of research very much depends on getting access to the organization to conduct an in-depth, open-ended investigation.

Conducting interviews in a non-conducive environment, like at the back of the house or at the front of the house with the telephone ringing can be real obstacles. The researcher also encountered problem when mobile phones rang causing the interviewees attention to be diverted. There are instances where the researcher had to put the interview on hold to allow the informants to answer the phones. The overly sensitive recording device picked up, sound ranging from traffic noises to irritating telephones ringing at the front desk, making transcription difficult.

Other issues are related to confidentiality and interviewee confidence towards the researcher, and in some instances informants requested the tape be turned off when making some sensitive remark about colleague or management.

Transcribing interviews was a lengthy and tedious process. It can take many hours to transcribe an hour's interview into a manageable format (Clark et al., 1998), while Walsh (2003) indicated that 30-minutes of interview can generate over 20 pages of transcribed data. On the other hand, the process of making sense of the data generated by interviews is also time-consuming. The content analysis employed in this research required the transcript to be reviewed several times during the coding process.

Administering the PAT survey was less problematic, although the poor response from employees of certain organizations, required the researcher to repeat the process of reviewing each responses several times during the coding process. The data collection method for PAT was using qualitative approach and before any semi-quantitative data could emerge, the coding process had to be repeated with 320 of the responses. The process of coding PAT responses was also time consuming. The subsequent steps for PAT analysis are much easier with the help of Excel and SPSS programme.

3.21 Reporting findings-format

On studying multiple cases, Miles and Huberman (1994) pointed to the aims of looking at the process and outcomes across many cases, to understand how they are qualified by local conditions, and thus to develop more sophisticated descriptions and more powerful explanations. Hence a more pragmatic approach of reporting findings was adopted in presenting the research findings. Pedrick, Babakus and Richardson (1993) have employed methods of using both qualitative and quantitative methods in data gathering and analysed and presented the quantitative data alongside their qualitative findings. They found the results of the qualitative analysis to be potentially as useful as the quantitative results. This study largely adopted a qualitative approach format in presenting the findings; anecdotal evidence is widely used in presenting the 'emerging themes' of organizational culture. This was complemented by some simple statistical analysis used in expressing the ISQ profile.

The use of some statistical analysis in qualitative research is not unprecedented as Silverman (2000: 185) note:

There is no reason why qualitative researchers should not, where appropriate, use quantitative measures. Simple counting techniques, theoretically derived and ideally based on members' own categories, can offer a means to survey the whole corpus of data ordinarily lost in intensive, qualitative research. Instead of taking researcher's word for it, the reader has a chance to gain a sense of flavour of the data as a whole. In turn, researchers are able to test and revise their generalizations, removing nagging doubts about the accuracy of their impressions about the data.

However, Silverman added that the above approach must not be done without some theoretical rationale; therefore some of the uses of quantification are applicable in research that is interpretive in design.

3.22 Validity, reliability and generalizability

‘Validity’ is another word for truth (Silverman, 2000: 175) while, reliability refers to the degree of consistency with which instances are assigned to the same category by different observers or by the same observer on different occasions (Hammersley, 1992: 67 cited in Silverman, 2000: 175) hence obviously the aims and objectives of this research should be congruent with methodological choices under considerations. Thus, the issue of validity and reliability of any research are very much dependent on the soundness of the research design. Meanwhile, Mason (1996: 19 cited in Silverman, 2000: 88) proposes that your choice of method should reflect an ‘overall research strategy’ as your methodology shapes which methods are used and how each method is used. Although choosing the right methodology can be a very difficult task, but once defined, it could make the following research process become ‘easy’.

Yin (1994) suggests that the quality of research design can be judged by criteria such as construction validity, internal validity, external validity, and reliability. Walsh, (2003) suggested that validity and accuracy checks for any qualitative research could be determined by asking four questions; which are concerned with broad issues relating to credibility, transferability, dependability and confirmability.

- 1. How accurate or ‘truthful’ are the finding of the study? What criteria can be used to judge them?**
- 2. How applicable might these findings to be to other groups or setting?**
- 3. If we were to replicate this study with the same participants would we obtain the same outcome?**
- 4. How do we know the findings represent the viewpoints of the respondents and to the degree possible, are not representative of the researchers’ viewpoints, frames of reference, or prejudice?**

Walsh (2003) rejected the idea of having to borrow traditional ways of validity, reliability and generalizability from quantitative research to judge qualitative research. Unlike quantitative researchers who are objective orientated, qualitative researchers are unique in the roles as the interpretivist in presenting the research

findings. Credibility of the qualitative researchers could be achieved by addressing the four above questions and their data collection methods and analysis could be enhanced. Meanwhile this is in line with earlier suggestions by Guba and Lincoln (1994), which pointed to achieving trustworthiness in naturalistic inquiry with the use of techniques that provide truth-value through credibility, applicability through transferability, consistency through dependability, and neutrality through conformability. Clark et al. (1998) equate generalizability of the research to its applicability and representativeness that related to reliability and validity of the research methodology, which has been discussed earlier. Thus, it can be concluded that the integrity of the research procedure is crucial.

3.23 Limitation

Although the issue of validity, reliability and generalizability of this study have been addressed earlier, the methodological approach adopted here is still prone to criticism from positivists, especially when they impose the natural science logic and methods on the phenomenology research. Their greatest attack would be on the issue of subjectivity, since the positivistic approach is synonymous with objectivity and phenomenology is considered as bias and non-scientific methods (Waugh and Waugh, 2004). Despite using some statistical evidence, this study is very subjective in nature and lacking in objectivity according to empirical scientists. Some of the issues related to the limitations of this study will be addressed further in Chapter 8.

3.24 Conclusion

This chapter has discussed the research design that was utilised to identify the existing organizational culture of the three chosen hotels and the links to internal service quality. Prior to that, it discussed the philosophical underpinning of the research. The research was conducted using a multiple case study to elicit information and the method involves a complementary use of a qualitative and a semi-quantitative approach. The instruments used were semi-structured interviews and a PAT survey. The instruments were administered in stages within the three organizations over a four-month period in Malaysia. A total of 36 interviews were

conducted and a total of 320 PAT responses were collected from employees of the three hotels. The interviews and PAT responses represented employees from both managerial and operational staff. The analysis and the findings presented are aims at developing a framework which will allow for the identification of better ways to understand organizational culture and in the process establish its potential usefulness in addressing the issue of performance in hospitality organizations.

Finally, the aims and objectives of this research should be congruent with methodological choices under considerations. Thus, the issue of validity and reliability of any research are very much dependent on the soundness of the research design. The following chapters will discuss the findings from the case study of the organizations.

CHAPTER 4 EVIDENCE FROM FOREIGN 5 CASE STUDY

4.1 Introduction.

This chapter discusses the findings from Foreign5. The findings are based on 12 qualitative semi-structured interviews with operational and managerial staff, which sought to explore organizational culture. The second part of the chapter discusses the findings from the internal service quality analysis using PAT as a semi-quantitative tool. The organizational culture findings are presented as the emerging themes such as: human resources practices, adapting to environmental changes, leadership, national culture, the role of trade unions, the organisations response to economic crisis, values and beliefs. The internal service quality findings are presented by means of an internal service quality profile. The presentation of the findings in this manner is in line with the research objective of obtaining the respondents 'stories' based on their experiences and perceptions of the establishment.

4.2 Qualitative evidence

4.3 Culture: the guiding principle

Generally, Foreign5 was described as an organization with opportunities, a good company and a great place to work (HM1). However, HM2 described the overall organizational culture of Foreign5 as a hybrid between Foreign5 and the local culture:

Foreign5 are currently having a partnership with almost four hundred hotels worldwide. So have different people, nationalities, continents, so that culture actually filters right down to us even in Malaysia and the culture you find in Foreign5 is, actually to a degree, is a hybrid of what Foreign5 worldwide is. And of course a certain part of the culture is a local content.

On the values coming from the regional corporate office in Singapore, HM2 indicated that in the last four years prescriptions about the right values were decreasing. It was recognized that the regional office is getting less and less involved in the day to day operations of the property and this is reflected in the current organizational structure, thus this means that accountability and responsibility has been shifted locally. Previously, if changes were to be made, they had to be sent to Singapore for clearance. The shift was seen as a positive move in encouraging faster decisions, but since the objective remained the same, the changes do not effect the organization very much. Hence, the guiding principle of the culture is always the blend of Foreign5's universal values and certain local values as long these did not contravene any local laws. On the involvement of the owning company HM2 suggested that despite Foreign5's reduced control, the owning company although very supportive, has increased the control by wanting to have more details in terms of reporting. Despite this, HM1, HM2 and HM5 agreed that Foreign5 is being managed without much interference from the owning company in terms of the day to day running of the organization.

According to HM2, the culture of Foreign5 is best described as:

The culture of Foreign5 is actually to tell you what they expect of you, it defines tasks very well, and it tells you why they want things done and then in the process it also allows you to contribute, that your contributions will actually become part of the melting point to create its own culture. So we are encouraged to give feedback, encouraged to communicate with peers, superiors, and we are also encouraged to go down and be interactive with people we actually manage or supervise ... I would say that we are more Americanised in that respect and I think we do not find any barriers in bringing in new values and that stuff and I think from that respect, generally 90% of the workforce are very receptive to changes.

In many respects the organization is very 'Americanised', as pointed out by HM2, and his opinion is supported by HM5 who also suggested that much of the overall culture came from Foreign5 Headquarters, especially pertaining to policy matters. However, the adopted procedures were blended with the local culture. There seems no doubt that after over a decade being under the control of a local GM's 'Midas touch', as HM2 described it, the organization needed a new culture to put the organization back on the right track. The new general manager was brought in to 'refurbish' the overall organizational culture. The Foreign5 culture is very much customer driven, for example HM1 noted the importance of 4 P's: people, profit, product and patrons (customers).

4.4 Management of change

Theoretically people may resist any changes for fear of the uncertainty. Despite that, Foreign5 seems to be a case of how people can accept change if the change is systematically introduced to them. HM2 indicated that 90% of the workforce are very receptive to change which makes the process of bringing in the new values and practices relatively easy. HM1 was impressed with the local managers who have been there for more than 18 years because of their ability to switch to the new culture, which in her opinion would be a difficult task as it involved changing people's mindsets. Reluctantly, people are now more active and very open in their outlook to improve the hotel. Nevertheless, there are people who cannot 'fit in' into the new culture when they failed to realise the new goals and vision and therefore they have decided to leave the organization. The 'exit' process is in the form of retirement or resignations. In order to realise the new culture, the hotel also moved some people to other departments, HM1 citing an example of an HRM officer who was moved to accounting to be in charge of payroll, this measure ensured that there was a totally new team in the HRM department. HM1 indicated that initially many people were not comfortable with the culture change. However, eventually, as there seemed to be many positive changes, things gradually improved. For example, one of the other things that is being done to minimize resistance is by showing sympathy to the concerned staff as HM2 put it:

The first act of denial is always there, and we are no exception to that, maybe the act of denial is the first act maybe the overall percentage could be lower, generally for more than 50% of the people, the first act is denial. Here probably you find the denial aspect at initially will be 30% maybe, and as you interact, sell your values, shared their reservations, shared their fears of uncertainty, the thing certainly decreases and we believe that having this act of denial is quite natural ... because all of us are always dictated to a degree with a build of emotion, no matter how we much we try to understand the culture ourselves through training, through personal behaviour or managerial behaviour, some denial will still be there.

Training is also a core thing, as Foreign5 has budgeted 3% of their overall budget for training. Training can be a catalyst to change staff from being fearful of the uncertainty; hence training can also be a process of reassurance in creating staff commitment. On the other hand, culture shock is also a deterrent factor in facilitating change, as related by HM5. He suggested it was very difficult for him to adapt at the beginning due to his different background. Coming from a property with a different niche market, HM5 found even the employees were quite different in behaviours than his previous workplace. While, Foreign5 caters for business travellers, his former hotel catered for primarily holidaymakers. The service that is demanded from Foreign5 employees was much more detailed and quality focussed. Despite this, HM5 commented that staff in the hotel are not very 'lively' when they come to work. He suggested that some of the employees are very complacent, do not show enthusiasm to work and consequently do not get promoted, they simply want to work and go home. These are the people who do not want to change and this is the most challenging thing for him. HM5 is a classic example of how an agent of change was brought into the organization, however after seven months, he still finds his task to turnaround the department far from over. He found it very difficult to change people who are too used to doing their own job for quite some time. His analogy of his challenging task was that 'the new breed of generals who come in to instruct soldiers to fight war, but the soldiers still prefer to use bow and arrows'. The fact that HM5 was brought in and was told to implement a new culture in his department has led to

some frustration for him. This led to sleepless night thinking of his 'unaccomplished mission', especially with high management expectations. Feeling frustrated, HM5 tried to resign after five months, however he was convinced by the general manager to stay on. Now, equipped with a more positive outlook, he is more determined to carry on the mission by using every possible approach available as now he is beginning to see the light at the end of the tunnel. However, it appears that his hardest task was to change people with longer service.

The role of leadership in the management of change is undeniably very important, HM4 stressed that leaders must make known why the change is necessary in order to make change possible. In other words, employees must understand the need to change and better still understand the new values or practices are much better than the current one.

4.5 Work organization

The new structure of Foreign5, widely known as 4D's, envisages four directors reporting to the general manager. The four directors are director of operations, director of business development, director of finance and director of human resource. The director of operations administers the overall management and day-to-day running of the hotel departments. Meanwhile, the business development director oversees all commercial responsibilities, including communications and marketing activities, and the director of finance is in charge of strategic matters, especially the hotel's performance related to financial and non-financial matters. The human resource director specifically examines the hotel's strategic manpower planning and workforce recruitment. The newly introduced structure is seen by HM5 as a way to reduce the number of managers in the organization and encourage better communication with the top management. However, the task of improving the communication among the staff and management is not that easy. Previous practices were based on managers and staff trying to be nice to each other, for example in meetings negative issues were not brought up for the sake of saving face of each other, as HM1 pointed out:

When they come together in the meeting, you know I would not bring up any negative issues, about you and you don't bring up any negative issues about me. So it is like I want to be nice to you and you be nice to me, so every time we try to please everybody, so everybody is happy. So you see a lot of things don't get done, everything is swept under the carpet.

The present GM is trying to be open and transparent in his new management approach. For this reason, he started with bringing along all 45 head of departments to a farm for a team building exercise. The 'building bridges' exercise was able to address some of the communication problems. As a result managers interact better now and now understand each other much better. Looking back two years, the greater openness has encouraged people to talk in meetings. For example, HM4 described the atmosphere as friendly, happy and enjoyable, and consequently in his department teamwork is excellent and 'work is fun.' To further reduce the existing gap between management and staff, the new GM sent a memo asking staff to address him by his first name, when traditionally the standard procedure was to address him as 'Sir'. On a regular basis the GM also organizes lunch with staff or managers to provide an avenue to voice their grievances or ideas. HM3 agreed that this has improved their perception towards the GM. This certainly has changed the 'fearing the boss attitude' as the new GM very often shakes hands every time he meets with the staff.

4.6 Recruitment and selection policy

Foreign5 is known for being selective in their recruitment policy to ensure the workforce 'fit' into their international image. HM1 who is in charge of recruitment noted that although educational background is important, potential recruits must also portray the right image to fit into the organization's international image. Back of house workers should have required skills, such as cooking skills for kitchen staff, while the front of house employees should possess the right personality such as professional attitudes and congenial personalities. She was very cautious about

taking people from four or three star hotels as their cultural baggage was suggested as sometimes very hard to 'remodel'. She further suggested that these people are not used to rules, regulations and disciplinary procedures. In her experience, she found that these are the people who have difficulty in adapting to Foreign5's culture; the simple one is to adhere to their strict dress and grooming standards. Hence, she preferred candidates from other international hotels:

Most of the three star, two or smaller local managed hotel, they don't focus so much on that [discipline]. So the habits that they pickup at another hotel, they find it difficult to adapt. For us, when somebody wants to join us, if he says he comes from the Sheraton group, or Holiday Inn we tend to accept people from this kind of organization because they are more structured.

By the same token, HM2 who has been with the hotel for almost 20 years, recognised that personality and attitude were crucial for any potential employee:

What we looking for is people willing to take up challenges, people who are slightly bold, and they do not fear putting an extra bit of energy into their work, people who can be open, people who like to meet people, and although they do not have the skills initially, we are prepared to give them training. What we looking at is your outlook towards the working environment, you must always be positive and I think the rest of the technical skills can be taught. Trade skills can be taught as long as you have a desire to acquire it, I think we can put them in.

Other managers also echoed the general feeling of HM2 over the recruitment policy, which emphasized the right attitude and personality. HM4 preferred to recruit people with the right attitude and, thus, academic qualification is not an important criterion. Generally, HM4 usually hired people who appear to be committed and accountable, and experience was not critical. Meanwhile, potential employees who possess higher academic qualification are welcome but most often they have to start from the bottom like other employees, a generally accepted norm in the industry. Operational

staff agreed that selection is usually based on the criteria mentioned above. HO3 related practices in his department where potential employees are being evaluated on how they communicate, behave and how well groomed they are. While, HO2 cited her seriousness and persistence as being important in securing her present job.

4.7 Induction and socialisation

Recruitment and selection was done carefully according to the accepted procedures and criteria that have been mentioned above, such that these mechanisms were a powerful screening process or control device to ensure only specific types of people desired by the organization are being employed. A further process of fitting in the new employees into the desired culture continued through the induction and socialisation process. Presently, the standard induction programme for Foreign5 is four days, which focus on 3 C's: communication, courtesy and complaint handling. According to HM1 previously the programme was only for two days but was extended to four days when she came onboard. During the induction period, new employees are introduced to the organization and its structure, whereby managers are required to drop by and introduce themselves to the new recruits. The head of department is also required to describe their role in the organization and even briefly explain their departmental policies and regulations. The contents of an induction programmes as described by HM1 is shown in Table 4.1.

Table 4.1: Induction programme

No	Programme
1	Talk about benefits, including medical benefits
2	Review of organization structure and organization chart
3	Managers drop by for five minute orientations to introduce themselves
4	Explain the rules and regulations in the employee handbook
5	One hour session on safety and security
6	Technical behavioural skills/Foreign5 brand standards
7	Introduction about Esprit and Equilibrium

The staff handbook explains in details the set of behaviour that is considered appropriate for the new staff. In order to be part of the whole community they have to accept and abide by the rules and regulations of the organization. Safety and security is also a focus during the induction week to make sure staff know how to respond in case of emergency such as fire. On security matters, staff are made aware of the importance of reporting any suspicious people found loitering in the hotel premise. During the induction period staff are introduced to the 'brand standard' where they are taught basic behavioural skills, which focus on communication, courtesy and complaint handling. Further to the employee handbook, Foreign5 have their own way of welcoming their employee to its culture, the 'Foreign5 kit' contains a welcome note, information about the organization, information about the president and the organizational structure of the Asia Pacific regional office. Foreign5's brochure also aims to familiarise new employees with the hotel as a business entity, while individual job description are included in the kit as well. The welcome note from human resource regional office team also complements the kit. The use of 'we at Foreign5' is to demonstrate the 'togetherness' of a team in terms of helping of each other among employees and in providing assistance to the guest. This is where Foreign5 Esprit Club came into life; new employees are briefed on the membership programme and the benefit of the club. Furthermore, during the orientation week the new staff are invited to stay at the hotel for one night with their spouses.

However, perhaps surprisingly, for the managers there was no proper induction. HM5 indicated he only had a half hour briefing with the human resource manager. HM3 believed that induction can be a catalyst for adaptability and can also result in attitude change for some people. However, for some, close supervision and monitoring are still required for employees to perform. In terms of adaptability, for some people it takes three weeks, while for HM5 suggested it was almost seven months to get used to the system and the people and even now he is still struggling. As for HO2, during the learning stage, most often she had to sacrifice a few hours of her own quality time by volunteering to stay back even without being paid overtime. For her, three months was sufficient for her to be comfortable with the culture of the

organization. However, for some people, coming to work at Foreign5 was really a culture shock, after one or two days they decided to leave and for most of these people it was suggested that the reason they left was that they could not cope with the amount of work (HO1).

4.8 Training and skills development

The most widely used tool for enculturation for the new employees is training. Training and development can be an avenue to change the culture of an organization. Evidently, Foreign5 provides an ideal example of the culture in transition from the old culture to the new culture. Training is the main agenda in Foreign5, and as noted earlier they spend about 3% of their budget on training and development.

Table 4.2: Types of training programme available

	Type of programme
1	Induction training: Brand standard 3 C's: Communication, courtesy, complaint handling.
2	Skills training, leadership, food hygiene, English language training, soft skills programmes
3	Diploma training programme
4	Team building programme
5	On line training programme
6	ICT training programme
7	Foreign5 University training programme

There are three types of training provided by Foreign5 hotel as shown in Table 4.2:

- Induction training
- Skills training
- On-line training

Induction training and skills training were mostly in-house training where the HOD and departmental supervisor switched hats to become skills trainers. Additionally

Foreign5 also encourage staff to go for on-line training, especially the training provided by the 'Foreign5 University'. The on-line training can accommodate staff such as cooks, room attendants and waiters and waitresses. In encouraging them to join the programmes, the organization has provided them with a computer literacy course and staff were given free access to the internet in house, where they can log on at any time to study. HM4 is a classic example of an employee who started as a steward without any English proficiency; he rose to become a manager through training provided by the establishment. He had recently completed an on-line programme in which the certificate awarded was signed by Foreign5's corporate CEO. HO1 also agreed with HM4 that English language proficiency is required for promotion. However staff must find their own time to attend the training provided. Foreign5 is generally seen as good training provider as the company name is internationally acknowledged.

Moreover, it was also suggested by several interviews that team building is a good tool to control the staff turnover, Foreign5 are using this event as a tool to reinvent the new team. According to HM2 team building exercises initiated by the GM were able to bring in change among the HOD:

So in the early first two years, M [the GM] has to invest more on team building ... because you created a new team, you need to make that team work ... because if you get a team existing as a continuous team you need to reinvent the team then you need to have a period in which you have to keep that time for that team to work on a new base, new values and the new pace so that I think we are in the stabilizing pace. We went through a change.

HM1 also agreed that the team building exercise had improved the level of communication amongst managerial staff.

Other aspects of training and development included multi-skilling, which can be a sensitive issue within a unionised environment. HM1 suggested this phenomenon could have both advantages and disadvantages to the organization and staff alike.

While the organization is promoting multi-skilling as a beneficial programme to be taken advantage of by the staff, nevertheless the staff might see it from a totally different perspective. Indeed, within a unionised establishment, staff might think that management wanted to take advantage of the situation. On the positive side, multi-skilling can be viewed as one of the ways to enhance staff human resource development. This issue of union influence will be further discussed later in the chapter.

4.9 Participation and involvement

In terms of providing facilities and encouraging staff involvement in the activities organised by the hotel, HM5, suggested that Foreign5 have several initiatives that he has not yet seen in any other hotel. For example, not only were staff provided with an ample and very functional recreational room with a lot of facilities, the hotel also sponsored outings for staff with everything paid for by the hotel. Some other hotels have done such activities but this kind of benefit is only usually accorded to managers. HM4, also highlighted that common daily involvement activities consists of aspects such as briefings, communication meetings, feedback, a suggestion box and even staff having direct access to the HR department to voice their grievances or ideas. These aspects were appreciated and commented on by several employees, however to some staff like HO1, being a female staff with family commitments rather limited her involvement in any of the in-house activities. Her priority was her family.

4.10 Performance appraisal and reward systems

According to HM1 every employee must undergo a performance review where they are given a personal file in which their performance records are kept for a periodical performance appraisal. Foreign5 also have a unique reward system. HM5 revealed that staff are usually rewarded with awards known as 'Star Born' when any employee was found to be doing a good job or offering exemplary service for the guest. Supervisors or colleagues can nominate the person to the HR department. The

reward is in the form of a certificate and money worth up to Ringgit Malaysia 300. HM4 agreed that awards and recognition could motivate some people, while some employees were still unable to change their attitude. Both HM4 and HM5 agreed that Foreign5 also had other forms of recognition, such as awards for staff without medical leave, or if an employee found guest valuables. Again, supervisors or other employees can nominate their colleagues for the awards. All they have to do is inform the HR department about the good deed. In order to be fair to all, Foreign5 also introduced front of house and back of house awards for Star Born. In this way, both front and back of house staff can benefit from the recognition.

4.11 Promotion and human resource development

Foreign5 is considered a good training ground. HM1 cited an example where a lot of managers in the industry have somewhere along the line worked at Foreign5. This is due to Foreign5 being an equal opportunity establishment and rewarding the staff that worked hard. HM4 seemed to be a living example of Foreign5's rewarding culture; he started off as a steward with no proficiency in English but through perseverance and dedication ended up as a banquet manager. Similarly, HM6 became a manager after eight years being with Foreign5. She first started as a receptionist, despite the fact that she possessed a Diploma from a hotel school. Personally, she believes job performance and personal capacity are the key criteria for promotion:

My eight years is actually as a receptionist ... if people are capable they can be manager in three or four years, it just depends on your capability I would say. Another thing is that I would strongly say that promotion comes from your performances. If you have a good performance I think, you will go up to that position one day, honestly. Even though they can't promote you from this property, Foreign5 is a worldwide chain.

Meanwhile, HO4 and HO5 agreed with HM6 that even the Diploma holders have to start from the bottom, a common practice in the industry, whilst most job promotions were largely based on job performance.

Cross exposure between departments is common practice according to HM4. He was sent to the marketing department and a coffee shop for cross exposure training. HM4 saw himself as being an opportunist when it comes to attending a lot of courses, which has led to where he is today. Foreign5 also sent their staff for cross exposure to other overseas property within its group, with HM6, for example being sent to Foreign5 hotels in Maldives and Korea. HM3 cited an example of his predecessor who was promoted to be a coffee house manager after 20 years of service. This is an example of a cross department promotion, which was not a common practice in other establishments. Another unusual practice at Foreign5 was allowing employees that had left the establishment to come back, and on occasion, secure a better position (HM7).

One of the strengths of Foreign5 is being part of an international chain; one can look forward to growing with the organization, as long as they are willing to take up challenge. For example, certificates from Foreign5 international are widely recognized, hence the certificates holders can move and HM3 suggested such moves can be anywhere in the industry if they wish for career advancement. However, not all people are willing to take up the challenge as they do not want the pressure, as HM6 put it:

Some people are not willing to take up the challenge! And they don't want to take pressure because I think if you take up certain position like the department head, you have to pay for that, first you have good benefit, second you have good pay, there is not job for you to relax. So no pain no gain.

Another matter worth mentioning is the present culture in the HR department, which is different from the past, according to HM1. It was suggested that the HR department is giving a better service today and from the feedback that she had, many staff are much happier as the department is becoming more open. Several years ago, as related by HM4, employees went to the HR department maybe once or twice in their work life, but today they drop in anytime without any hesitation. The HR department is no longer 'a forbidden perimeter' for them. According to HM1, all this

was revealed in the latest employee opinion survey, which showed improved satisfaction towards HR department services; the satisfaction levels shifted from low to high. The openness of the HR department's personnel was noted in the most recent employee opinion survey. The HR department also took a drastic step to 'relocate' a personnel officer that did not fit in with the new culture (HM1).

We had at that time the personnel officer who is very aggressive, and not very caring for the staff and when I took over as the HR Manager, one of the things I wanted to change is to have that person moved because she doesn't have the PR skills, human relations skills or people management skills. So we moved her and put her in charge of payroll in accounting. And I actually got a whole new team here.

The new team in HR was able to move forward without any obstacles. It seemed to be more devoted to the employee career development, with each employee having a career development inventory. Furthermore, each employee has their own personal file to track down their performance development review, personal track record and their technical behavioural skills training. These are amongst the 'big change' within the HR department noted by interviewees.

4.12 Compensation and benefits

Foreign5 has a comprehensive reward system, apart from monthly salary, yearly bonus and promotion that has been discussed above; there are other perks, which are highlighted in Table 4.3.

Table 4.3: List of rewards and benefits offered by Foreign5 hotel

No	Rewards	Respondent
1	Monthly salary, no ceiling, yearly increment	HO1
2	Bonus paid in January	HM2
3	Service point, basic point, confirm increase point: highest so far	HO1
4	Overtime	HO1
5	Tipping	HM5
6	Invitation to stay overnight at hotel with spouse: Esprit during induction	HM1, HO5
7	New Recreational room - cosy and unique, pool table, computers	HM4, HM5, HO4
8	Recreational and sports clubs	HM4, HO4
9	Esprit shop: special discount programme, salary deduction	HM1, HO4
10	Outing at the hotel expense	HM4
11	Food at cafeteria not limited	HO3
12	Training for all staff, on-line and in-house	HM3, HM4
13	Incentive for more rooms cleaned (housekeeping)	HO1
14	Celebrations, birthday, annual dinner	HM2, HM4, HO1
15	Recognitions, awards: Star Born	HO1,
16	Esprit: Entitled to stay at any Foreign5 hotel worldwide for only USD 25.00	HM1
17	Medical, food promotion, newly refurbished cafeteria	HM1
18	Lunches with GM	HM1
19	Union	HM3, HO3
20	Training room, new smoking area	HM1

These benefits and perks for employees are relatively common in the industry, however things like the new recreational room was described by HM5 as being unique and not offered by any other property. Additionally, the Esprit shop is a newly introduced idea coming from the Foreign5 corporate headquarters. HO1 and HO2 agreed that their jobs are more rewarding than their previous job as factory workers, but they also pointed out that the money earned here also reflected their job performance. HM4 regarded the new facilities and benefits offered as a positive change and one that was welcomed by staff. In summary, HO1 who had been with Foreign5 for almost twenty years, observed that ‘it’s better now than before’.

4.13 Communication

The flow of information within the organization can be critical in managing the culture of an organization, especially in managing change. This section considers some of the formal and informal communications found in the organization. HM1 related how team-building exercises have improved the communication amongst heads of departments in the hotel. Another initiative to improve the communication between staff and the management was a GM initiated lunch meeting with staff to reduce the distance between management and staff and provide an avenue for staff to voice their grievances directly to the leadership. Employees no longer felt threatened and feel comfortable to talk and have been given a lot of information directly by the GM. In the past they felt they might lose their job if they talked too much. Other channels available to voice grievances are the Foreign5 exchange committee where staff nominated representatives will meet with management. Representatives use this forum with the GM and HR manager to voice their problems and the management also use this avenue to brief the committee members on information about the hotel business and other updates which they feel the staff ought to know.

HM6 notes part of the Foreign5 culture and the Esprit programme also requires a communication meeting to be conducted at least once a month for at least 45 minutes with the team members in every department. The minutes of the meeting are submitted to the HR department and then passed to the GM. Celebrations such as staff birthday parties, staff parties and annual staff events, where awards such as Star Born are awarded, displays appreciation by management towards staff. Meanwhile, the 'bright idea' is where employees are rewarded for their input, based on recommendations to improve service or any facilities within the organization. For this a 'bright box' was positioned at the staff entrance. Foreign5 employees are also given a choice in the selection of their uniforms as part of the Esprit programme. This seems to offer evidence of the existence of a two-way communication between employees and the management as far as the uniform is concerned. HM1 noted how:

What we do about the wardrobe is that Esprit you know wanted us actually to give our employees a choice when it comes to uniforms, that means for front office you can have a choice of wearing the blouse or not wearing the blouse. And if you are the waiters, you can have a choice of having the apron or without the apron, or you can have the long sleeves or short sleeves, they are given two set of uniforms then some uniforms with 'Selendang' [shoulder scarf] or without, you are given the choice. So you can choose what you want.

HM1 and HM4 both agreed that the staff opinion survey, which was initiated by Foreign5 international, has generated some of the Foreign5 values based on input from staff. It is a formal way of communicating satisfaction and dissatisfaction on all aspects of their working life at the property.

The restructuring exercise in Foreign5, which was driven by headquarters, reduced the number of managers and replaced the existing structure with four directors, this according to HM5 has slimmed down the communication line. However, he found some communication glitches in the new structure. Thus, while relationships amongst the managers were quite close, there is a gap in terms of the relationship between managers and the rank and file staff. As a manager he now has to be very informative, strong and independent because his superior is not concentrating on him alone. HM6 described her relationship with her director as good:

Communication with the boss, obviously this thing happened but for my department I do not have any difficulty to talk to my director, for example if my staff need anything like their headset or their ears are painful, I go straight to him and tell him what is happening so he will find another solution for me. Yes, it's just that you have to have a very supportive boss and you feel comfortable to talk to him. Overall here, I think, I don't find it is a big problem actually, in fact in all departments they are able to manage their staff very well.

At operational level, there are still a few complaints as a result of a lack of communication between operational departments involved. HM4 described the relationship with other staff as generally good, with only small arguments here and there but nothing critical. While HO3 suggested the complaints to his department are mostly coming from the kitchen department, especially the new staff who are direct users of their services. His opinions were echoed by HM3 who pointed out that new staff are often egoistical and did not understand each other yet and as a result there is also a lack of respect.

4.14 Shared values and beliefs

The guiding principles that build the foundation of values and beliefs of Foreign5 are based on the guidelines which are coming from the corporate office. Other than that there is also a process of adopting and adapting from the three major cultures, Malay, Chinese and Indian, who form the three major races in Malaysia also play an important role in determining the values and beliefs in the organization. However, it is becoming a policy of Foreign5 to reward the staff within the main culture (HM2). There are a few ways in which Foreign5 try to enforce their values and beliefs to the employees. According to HM1, brand standard books are provided to all staff. Operational staff are required to carry them in their pocket all the time during working hours. Hence, staff can use the book as a reference in case they encounter any problems. The user-friendly book was also translated into Malay to make sure everybody comprehends it. This brand book is the standard for all Foreign5 properties worldwide. Esprit and Equilibrium are also part of the measures to enforce values and beliefs by Foreign5. While Esprit focused on employee relations, Equilibrium focused on the guests. Foreign5 believed that the combination of the two would result in a win-win situation for both employees and the organization in achieving their objectives (and see Table 4.4).

Table 4.4: Some of the values found in Foreign5

Beliefs/Values	Explanation	Evidence
Respect	Respect amongst the staff, respect the boss	HM3
Patience	Employees with patience will be rewarded	HM3
Rewards	Esprit and other rewards	HM1, HM6
Loyalty	Loyalty also pays, longer service was well rewarded	HM2
Discipline	A key to success	HO3
Teamwork	Working in a team, a must in this industry	HO4, HO5
Tolerance	A high tolerance is required	HO1
Hard work	Performance - based appraisal	HO1
Security	A sense of security working at the property	HO1, HO2, HM1
Commitment	Ability to seriously devote to work.	HM4, HO2
Food and ceremonies	Part of the motivation, a must in almost any occasion	HM1, HM2,

Generally, the values and beliefs that the employees have in the organization are if you work hard you will be rewarded and loyalty always pays. That is one of the reasons why some of the long service staff are being rewarded with promotion and so on. Hence, most of the original staff who have been around for almost twenty years are either managers or supervisors.

4.15 Roles of leadership

Undeniably, organizational leaders can play important roles in managing culture change in any organization. The evidence from Foreign5 suggested that leaders are brought in to lead the changes deemed necessary in the organization. The leadership change started in 2001 with a switch from a local GM to an expatriate GM. When HM1 took over as the new HR manager in 2002, she found several things in need of her immediate attention. Part of the problem was that many of the HODs had been with the hotel for a long time. Although a numbers of managers had retired, resigned or moved to other properties because they could not cope with the new challenges and remained wedded to their 'old culture' of doing thing the 'Malaysian way'. As a result of the fact that Foreign5 managers had been under several Malaysian GMs for

a decade, HM1 indicated that the establishment was used to doing things the 'Malaysian way'. She suggested that in the old culture the HOD did not lead by example, they enjoyed the flexibility of the 'old culture' to the extent they went out for 'teh tarik'(tea) during working hours and furthermore the communications were not very open:

When they come together in their meeting, you know I would not bring up any negative issues, about you and you don't bring up any negative issue about me. So it's like I want to be nice to you and you be nice to me, so every time trying to please everybody, so everybody is happy. So you see a lot of things don't get done, everything is swept under the carpet. So this present GM was very good in the sense, he is very open, he encourages people to talk, of course he tries to explain that this is not a personal attack, if I bring up any issue about you, it not a personal attack, just to make it better. So then there is a bit of resistance and people are not willing to talk, having open communication.

Hence the new GM invested in a teambuilding exercise aimed at enhancing communication and bridging the gap amongst HODs and also improving their leadership styles. According to HM1 looking back over the period of two years, things are improving. Meanwhile, HM2 felt that the change of leadership also meant a change in ways of doing things. The new GM had brought with him different values from the earlier general managers. The new GM's style was a bit different and the changeover process has led, in some departments, to quite high labour turnover where some people found it hard to adapt:

In some departments, yes, we went through a process. Some people have difficulties in adapting, so they need to move on, we get new members to come in, because you are shifting a bit, the culture, the culture shift there, where she shifting there was always a time to balance it out, I mean 'stabilisation' because if you move, you disengaged from this, suddenly

people [are] okay, now where you going, so and I think for the two years back now, they're moving towards stability.

The new culture instilled some new values, thus, in order to reinforce the new values the new leadership have to 'reinvent' the team, which now has to work on the new values.

Although there were some mixed feelings over the styles of the new leadership, on balance the respondents seemed more positive than negative. HM6 thought local GM's were more flexible in their styles. A point in which HM1 also agree on. However, they also felt that an expatriate GM really meant business. HM5 agreed on this point saying that when an expatriate GM wants something, he really expected it to be done. He described an expatriate GM as compared to local GM as:

If they want something, they expect it no matter how. Malaysian GM is more flexible and more understanding, the degree of tolerance is more. You know you come from another country, you come here, I am not sure whether you will agree with me. If you work somewhere in United States, if you are American, you know, come here you expect everybody to follow the American ways, it quite impossible actually sometimes. Also, take an example of a football team, if you bring English Premier team, you expect Malaysian team to play like them, how can you compare ... It is the same things. I find it very much different.

HM5 also noted that the new leaders are very demanding. HM4 welcomed the new leadership as the new head could also bring in new ideas, especially when these expatriates brought with them a lot of experiences. Table 4.5 outlines some of the comments made on the new leaders:

Table 4.5: Some of the comments on the new leadership managing style

Comments	Respondent
I think he is good, not many GM really come down to the staff and talk. Even as a foreigner, he is good.	HM4
DBD is very open, excellent	HM6
The new GM is very demanding, very serious.	HO1
Housekeeper is always change, not sure whether they are caring or not to the staff.	HO1
The new GM brings in more new programmes but lacks in religious activities.	HO1
He (the new GM) is very professional.	HM3
Really can't get along with this Sales Manager.	HO5
The GM is more concerned about the management staff, less concerned about us.	HO4
Our manager is quite flexible, understanding.	HO4, HO5
Previously when we saw the GM we feel terrified, now he even came to us and shakes hand with us.	HO3, HM3
Every month, GM will invite certain staff to have lunch with him.	HM3, HO3
The GM sent out a memo asking everybody to address him by his first name.	HM2

Looking at some of the managers' leadership styles, HM4 describes himself as very friendly and always aimed to treat staff like friends. He believed he had the best team as a result of his open style:

Normally, I don't act as a manager that is why I can say that in this hotel I have the best team. They are willing to work for the hotel, we work like a friend, of course, you will get one or two rotten apples. So far I have the best team compared to other F&B outlets in this hotel. Other hotels I don't know. Here, I'm working with people who are full-time staff, these people are really committed to their jobs and willing to stay for 20 hours, they don't even sleep, [they] worked with me. So far, I have no problem with any of them, if they stay until four o'clock, I will be there with them. I don't do anything, but they

feel 'proud' because you are there. The next day, you asked them to come at seven o'clock in the morning, you also be there at seven.

Meanwhile, HM6 believed that leaders really play an important role in leading the staff as a leader should be closer to the staff in order to be able to draw them in. The best approach would be to get to know the staff well in order to gain their respect. This is especially important for an expatriate manager who might not fully understand certain things like local culture.

And I think communication is very important, I would say not everybody would tell and everyone would accept, but you have to draw them in, as the department head. I am the department head, but what I suggest is top people have to draw their staff in. Feel comfortable to talk to them, because sometimes if you are too harsh, you will make your staff scared of you, if they have anything they won't talk to you. So you don't know where the problem is.

HM6, herself, did not believe in punishment, when her staff makes mistakes. As an alternative measure, she adopted a tolerant and understanding approach; staff that makes mistakes have to come up with an apology letter.

4.16 Rites and rituals

Rites and rituals are a set of activities planned to communicate cultural messages to the employees. HM2 mentioned the latest change in rituals when the new GM sent a memo asking all staff to address him by his first name only, a complete cultural shift in a culture where leaders are usually addressed as Sir or 'Tuan' in the Malay language. The act was seen by employees as an attempt by the GM to close ranks with the staff. That was one example, while many other activities mentioned below could also be regarded as rites and rituals for this organization and these are outlined in Table 4.6.

Table 4. 6: Rites and rituals in Foreign 5

Rites and rituals	Role
Esprit: awards and recognition ceremonies for staff	Recognition, appreciation
Equilibrium: customer focussed activities	Business objectives
Briefings with HOD	Communication
Staff parties, birthdays and other celebrations	Recognition and integration
Meetings	Communication
Lunch with GM	Integration
Punch card	Punctuality
Changing into uniform	Role to play

Celebrations such as birthday parties for staff and awards giving ceremonies are amongst the common celebrations in the hotel. For Foreign5, previously they used to have two separate celebrations for the management and staff, now they are celebrating it together for both groups. This is part of the change in culture seen at Foreign5:

We used to have separate celebrations, but part of the things is the change in the values, working values are shifting and we recognised that we need ourselves to shift according to the change, partly because the entry point again people are more educated, they are exposed to more values, cultural again here, their family culture, may be the regional culture, (HM2)

4.17 Symbols

Physical symbols are very important in the Foreign5 culture, not only that is reflected the overall image of the hotel, it also signifies Foreign5 as an international group. As HM5 put it:

I would say Foreign5 is the 'Brand' when it comes to the hotel, I would say I feel very proud working for Foreign5, you know you hear Foreign5 name all

over the world. Foreign5 is much more popular than the other brands in the industry, the Westins, the Marriott, The Shangri La, you know.

Due to the reason mentioned by HM5, HM4 pointed out that the new management has taken initiatives to have the new logo of Foreign5 installed, the hotel exterior was given a new coat of paint to complement the renovations done in the interior. Part of the measures was also to catch up with the many new hotels around the Klang Valley. HM4 also related a story of how he had used the logo of the hotel to drive through a point to his subordinates, in the case a newly hired waiter, who was used to doing things the way he was comfortable with at his former workplace:

I used to talk to people who come in, they used to work with other hotel, they worked with S***** before or they worked in S***** L*****. They tried to do something, which is not Foreign5 SOP, it's not wrong, it's okay but it is not our standard operating procedure. For example, during clearing table, they use a main dish, tray like that they said in S***** they have been doing that. So we talk about it. Okay when you come in, you look up you see [the logo] S***** or Foreign5? That is the thing.

When HM4 tried to get him to do things the way they are doing it at Foreign5, the waiter hesitated and insisted that he is right but HM4 managed to end the dispute between them by just using the logo as a point of reference. The use of expressions like 'we at Foreign5' was common with staff and during the course of the interviews. The expression was also found in literature related to Esprit and Equilibrium.

4.18 National culture

Malaysia is a multi-ethnic country consisting of three major races: Malay, Chinese and Indian in the Peninsular Malaysia while in East Malaysia there are many other ethnic groups such as Kadazan, Iban, Dayak. However, surprisingly Foreign5 is dominated by only a single race. According to HM3, 100% of the Steward's department staff is Malay, while the kitchen is 90% and Food and Beverage is also

100% Malay. There are other races amongst the staff but they normally fill other positions in the hotel. Despite this, HM6 thinks there is no need for a multicultural human resource management at Foreign5. His opinion was supported by HM4 who did not recall having any problem with the multi-ethnicity of employees as a large percentage of the staff is dominated by a single group: Malay.

On whether the national culture posed any potential problems amongst the staff due to cultural baggage, HM2 saw no interference with it and it was suggested it is not a hindrance to organizational culture. Meanwhile, HM1 pointed out that national culture is not a problem, as long as the employee understood the nature of their jobs. For example:

I think it is not a problem. People seemed to understand that if you want to work in the hotel, there are certain things that you have to understand... I mean for example, with certain people who are very religious and they know that if they apply for a job in the hotel they are bound to be exposed to areas where they have to serve liquor, for example... of course like in the kitchen you can't go for your prayer frequently or even for Friday prayers, you can't leave the hotel, for your Friday prayer, so it is understood, but the society they know so that is not a problem for us. We don't have to really specify to them that we don't have this and that.

One other issue which is also related to cultural baggage is the use of part-timers. Foreign5 has stopped hiring part-timers for their banquet department because in outsourcing the department to part-timers, it was felt that these people do not seem to have the right attitude to suit Foreign5's image. According to HM4 as a result of this the banquet department started hiring full-time staff to serve all their functions. This is an evidence of inability on the part of Foreign5 to control the culture of the peripheral workers in comparison to managing its own employees. This measure is also part of their aims in maintaining Foreign5's overall organizational excellence.

Another example of conflict happened when a new employee brought their cultural baggage to the workplace. In this particular incidence, HM4 was assigned to an opening team for a Foreign5 hotel in another town, in his team there were many new heads of departments who used to work for other chains and they were not familiar with Foreign5 SOP, consequently HM4 almost had an argument with them when it came to implementing Foreign5 SOP, he suggested he had a hard time trying to convince them that Foreign5 has its very own uncompromising SOP.

4.19 Sub-culture

According to HM2, sub-cultures do exist within the Foreign5 culture, however their existence was felt not to threaten the main culture. Furthermore, it is the policy of the Foreign5 management to act, direct and reward the main culture thus discouraging the development of unhealthy sub-cultures. HM2 added that to completely discourage people from having any sub-culture might be counter-productive, as most of the Foreign5 products and clientele are based on cultural grouping in, for example, the coffeehouse buffets and the ethnic restaurants.

Another form of sub-culture in the hotel, which several respondents felt was not desirable, was the formation of cliques by staff, something that occurred through mainly unofficial groupings based on departments, races, and nature of the job. HM1 suggested that such sub-cultures did not in exist at Foreign5. Similarly, HM3 agreed that Foreign5 does not have this problem as the majority of the employee came from a single race. Holding a slightly different view, HM4 thought sub-cultures existed but these were not so critical and consequently no staff thought that any other group of employees belonged to an elite group or otherwise, despite the fact that some staff from the front office department have tendency to stick to their group. On the other hand, HO3 voiced his feeling of an inferiority complex amongst his departmental staff due to the nature of their jobs, which require a high level of cooperation from other staff especially with the kitchen staff. In his experience, most of the problems encountered were with the new staff who did not understand the organizational culture yet and as a result it was difficult to get any cooperation from them.

4.20 Conflict

HM2 suggested that conflict happened when people did not have information on certain things. Thus, he felt the best way to handle conflict was to try to avoid it, if conflict was unavoidable then it is best to think of something like consultation to make sure that it does not happen. For this reason, the best solution is to disseminate information so that people can make better judgements. As a last resort, the respondent suggested the best way to resolve conflict is to counsel the parties involved:

If the culture is very professional, people tend to think along these lines. If the culture comes with the belief that there is a prejudice, the analytic part of it will be slightly different, so personally I think one of the questions will be asked, what could be done better? What could have been done differently, after analysing probably, you may call the person, ask him. This is the scenario where you can actually tell what you believe, and give a person a chance. I think this is the way. That person will have the right to explain himself/herself. Here I think the ability of the other party to explain, the chance is there, whether that person utilizes that opportunity will reflect whether he believes that he has been wrongly perceived then he will try to explain, but if he preconceived that nothing could be done then it will be slightly different. But the approach will be analysed, options talked about, so you come out with solutions that are mutually agreed.

In other words, conflict happens due to a lack of communication. It is assumed that Foreign5 like to avoid any conflict from occurring but if the conflicts persist, then they will resort to counselling or negotiation. Evidently, as stated by HM1, conflicts between the management and union are always settled through negotiation. However, lately, several conflicts were resolved at an even earlier stage of negotiation due to the new management openness in dealing with employee interests.

4.21 Image

Foreign5 already have an established image, the mileage it gained from being part of the international chains. Part of the image-building enhancement and also in catching up with other newly built properties, Foreign5 have done some internal renovations, changed the logo and painted the outside of the hotel. HM4 recognised the importance of the new image building exercise, which had been initiated by the new GM:

P* S*****[the restaurant] with the new image is one of the best in Klang Valley. Now we have a new image Bistro, open concept, and they are looking forward to renovate the lobby soon. Of course the outlook of the building you cannot do anything. The logo, those days, we used to have a logo, that is one of the things that when a foreigner comes and runs the hotel, they come and changed the logo and everything, the image outside, it was never been painted for almost ten years. When the new GM came, it was painted, that why it is nice from outside now. Previously you cannot even see the building.

Foreign5 also plays an important role in enhancing its image through its involvement in community services. For example, the Muslim Association in the hotel organized a feast for orphanages during the second week of Ramadan. Management was very supportive of this initiative as it enhanced the image of the hotel to the general public.

4.22 Relationship with trade union

According to HM2 being unionised is not the management choice, rather it reflects the laws of the state. The Ministry of Human Resources of Malaysia is monitoring the process of union recognition and once the staff have made the decision to seek union recognition, the management have to respect the decision. However, the management interviewees admitted that previously they have had a hard time in

dealing with the union, but now they felt much better and over the years had learnt to deal with the union and employees as suggested by HM2:

We did have some challenging times especially for the last three or four years we ... but we are mature enough to come through that very well and at the end of the period both parties benefited. I think that is reflection of the maturity of the team no matter how challenging there were some occasions in which there was a higher level of display of emotion (amongst the union members).

HM1 agreed that the relationship with the union is much better as the new General Manager (GM) took the initiative to meet the union on a more regular basis.

After the new GM took over, one thing good about him is that he made a point to meet up with the union, as and when there is the problem of this nature, but if it is not a major problem then I will handle it. I would say that for the past one year there is more trust now in the management. So it tells us that they are very happy in the sense that issue brought to our attention, they get immediate feedback. We don't like to see cases hanging and we want to resolve it. So I would say it very much improves the situation.

Previously the relationship with the union was problematic and the staff did not really talk to the management, but rather went to the union if they ran into any problems. This is because of several backlog cases, which either were not handled properly or were delayed in resolving issues involving employees. Recently, with the management being more open, the staff expressed their appreciation to the fact that any issue brought to the management was given immediate attention and they received immediate feedback.

Taking a somewhat different view HM4 thought that 'half of the union is good while the other half is bad', especially in terms of where the union stand on the issue of multi-skilling:

I have never been a member since I realised that the union is not open-minded. It is good that they fight for staff benefits, but it's not good when they 'spoil' the staff mind. For example, if I asked you, somebody come to you, OK, I am giving you the opportunity to choose two things, instead of one thing, so which one do you choose, but for them, it is 'multi killing' they called it. Right or not?

According to HM4, the union was completely against the implementation of a multi-skilling programme. While the issue itself is quite sensitive, it was perceived by the union as exploitation of the employees by the management. For this reason multi-skilling was not being implemented by Foreign5.

Despite of all the controversies, some employees like HM3, HM5, HO1 and HO3 thought it was still necessary for the union to be present in the hotel, playing its roles as the 'opposition'; to provide checks and balances on the management. Similarly, HM5 thought the union guaranteed fairness and protection for the employees. While the union attempted to address the staff complaints and grievances, several respondents did share HM5 sentiments that sometimes the union over reacts to an issue to its advantage. According to HO4, although union membership is open to all employees, except for those in the management group, many of the new staff were not very keen to join the union. Moreover, the union officials themselves did not carry out aggressive recruitment anymore. It was suggested that the more open policy adopted by the management and the lack of any real conflict had failed to attract new recruits. There is no apparent pulling factor to draw the employees to the union. HO1 and HO2 acknowledged that most of the union members are older staff that have been employed for sometime, while most of the new staff are non-members. Thus, the union presence in the property was less significant, with HM6 pointing out that her staff had no complaints about the union and she herself did not know much about the union and heard nothing bad about the union either.

4.23 Outsourcing

Several respondents suggested that Foreign5 did not compromise on quality and this was part of the reasons why it did not hire any more part-timers for the banquet department. HM4 noted that Foreign5 used to outsource their part-time staff but have stopped doing so because of several problems, such as poor attitude and attendance. Foreign5 tried hiring foreign workers but later found it was hard to control these workers and they were also lacking in terms of skills. Lastly, training was almost impossible because of the very nature of these employees come and go as they please. In sum, Foreign5 found handling temporary workers very hard and there were concerns that such an approach may result in compromising their service standard.

4.24 Staff turnover

There is a real challenge in managing staff who have been around for almost 20 years; this is where 'normal' staff-turnover can, in fact, be a blessing in disguise to the management. HM2 observed that management staff left due to the change in leadership or they left for greener pastures:

For managerial staff it is slightly different, as I indicated at the beginning. We went through, for the past two years, quite a substantial transformation of managerial styles and leadership, so that has been in control to a degree some of that is by design because we want to introduce some new changes. Apart from the managerial changes, I think the remaining turnover has been economic things, I think has been between the ranges of 3 to 4 percent.

On the other hand, the operational staff may have different reasons for leaving the hotel. Many regarded working with Foreign5 as a stepping-stone to further their career, as indicated by HM2 below:

Ninety percent of employees' turnover is determined by opportunity and ability to grow because there was a period when people work as a kitchen

helper for three month and then somebody offered them a cook number one somewhere. One guy I know in 1996, he worked in the kitchen, he started fresh from school after six months work as a kitchen helper in our kitchen, somebody hired him as number one, mid-cook in Seri Malaysia.

The turnover rate at Foreign5 is not high according to HM5 and HM2, who estimated that every year between twenty and twenty-five people resigned or 4-5% of its total number of employees. The number was slightly higher, during the month of December because they collected their last bonus and in order to collect your last bonus, an employee had to be working on the 31st December. So if they decided to leave in November, they would forgo their bonus.

According to HM3, being loyal has paid off for many of the original staff who had remained loyal to Foreign5 since the opening 1984, with many of them now supervisors or managers. Some employees who had not been promoted decided to remain because of the retirement benefits and other perks offered by Foreign5, which were felt to be much better than other establishments. However, the trend amongst the new recruits is that there is no sense of belonging; high turnover was more common amongst a newer staff. Comparatively, overall turnover is not high and HO3 suggested the present turnover is better than previous years.

4.25 Crisis management

Recently, the hotel has been through a period of crisis due to a variety of factors, such as: economic downturn, 9/11, the Iraq war and most recently SARS. Several interviewees noted how during this period, some drastic measures were taken by similar establishments to survive. However, Foreign5 was felt to have taken rather more 'friendly' measures to safeguard both the staff and the business. During the SARS crisis, the management avoided laying-off the permanent staff. However, some unconfirmed staff were allowed to leave, though the last in, first out principle was applied to these unconfirmed the new recruits. Although the measure was at first received with mixed reactions and to certain extent anger and frustration, the idea

was later accepted after it was properly communicated to the employees. As HM2 put it:

Of course, the reactions was to a degree, I would say, initial anger, frustration, but then when you sell the point that you know, it is a question of we want to feel the pinch or we want to feel the cut. And again this where the culture plays a part in the organization, everybody felt that 'oh no'! Let us feel the pinch, all of us will share because we don't really know how long this going to be.

It was felt this difficult decision was necessary not to burden the company as well ensuring the crisis did not affect other employees. The management set a priority to save loyal employees and let new recruits go with hopes that they would eventually find opportunities in other alternative organizations. As, HM2 noted:

Somewhere along the line you have to set your priority. Our priority will be to people who have been loyal to you. In the process you will be ... to a degree a bit cruel to people, but then is about deciding so when you decide some people fall on the wrong line.

The feedback from staff was that they were informed of the crisis during meetings and various measures were taken to tighten up the establishment. Besides, the measure mentioned above, the other thing done by Foreign5 was to introduce cost cutting and cost saving measures. There was no retrenchment or salary cut but the exercise was about saving cost activities. HM5 cited an example where two of his staff that were not confirmed and left but later reemployed when things became normal after the SARS crisis was over.

4.26 Service quality

Part of Foreign5's global restructuring is to maintain its viability and competitiveness in the world market. Hence, Foreign5 leaders are serious about maintaining its

excellence in service besides trying hard to maximise the productivity. One of the problem areas, as HM5 pointed out, is that employees were often lacking in customers service skills:

When I said, software I am referring to the customer service ... the courtesy, the helpfulness and all those things. A lot of people take this for granted. Not only this hotel actually, you go to other hotels, they only concentrate on how to do the check in, instead of friendliness and courtesy, the customer service part, so I always tried to emphasize to them by saying that you have to apply these in your job, you area not working in an accounts department, where the customer service is not very important. But, we are in front ... I am not saying that accounts is not important, but you have to put those into the secondary category; the primary should be the customers.

One of the difficult and challenging tasks faced by HM5 was to instil customer service consciences amongst his subordinates. This required a change in the mindset and the culture of the staff. Another development to improve productivity and service quality was the increase in application of technology and ICT, specifically the use of computers by the employees in their jobs. However, the implementation did not progress without any glitches such as some initial resistance by the staff involved over the use of particular technologies. Initially, complaints were heard about the difficulty in having to use the computers from the service staff, eventually though over a period of time again the same service staff complained about their difficulties of not being able to use the computer when it broke down or the system failed.

The next part of the analysis will look at the findings of the internal service quality of Foreign5 hotel.

4.27 Semi-quantitative evidence: Internal Service Quality of Foreign5.

4.28 The demographic profile of the PAT respondents

Most of the Foreign5 respondents in the study were male (60 %) compared to only 36.9% female respondents, while 3.1% did not indicate their gender.

Figure 4.1: Years of service

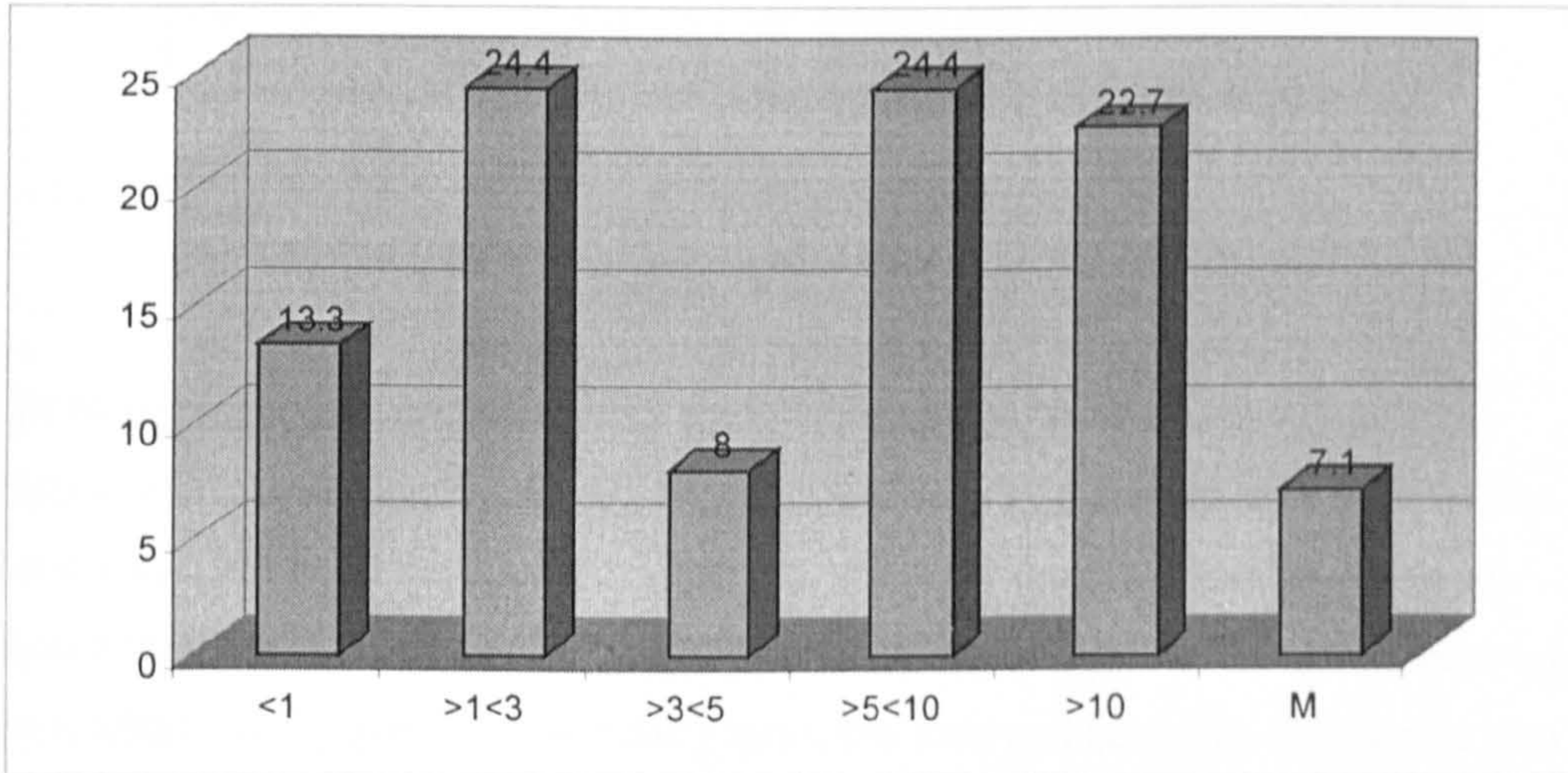
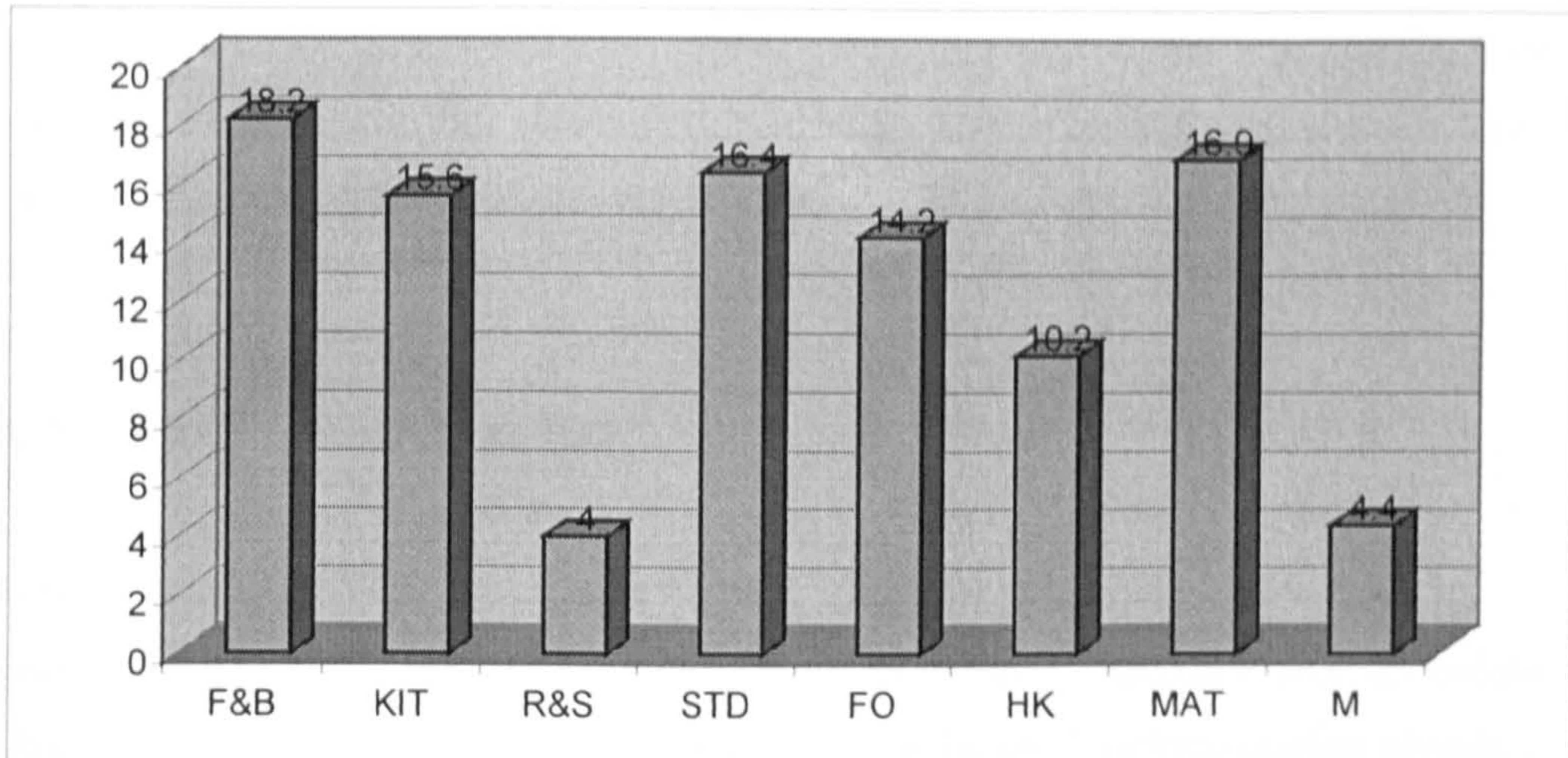


Figure 4.1 notes the respondents length of service, with the top three groups of the respondents belonging to more than 1, but not more than 3 years, at 24.4%; more than 5, but not more than 10 years is also 24.4%. This is followed by more than 10 years, 22.7% and less than 1 year of service consisting of 13.2%. Thus, the largest group of respondents was from employees serving between one to three years. Unfortunately, those from less than one-year service probably did not respond in such large numbers because they were still new to the organization. However, the more than ten years service group also contributed a lot to this survey.

In terms of where respondents were located, Figure 4.2 outlines the departments being evaluated.

Figure 4. 2: Department evaluated



The three most popular departments being evaluated are food and beverage department (18.2%), maintenance (16.9%) and stewarding department (16.4%). The figures also imply the level of relationship or the frequency of interaction between these departments. Food and beverage department staff are the ‘middlemen’ between the kitchen and the guest. In their daily tasks, the food and beverage department also has to liaise with many other departments in the hotel. It is noteworthy that the maintenance department may be the busiest department as their services are always been sought by almost everybody in the hotel. Meanwhile, the steward department staff were always seen as a group of employees who were often blamed for problems occurring due to their serving of both kitchen and food and beverage departments.

The ISQ is characterized by the attitudes that employees have towards each other and the way they serve each other in the organization (Heskett et al., 1994). The profile is based on the understanding that in order to perform effectively in any organization, interdependent individuals and groups within organizations must establish exemplary working relationships. Individuals or departments within an organization are servicing other individuals and departments, while some individuals or departments may have to serve more than one department within the organization. The ISQ

examines the relationship between the internal providers of the services and the internal customers. Thus, the positive and negative attributes that emerged in the findings are based on respondents' impressions with regard to the best and the least satisfactory aspects of their working relationship. The emerging attributes are then grouped into common themes or dimensions.

4.29 Positive aspects of the ISQ

Having briefly reiterated the nature of the ISQ profile, the chapter now turns to consider the positive and negative dimensions of the ISQ analysis. Table 4.7 below shows the positive and negative dimensions of the internal service quality profile.

Table 4.7: Positive and negative dimension of ISQ

Dimensions	Positive	Dimensions	Negative
Teamwork	0.4178	Attitude problem	0.2447
Consideration	0.2206	Management problem	0.1561
Rewards	0.0938	Lack of teamwork	0.1518
Socialise	0.0845	No reliability	0.135
Enjoyable	0.0657	Lack responsiveness	0.1181
Professional	0.0422	Miscommunication	0.0717
Communication	0.0328	Lack of skills	0.0464
Responsiveness	0.0234	Not professional	0.0421
Reliability	0.0187	No consideration	0.0337

The positive figures from Table 4.7 were translated into a Positive ISQ profile and are shown below in Figure 4.3.

Figure 4.3: ISQ Profile of positive attributes in Foreign5



The positive profile has nine dimensions, with the first six dimensions being an opposite of the negative dimension, while the other three are the newly emerging dimensions, such as enjoyable work environment, rewards and the ability to socialise. The profile's dimensions were arranged in descending position to signify their importance with the most important dimensions on the top and the least important dimensions at the bottom.

4.30 Positive responses

1. Teamwork

Teamwork was perceived as the most popular dimension within the profile, which is 41.78%. The attributes included in teamwork and described by the respondents included things such as cohesiveness, cooperation, working like a family, serving each other and being helpful amongst the employees. One long serving employee with 15 years service in the industry described the teamwork in his department, noting how 'The manager and staff are friendly, they work together.' A further

example of a positive reason given by the respondent was, 'due to [teamwork] I have been working here for eight years already. It makes my work easier.' Teamwork undeniably is critical and seems to play an important role in this labour intensive industry.

2. Consideration

The second most important dimension ranked by respondents was consideration, which is 22.06%. The attributes mentioned in this category included accommodating, caring, tolerance, understanding, respect each other, courtesy, friendliness, nice colleagues and politeness. In describing the relationship amongst the employees one employee with 17 years experience related how 'It is easy to get along with and we can really talk to a one to one basis.' While the reason suggested by the employee is that 'They cooperate well with one another and get things done without many problem.'

3. Rewards

The third most popular dimension is reward, which is 9.38%. The attributes were described as benefits gained as the result of the interaction between staff. Employees indicated the non-monetary rewards that they received, which also included learning service, skills gained from others and ability to enhance knowledge. One newly joined employee, with less than a year's service described 'I can learn something and gain a lot of knowledge about culture, foods and many more from them.' A reason noted by the employee how 'I like my restaurant manager, she so kind and gave me more knowledge about Japanese culture, Japanese foods.'

4. Socialise

The working relationship was perceived as an opportunity to meet people and enjoy the working environment. The social aspect is the fourth most importance aspect to the respondents, which is 8.45%. Some people regarded the workplace as a venue to socialise with staff and guests alike from diverse cultural backgrounds. One employee

indicated that, 'The opportunity to work with people in different departments expanded my social and working life, I gained knowledge about the department and the people.' The positive reason noted was 'It enhanced my knowledge, my social life and my working life.'

5. Enjoyable

Only 6.57% of the respondents described their working relationship as enjoyable. Besides a nice working environment, employees described their working relationship as fun, happy, cheerful and enjoyable. Some even described their working environment, as very pleasant as there is no pressure. As noted by one male employee with 11 years service work was enjoyable due to 'Smiling faces, jovial mood and a little bit of happiness to start the day.' His positive reason is 'Make a lot of new friends.'

6. Professional

Only 4.22% respondents perceived their peers as professional. In their descriptions, employees noted how their colleagues were committed, dedicated, even professional and being systematic and organised to make their points. 'Everybody works in a professional ways', noted one respondent. Positive reason was 'They are professional in their work and always follow up their jobs.'

7. Communication

Although communication may be critically important in any establishment, the respondents perceived it as the seventh most important dimension. Only 3.28% described communication as important in this establishment. One employee with 13 years experiences described communication as 'Easy to communicate with them'. While the positive remark was 'They always give the right information every time.'

8. Responsiveness

Surprisingly, being efficient was not considered important in the service-orientated establishment like Foreign5. Responsiveness was mentioned by only 2.34% of the respondents. 'Their ability to work very fast, no matter in what ever situation' was an example cited by an employee. An example of a positive reason is 'Their ability to give feedback accurately.'

9. Reliability

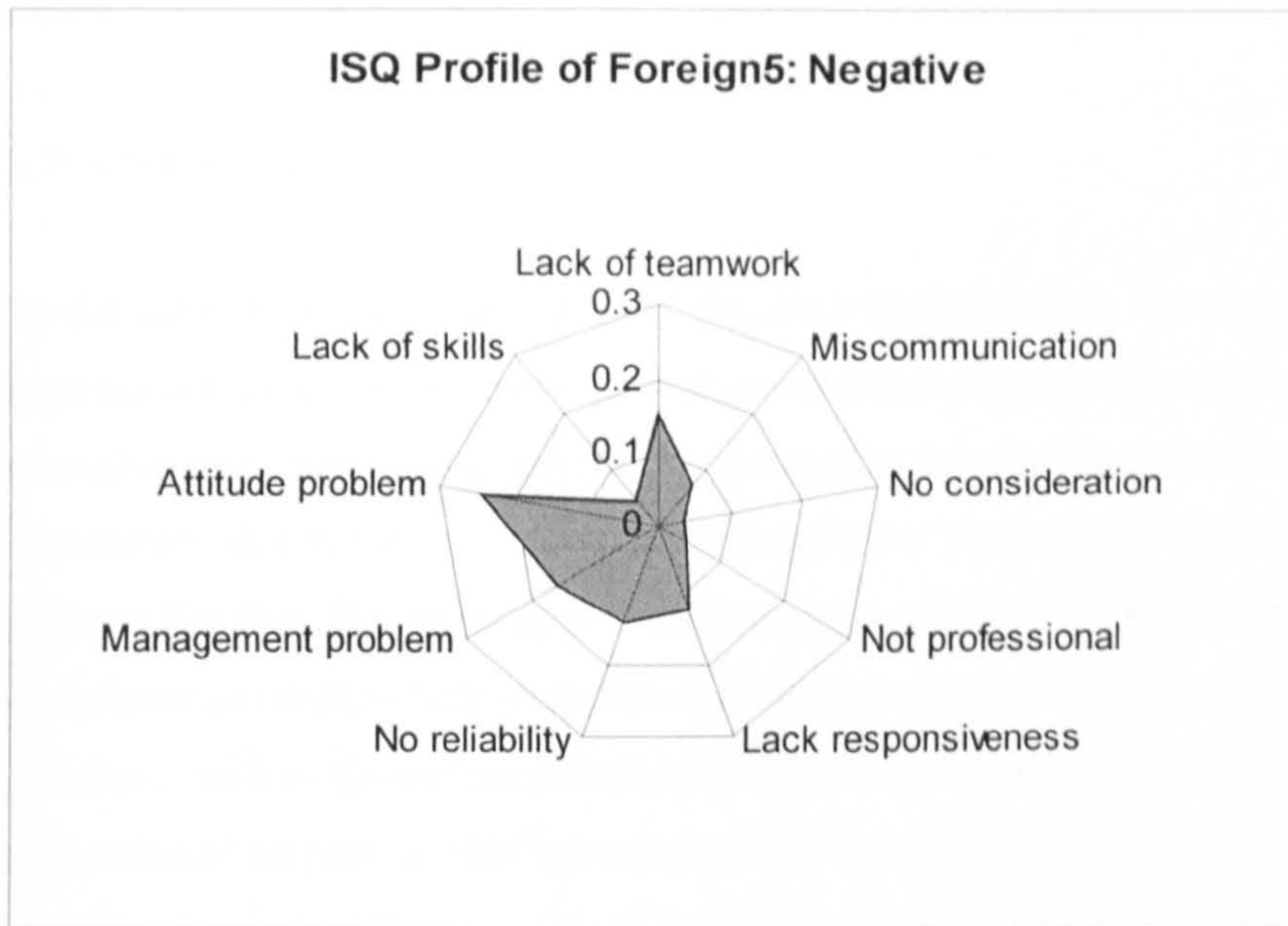
Reliability is the least important aspect in the ranking by the respondents. Reliable service was only mentioned by 1.87% of the respondents. This variable focuses on whether employees are dependable or not and accountable when delivering their service to the 'internal customers'. 'They emphasize on quality and productivity in their work and they are responsible to their own work.' was a comment by a female employee with two years service. A positive reason for the reliability is 'Workers are hard working and dedicated.'

4.31 Negative aspects of the ISQ

Having considered the positive aspects of the ISQ, attention now turns to those aspects which were characterised as being the negative aspects of the ISQ profile. The negative profile shown in Figure 4.4 below also has nine dimensions but the first six dimensions are an opposite of the positive dimensions while the other three are the newly emerging dimensions such as lack of skills, not professional and no consideration. The negative profile dimensions were also arranged in descending position to signify their importance with the most important dimensions at the top while the least importance dimensions positioned at the bottom.

4.32 Negative responses

Figure 4.4: ISQ Profile of negative attributes in Foreign5



1. Attitude problem

Analysis of the ISQ of Foreign5 points to the fact that a large part of the respondents' dissatisfaction or negative attributes originated from dissatisfaction over their colleagues attitudes or personal behaviours. After going through all the negative attributes as part of the categorising process, the attributes below were traced to the employees attitudes, which were described by respondents as encompassing aspects such as: angry, cursing each other, scolding each other, attitude problem, bad moods, hot tempered, moody, blaming others, busy body, cutting corners, discipline problem, being too emotional, envy, jealousy, lackadaisical attitude, lazy, no initiative, no sense of belonging, not open minded, not punctual, sabotage, selfishness, stubborn and using abusive words. These attributes were summed up as attitude problems, which is 24.47% of the responses. For example, a male employee with 11 years of service noted the attitude of certain colleagues: 'Certain bad apples

or should I say “rotten apples” among our colleagues have to take extra sick leave, emergency leave for no apparent reasons given, lackadaisical attitudes towards their own job’. Negative reason given as ‘due to shortage of manpower, have to work overtime, thus decreasing productivity, pressure to deliver due to demand exceed supply.’

2. Management problem

On the other hand, an examination of the other attributes also found a group of negative attributes, which were centred on management problems. Some of the emerging responses by the respondents pointed to management policies, the fact that respondents described their work as burdensome or pressurised, their welfare was neglected or they felt under appreciated, internal politics, working with a lack of equipment or stock, a lack of staff and more direct comments about management practices, such as favouritism and nepotism. This dimension forms 15.61% of the respondents’ responses. ‘Manpower shortage and favouritism from the management and department head’ was a point expressed by an employee with 18 years of service over the dissatisfaction with the management. An example of a negative reason given to justify their dissatisfaction over management practice is ‘my manager and supervisor are always in a “bad mood” when there is a problem with the guests. By right, they should be controlling their “mood” to show a good example to the staff.’

3. Lack of teamwork

Lack of teamwork amongst the employees was described as the uncooperative nature of their relationship as a team or in between the teams during the course of their working relationship. ‘Some of the staff are unfriendly and unhelpful. Lack of communication between staff and managers, no smile and no cooperation’ was cited by one female employee. While the negative reason was ‘There is no teamwork between the staff and the staff attitude is very bad. Guest satisfaction is very poor. Most of the staffs are working for the sake of working, they did not know whether the guest is satisfied or not.’ Hence, lack of teamwork was 15.18% of the responses.

4. Not reliable

Not reliable was merely describing the inefficiency in the job done or a job not well done, not being responsible in carrying out their job, which leads to guest complaints as the result of their actions. For example, a comment by a male employee with four years of service over the unreliability of the service by the other party recognised that 'Cutlery is not washed properly, they always leave stains'. Negative reason was given as 'Cutleries are not ready, therefore setting cannot be done. Dirty cutleries have to be rewashed.' The unreliable service by the internal service provider was 13.50% of the responses and such unreliability is likely to result in service inefficiency to the ultimate guest: the external customers.

5. Lack of responsiveness

Lack of responsiveness was due to a job being done too slowly or taking their own time to complete the tasks. The slowness of the service was noted by 11.81% of the responses. 'Take their own sweet time to complete tasks' was a description by a male employee with eight years of service to the problem of slowness in delivering service. Negative reasons given for example as 'Breakdown reports sent are not given attention immediately, even for the breakdown, which required an immediate attention, most of the time they take too long to respond, from one shift to another.'

6. Miscommunication

A miscommunication dimension was reflected by a communication breakdown among the employees in their working relationship. 'Some of them have communication problem', i.e. Not being able to speak English fluently and this caused confusion over the guest orders noted a female staff with two years service with the hotel. Negative reason given as, 'Did not train staffs to speak better English', which pointed to perhaps a language skills training. Miscommunication

was only 7.17% of the responses despite the importance of the communication phenomenon.

7. Lack of skills

Lack of skills emerged due to reasons like lacking in customers relations, lack of ideas or not being innovative or when employees disregard safety due to a lack of skills or training required to carry out the job properly. 'Some staff are unqualified to do skilled jobs, left in a shift alone without proper guidance or action plan' was a description from one employee who had just joined the hotel. One of the negative reasons given was 'Job done not up to the satisfaction and most often did not follow proper procedures.' Therefore the lack of skills formed 4.64% of the responses, a phenomenon pointing to proper training programmes.

8. Not professional

Not professional was described by the respondents as not acting appropriately as a professional person, such as not being systematic in carrying out their work or acting incompetently in performing their job. 'Some are lazy, service is not professional' was a description by a female employee with two years service over the unprofessional conduct of some of the employees she came into contact with during their working relationship. A negative reason given as an example was 'Guests are left unsatisfied and standards cannot be maintained.' Not being professional was 4.21% of the responses.

9. No consideration

No consideration means the employees did not show any consideration to fellow employees. For example, being less understanding, insensitive to others and also showing no respect to fellow employees during their working relationship. A male employee with sixteen years service described his experience in terms of the lack of respect shown to him by other employees: 'Getting scolded for no apparent reasons.'

And his reason for this as, 'Getting the blame for other people mistakes.' However, no consideration was only 3.37% of the responses.

4.33 Conclusion.

Foreign5 is considered as 'an employee relations' hotel with many of its HR activities focussed on employee relations. One of the strengths of Foreign5's culture was, 'giving back to the employees' or what could be better described as a win-win situation, which sought to meet employee demands and organizational objectives. In the ISQ analysis it was found that the respondents expressed their satisfaction and dissatisfaction over their relationship as shown in Table 4.8. The evidence points to the fact that, the employees still felt dissatisfaction over certain dimensions, specifically over communication, responsiveness and reliability.

Table 4.8: Comparison of positive and negative dimensions of the ISQ

Dimensions	Positive	Dimensions	Negative	Difference	Comments
Teamwork	41.78%	Lack of teamwork	15.18%	26.60%	OK
Communication	3.28%	Miscommunication	7.17%	-3.89%	Problem
Consideration	22.06%	No consideration	3.37%	18.69%	OK
Professional	4.22%	Not professional	4.21%	0.00%	OK
Responsiveness	2.34%	Lack responsiveness	11.81%	-9.47%	Problem
Reliability	1.87%	No reliability	13.50%	-11.63%	Problem
Enjoyable	6.57%	Management problem	15.61%		
Rewards	9.38%	Attitude problem	24.47%		
Socialise	8.45%	Lack of skills	4.64%		

Teamwork and consideration were significant positive dimensions in Foreign5, received 41.78% and 22.06% responses respectively. While the negative dimensions pointed to attitude problem of the employees (24.47%), followed by management related problems (5.61%), lack of teamwork (15.18%) and no reliability (13.50%). However, in comparing the positive and negative dimensions, and by subtracting positive and negative values of the first six dimensions results in the following

occurrences; a positive balance for teamwork, consideration and professional, with the problem areas being lack of communication (-3.89%), lack of responsiveness (-9.47%) and no reliability (-11.63%) which all resulted in negative balance. Based on the findings of the ISQ analysis, generally the internal customers are satisfied with the services of the internal service providers. However, it is recommended that improvements are necessary in certain areas of the ISQ.

The chapter has discussed the overall findings of Foreign5 organizational culture, which is based on the emerging themes such as human resources practices, organizational values, beliefs and the ways things are being done at the establishment. The second part of the findings discussed the positive and negative dimensions of the ISQ an analysis based on how employees responded to questions on their working relationship with each other. The next chapter will discuss the findings of a Local5 hotel based on a similar approach.

CHAPTER 5: EVIDENCE FROM LOCAL 5 CASE STUDY

5.1 Introduction.

This chapter discusses the findings from Local5. The findings are based on 14 semi-structured interviews with operational and managerial staff. The second part of this chapter discusses the findings from the internal service quality analysis using PAT as a semi-quantitative tool. The organizational culture findings are presented as the emerging themes such as human resources practices, adapt to environmental changes, leadership, national culture, union, crisis, values and beliefs. The internal service quality findings are presented by using the internal service quality profile. This is in line with the research objective of obtaining the respondents 'stories' based on their experiences and perceptions of the establishment.

5.2 Qualitative evidence

5.3 Culture: the guiding principle

Although Local5 is new in the market, the organization was described as 'a good place to come to work to' and many of the staff indicated their admiration for the hotel. As suggested by CO1, Local5 is more like 'a classy boutique resort', unlike other hotels or resorts, with the emphasis very much on high quality service. Employees were made aware of the mission and the direction of the Local5 culture. Unlike other international chain hotels or resorts, the overall organizational culture of Local5 is very much determined and influenced by the leadership of the organization. It was suggested by several respondents that the leadership of the hotel is given a free hand in managing the property without much interference from the owning company. The culture of Local5 was described by CM2 as being very much influenced by the open style leadership of the General Manager and taking into consideration the local culture. Thus, the GM was described as a sensitive person, sincere and humble in her approach with employees. However, rules and regulations still play an important role

in the daily management of the property. As related by CM4, the guiding principle behind Local5's organizational culture is described as:

This hotel is very lucky, I say lucky in the sense that there is not much interference from the owner. The owner trusts the management, they trust that we can do the job because we have proof, we have marketed this place well, that why it has been left alone, they do question us but then if the answers are justifiable, they are fine.

In many ways, the organization is being run in an American style as suggested by CO1 and CM2, who both recognised that much of the overall ways of doing things at Local5 came from the GM, with some input from the executive committee members, management and staff. One of the reasons for the view that an American style was apparent in the hotel is that the GM was from the US. Nevertheless, the management practices adapted for the establishment were much tuned to suit the local culture because the GM was very sensitive to the local culture and staff needs, a point with which many employees agreed. For example, CM3 thought the leader could determine the desired culture of an organization:

I would say all hotels have different cultures, different systems, it just about the head [leader], it's always the head. So it depends on the head, how does the head wants the system to be.

5.4 Management of Change

A number of prescriptive accounts of corporate culture suggest that there should not be any gap between the desired culture and the culture in practice however, in reality such a gap existed as related by CM4:

Sometimes the employers think that the staff perceived it the same way as we do. Actually when we sit together, sometimes we found out that they perceived it differently.

Due to the difference, there is a need to change the ways of doing thing around the organization which otherwise might not be necessary. Failing to do so would pose problems to both the management and the staff. Most often the gaps found were due to differences in perspectives and interests as indicated by CM4:

Because of their background, our intention is something and our expectation is something else, somehow some of the staff did not perceive the way we wanted them to do things. So the gap definitely existed, as long as the majority of staff did not feel like that then it is okay.

An example of culture in practice at Local5, which needed change, is punctuality. CM4 noted that punctuality was a serious problem when she joined the hotel and she decided to address the problem immediately:

Way back in the year 2000, when I started here it was a real problem. Probably because in this hotel there wasn't any proper procedure set. I was shocked when I came here everybody was late. When I examined the punch cards, they are coming in like five, ten and fifteen minutes late, very few actually on time. And I thought it just the culture, something must have happened to create such an attitude. So I spoke to the department heads and they said we have been talking to them and nothing has happened.

In fact, CM4, being at the helm of the human resources department is in a position to introduce changes. She also received full backing from the GM. The department heads and supervisors also gave their unprecedented support to her radical action, in addressing the discipline problem amongst the staff.

These attempts to address poor time-keeping were implemented in 2000 and things have improved since. The key to success was the seriousness of the enforcement and also support from the HODs and supervisors as suggested by CM4:

Oh, yes, we have terminated, first they thought we'll just talk, no action, Malaysian culture isn't it? People can come out with a lot of excellent ideas, but patience is another thing, is it really being implemented? When they saw two being terminated, then they thought they better behave. If they are late they have to call in and get approval. If the department head approved, I want to see their initials on their punch card. If I don't see the approval from the HOD, I take it as lateness.

The maintenance of such a system was made much easier with the application of the computerised 'punching' system using a magnetic stripe card.

As another example of managing changes, in terms of problematic employees in his department, CM3 suggested that:

Tough cookies are very easy, so first before that I need to know what are their problem, why they are doing this because basically you are here to earn, to earn money you have to do the job allocated to you, if you are the waiter you have to do waiter job. If you're supposed to do eight hours per day you have to do eight hours. From there I will try to counsel him, I just want to know what is his problem and why he is not coordinating and be supportive to others. So from there I know what is the problem, I have changed a lot of people from a bad attitude to wonderful people.

According to CM3, it was much easier to change the staff when they are still young. Much of the problems with young employees result from a lack of direction and career planning guidance. Their state of mind and attitude problem also contributed to the problem. CM3 related the problem to his experience in Singapore in the 1990s, when most Singaporean were not interested in working extra hours after their shift, hence other nationalities like Malaysians took advantage of the situation by working extra hours to earn extra income and gain more experience. CM3 began to see this phenomenon happening in Malaysia when many youngsters were reluctant to work more than eight hours.

One of the things that the leadership was seeking to change was the attitude of managers who do not like to speak up during meetings, due to the fear that they might be intimidating others. According to CM2, the GM was not very happy during meetings, when she wanted managers to speak up, giving ideas and voicing their grievances. Instead the GM was impressed with the operational staff, many of whom would speak up and voice their grievances to her during meetings. The leadership open policy did not seem to fully appreciate when managers were still sticking to their previous practices of trying to be nice to each other. For example, in meetings negative issues were simply not brought up as it might hurt the party concerned.

In terms of the desired culture, CM4 although satisfied with the current situation, is looking forward to improving the present standard operating procedures by coming out with campaigns and promoting activities that would enhance the sense of belonging amongst the employees. CM4 looked forward to ensuring that Local5 was seen as a place of opportunities for career advancement for everyone as she suggested that this is a way to improve loyalty amongst the employees:

I have got to think of a few things and then develop suggestions how we can make it better. And make it more like a home for the employees. You know ... a place for their career advancement, not stagnant, help them to develop their unknown potential and to bring it out and to make them realise that they are also brilliant and could advance.

5.5 Work Organization

One of the strengths of Local5 is the teamwork. Many employees described working relationships amongst staff as good and saw themselves as working in a happy environment. The reason for the harmonious environment is that Local5's employees are dominated by a single race; over 70% of them are Malay. CO5 described her working relationship in the kitchen as 'working as a family'. Others echoed her view on teamwork as suggested by CM3:

Teamwork is definitely in the hotel because we are working very closely with other departments such as engineering, house keeping and front office. We, as the head we are close, we work with one another because at the end the guest will go out and say Local5, they don't really say ah, Food and Beverage! They will say Local5. Local5 is the whole team. We work hand in hand.

This sense of teamwork amongst the executives was due to the positive outcomes of the outing programme¹, which was organised by the management to foster better relationships amongst its managerial staff. CM2 realised that the teambuilding exercise, which was organised for different levels of the executive team, had a positive impact on him. Other related programmes were also organised by the HR department, such as organising games and recreational activity, is dedicated to building good relations amongst the members of the staff.

The organizational structure of the property sees the property being led by a GM, while the top management group that run the property is known as the EXCO or executive committee consisting of the senior managers. The structure also assigns managers or executives into different categories or levels. The GM did not belong to any of the levels, while the assistant GM belonged to level one followed by levels two to five. Managers in each level were provided with privileges and benefits to suit their roles and status as shown in Table 5.1.

Table 5.1: Managerial Levels

Level	Position	Privileges & benefits
1	Assistant GM	Can use Spa and Gym
2	Directors	Can use Spa and Gym
3	Chief Steward, Duty Manager	Privileges of signing officer Cheque (free meals at restaurant), Cannot use Spa
4	Assistant Restaurant Manager	Cannot use Spa or Gym

¹ Outing Programme is a short business cum pleasure trip away from the workplace to foster better relationships amongst the management team.

5.6 Recruitment and selection policy

According to CM4, the recruitment and selection policy for the establishment varies from position to position. However, potential employees need to have certain basic minimum qualifications such as having at least completed a secondary education:

Again that goes by position to position, if we are hiring a steward what he has to do is ... we have the job specification for every position, first we examine their qualifications, those are their basic minimum qualification.

Besides the basic qualification, Local5's selection process also includes a test given to the potential employees. The test consists of situations given to the candidates to see how they react to the situation and the test also aims to measure their emotional quotient (EQ) as well as their intelligence quotient (IQ). For certain positions, such as steward or housekeeping attendant, a high score on the IQ was not expected but a reasonable EQ score would be preferred. Meanwhile, with the belief that skills can be trained, the focus of the selection is often concerned with whether candidates would project a positive appearance to suit the organization requirements. Besides a positive outlook, the candidate's ability to communicate in English is also an important criterion to Local5. For positions such as front office agent, English is important but for back of the house position like stewards and housekeeping attendant usually English language training would be given later.

Managers were also happy to recruit people with little or no experience as CM3 noted:

The criteria always depend on the position. For a waiter, I don't mind taking somebody with no experience, who doesn't know how to wait, and has worked as a waiter before ... If they are open, it is easy for them to absorb the training.

CM3 also compared such a candidate with somebody with experience:

There are advantages and disadvantages because if you don't have to tell him the basics; how to carry a tray, how to serve, that is really an advantage. But, if he has been trained, the disadvantage is that they are not open to changes, they still want to bring back the old system into here.

According to CM4, hiring experienced staff might jeopardise the process of building a new culture, as such staff always like to ask a lot of questions and in certain cases they already have a mental block, thus making the process of acculturation much more difficult.

On the contrary to the above, CO8 thought the right candidate for the security department would be a person who has some experience and possesses an ability to understand his job and responsibility well, preferably not a very young person. The right personality would be a person with high tolerance and patience. According to him, the younger group simply do not have the ability to withstand the endurance of the job and there were cases where these newly recruited staff went missing after one or two days working. This was one of the reasons why every potential security staff needs sponsorship from a member of the staff before applying for any security position at local5. On balance though most of the respondents tended to echo the general feeling, which emphasized the right attitude and personality.

Although certain jobs required no academic qualifications, potential employees who possess related vocational qualifications from academic institutions were likely to have better career advancement. CO9 suggested that a six month certificate course had secured her a job with the hotel industry.

5.7 Induction and socialisation

A process of fitting the newly recruited employees into the desired culture followed the recruitment process. The induction programme at Local5 lasted three days and the focus was a general briefing on the property, the ownership of the resort,

understanding the employee handbook, customer service and Putrajaya as a place of interest.

Previously, the induction programme held for the new staff commenced with a theoretical input, however later on some adjustment was made due to its practicality because many new staff are lacking in practical experiences.

Hence, the theoretical input was introduced slightly later, after the new staff were quite familiar with the workplace system while the responsibility to introduce the staff with departmental policy and procedures, work procedures, operating procedures and SOP now lies with respective HOD. As the result of the change, the new staff are becoming more responsive and now able to give feedback. The classes were usually conducted one month after the department orientation or sometimes two months if the property was busy. The new induction format has improved the induction and socialisation process as suggested by CM4:

I changed that, sometimes when they come in the hotel becomes busy and it becomes two months before I do it. It's better because when they come in they know people and know things and they come in they go like you know this one is like this but this person is doing like this, why is that so? They want to know. They seek clarification, so it is much better.

On the first day of reporting to work the new staff would be with the HR department to be given a short briefing by the director of the HR. Staff were then required to fill in forms, get their photograph taken, register for Employee Providence Fund and get their uniforms. Interestingly, if new staff were not well groomed then they were sent to the hair salon immediately. The staff would not be allowed to report for duty if they do not have proper grooming standard. After a short briefing by the HR director, the staff are given a short tour of the property, showing them the various departments, the facilities like the employees locker rooms, cafeteria and explaining the clocking procedure using swipe card. The new staff had their first lunch at the cafeteria and would be accompanied by the HR staff. After lunch, the staff would be

placed at their respective department. To make sure that the socialisation process went on smoothly, Local5 has introduced the 'buddy system' to guide the newcomer around. The buddy usually coming from the same department started off with going to lunch together the next day. However, in ensuring the new staff got the right buddy, the department head must be very careful, as the wrong one would hamper the process. So far, the arrangement is working well and the staff felt welcomed.

At the departmental level, staff are given job descriptions and the property's SOP are given to each employee on the day they start their employment. As noted by CM3, induction was required for all staff before they could resume work as they need to familiarise themselves with the culture of the property. He suggested everyone should attend the induction programme; even he himself attended an induction at the property. Respondents indicated that it took from several weeks to a year to be really comfortable with the Local5's culture, depending on their background and previous experience. For example, CO1 suggest that the socialisation process for him was much faster than the others as he used to be with a major airline before joining Local5.

5.8 Training and skills development

Local5 seems to provide a number of training programmes (shown in Table 5.2) tailored to their need to maintain the existing culture. The Local5 management suggested that training could be used to strengthen, re-orient and introduce some changes to the existing culture based on current needs and the desired vision of the leadership.

Table 5.2: Types of training programme available

	Type of programme
1	Induction training: three day programme
2	Skills training: Customer service, CPR or cardiopulmonary resuscitation, safety and health trainings
3	Diploma training programme: this programme sponsors selected staff to undertake a Diploma programme at an academic institution
4	Team building programme for executives
5	ICT training programme
6	Malaysian hotel training and education centre (MAHTEC) training: certificate training programme

HR department staff conducted some of the training themselves, while some other training was outsourced. Induction training and skills training was mostly in-house training, where HODs and departmental supervisors were involved. Much of the training was focused on customer service issues, regardless of the departments where employees worked. For example, even security personnel had training which was not only focused on security but also centred round customer service issues.

Local5 also have a policy of sending staff to attend training programmes organised by the Malaysian Association Hotel Training and Education Centre (MAHTEC) for diploma and certificate courses:

Recently the hotel sent me and several other staff to MAHTEC, for an up selling skills programme ... every two or three months, someone will be chosen to attend the programme, and then they will choose two or three staff for the management programme, they will send them for the Diploma in hotel management course every year.

While the organization attempted to promote multi-skilling as a beneficial programme for which staff could take advantage, in reality the staff could perceive it from a slightly different perspective. Staff might think that management wanted to

take advantage of the situation, especially in a non-unionised establishment. Nevertheless, several respondents did note the potential for multi-skilling to enhance employee human resource development. For example, CO9 described her job as front office agent as 'multi-purpose' doing the operator job, check-in, checkout and cashiering, but she was enjoying it. She found the arrangement interesting because she was able to learn a lot this way.

5.9 Participation and involvement

Staff participation and involvement were encouraged in the Local5 culture; in terms of encouraging staff involvement in the activities organised by the hotel and giving feedback to management on matters relating to their jobs. The activities such as inter-departmental games, pictionary competition, bowling and even fishing competitions were organised to foster a better relationship amongst staff (CM2). The GM herself also attempted to be directly involved in the employee relations activities as noted by CM4:

We have a lot of ... activities. Every month we make a point to organize an event, like 'Tele-match' for this month and probably next month we will organise the pictionary competition or we might have a fishing competition. And we make a point that the senior management must be with their team, so that they are interacting ... based on my experience this is very good.

A further example of such initiatives was noted by CM4:

[The GM] takes the staff out for a movie, we will arrange it, but that one doesn't come from HR expenses. It comes out of her pocket. She wants to do that towards the year-end or when there is a good movie. We will reserve the whole cinema and then whoever can make it we go for a movie.

The movie was usually followed by a dinner all paid for by the GM and it was recognised by CM4 that such an initiative was good for morale:

We watch the movie all together; the whole cinema is full of Local5 staff only. There will be dinner and then, they watch the movie and then come back. We also have bowling competition which normally HR will organize and that is what we went through and that how we got to know each other.

In terms of contributing ideas, there are many avenues for employees to do so. One of the common avenues was the 'super software meeting': a meeting held between the GM, HR Director and the rank and file staff every third of the month. The avenue has been used by staff to voice almost any issue related to jobs or if they have new ideas to contribute. Many of the ideas from employees were taken into consideration because they are the people who deal with the guest everyday. CM3 suggested that the existing avenues such as super software meeting, superhighways meeting, and management meeting are manifestations of the openness and transparency of the leadership. Both CM3 and CO9 agreed that employees often had good ideas because they could see problems more clearly than the managers in the hotel.

5.10 Performance appraisal and reward system

Local5's reward system shown in Table 5.3 aims to motivate employees as well as to recognize their performances. For example, CO1 noted the super software award for the best employee of the month. The managers also have awards dedicated to them, for example 'the manager of the quarter award'.

Table 5. 3: List of rewards and benefits offered by Local5

No	Rewards	Respondent
1	Monthly salary, no ceiling, yearly increment	CO7, CO9
2	Bonus paid depending on business	CO10, CO9
3	Service Point, basic point, confirm increase point: Point Fixed RM200	CM4, CO10, CO9
4	Overtime for functions over 500 pax	CO10, CO5
5	Incentive: if the income for 3 months consecutively was above budget	CO9
7	Invitation to stay overnight at resort with family: one night stay after completing one year service	CM4, CO10
7	Family day once a year	CO1
8	Recreational and sports clubs	HM4, HO4
9	Hostel (Local5 Garden): Accommodation provided for staff complete with kitchen facilities, air-conditioned rooms	CO1, CO4, CO5, CO9
10	Outing: Movie and dinner: GM expenses	CM4, CO1
11	Food at cafeteria: free	HO3
12	Training for all staff: in-house	CM4, CO8
13	Incentive for more rooms cleaned	HO1
14	Celebrations, birthdays, staff party, annual dinner	CO3, CO4, CO8
15	Recognitions, Awards: employee of the month, five year awards, manager of the quarters	CO8, CO7
16	Uniforms provided, shoes	CO6
17	Medical: panel clinics	CO10
18	Transport allowance for staff RM100	CM1
19	Sports: recreational activities and facilities	CO1
20	In the event of death of parents to the employee: RM500 and Four days mourning leave	CM1
21	Annual leave: Below five years 12 days & More than 5 years 18 days.	CO8
22	First newborn: Hampers	CM1
23	Dining at Coffee House at 50% discount after job confirmation	CM4

The incentive also includes selecting staff from all departments to attend a hotel exhibition held once every two years at the Mines Malaysia international exhibition and convention centre in Kuala Lumpur.

Recognition awards are given to the staff every month after the management meeting at a small gathering was attended by both employees and managers as noted by CM3. Employees can nominate their managers as the manager of the quarters, while the head of department nominates employees for employee of the month, and this does not necessarily have to be his or her own staff (CM1). Such a situation is possible because the Local5 community is rather small and everybody tends to know each other. CO2, who had received the award, felt the award really motivated employees as the award comes with a certificate, a plaque, and a cash award of RM200. Manager of the quarters received RM500. CO9 thought the award was based on the job performance, behaviour and also attitude, besides other criteria such as attendance. Moreover, in a similar vein staff who have not taken any medical leave for the whole year would also be awarded with RM200 cash and a certificate during the annual dinner.

Lastly, if any employee has done an exemplary deed like returning a guest wallet or other good deeds, the GM will publicise and celebrate such acts (CO1). Meanwhile, the manager of the quarter is also announced during the occasion and the management use the avenue to highlight the overall performance of the property for the month, specifically the financial performance. On this special gathering, birthdays were celebrated for staff that celebrated their birthdays on that particular month.

5.11 Promotion and human resource development

Local5 believes in a rewarding culture, wherein competent and efficient staff are rewarded with promotions and career advancement. CM4 described the guidelines for promotion based on the following principle:

The higher they go, the task part becomes less and the higher they go, it is more on managing people. So the first thing that I will be looking for is the leadership quality. It has to be there.

Hence, besides being competent, the candidates must have leadership qualities. The credible leader that fit into CM4 descriptions must be a good listener, a good counsellor and coach, a dedicated person who is willing to make time for their subordinates, rectify staff problems and, if possible, improve their staff.

For those who had enjoyed career progression there was a number of views as to what had helped. CO6, for example, believed that being dedicated and hard working was an asset, he was promoted to become a supervisor only two months after joining the property. However, his previous experience with another resort could also be the reason for his promotion. CO2 cited her loyalty and dedication for her promotion. CO1 thought the criteria for promotion was mainly focussed on discipline, leadership and punctuality. However, there was an equal opportunity for promotion at Local5. He believed that taking the opportunity to attend training courses improved his chances for future promotion. Meanwhile, both CO4 and CO5 agreed that the diploma or certificate holders had better prospects for job promotion. On the other hand, CM3 had worked overseas to gain experiences. This allowed him to have experience in the kitchen as a chef and work in front line service position. Such cross exposure is a common practice in some other establishment but for CM3, the cross-exposure was his own initiative. One other thing, which is a common practice at Local5, was to promote somebody from a different department to lead another department, something which was not a common practice in other establishments.

5.12 Compensation and benefits

Local5 has a rather unique reward system, apart from the monthly salary, yearly bonus and career advancement that has been discussed above; there were lot of other hidden perks, which should be highlighted in order to better understand its culture. Below are some of the benefits and rewards given by Local5 to all employees.

According to CM1, such benefits were an attempt to attract more staff to come and work at the establishment, especially when the location of the property was not close to the city and skilled labour is scarce and in demand.

The caring attitude of the leadership seems to be appreciated by the staff as indicated by CO1 and CM4. As a further example, CO1 noted an occasion when the Local5 football team won an inter-hotel football match and the GM brought everybody to another hotel to celebrate.

Local5 has been giving a fixed service point² since its inception in 1998, the point did not fluctuate and fix at RM200 per point:

We are giving one point no matter what is, RM200 per point. Some of the new hotels they started like this, and when the business pick up they start to float the service point. Here location wise, this place is still not fully developed, so we don't want to float the point because if we float, the point might be lower. So we have been topping up for the staff. Wait till the place is really developed or if they have more room, maybe we can float the point. The hotel industry needs more rooms in order to make the money, if lesser rooms, can't.

Unlike other city hotels, the value of each point would depend on the business; hence each month the point would fluctuate according to business performance. Every new employee for example would start with either 2 or 3 points and normally front of the house employee would get a slightly higher point, while the back of the house would get a lower point, for example a front office agent will start with 3 points in which after confirmation the staff will gain extra point. Promotion would usually follow with an increase in a basic wage and an extra service points. CO8 for example got a basic salary and two-service point upon entry five years ago and after getting promoted another 0.5 point added. On the other hand, CO10 had an RM350 in basic wage and a total of 3-service point after being promoted as a shift leader.

Surprisingly, most of the shift leaders like CO10 were in their early twenties, CO10

² Fixed service point: A fixed amount of cash incentive given to every staff every month, which was not based on business performance. All operational staff are entitled to the service point.

suggested that this was a fast promotion for him when compared to his colleagues in other city hotel. If the shift leaders were being promoted as supervisors they would make around RM1400 to RM1500 per month.

Entitlement for annual leave were accord to encourage loyalty, for those who have been with the property more than 5 years were given 18 days, meanwhile those who have less than 5 years service will only entitled for 12 days of annual leave.

Employees are entitled for triple pay only on four gazetted holidays such as the King's birthday, the state ruler birthday, national day and a labour day. If they were required to work on other public holidays, they are entitled to get a replacement holiday to be taken on the other scheduled day.

5.13 Communication

As previously discussed, the communication flow of Local5 was based on the overall open door policy initiated by the hotel's management. Based on this principle, the information transmission was free flowing; there were many channels and avenues for employee and management to communicate with each other. Some of the formal and informal communications found at Local5 are described below.

CM2 related how the team-building outing improved the communication amongst heads of departments in the hotel. Another important mechanism in maintaining communication between staff and the management was the super software committee³ meeting, which provided an avenue for staff to voice their grievances directly to the management. Staff were comfortable voicing their dissatisfaction and grievances direct to the GM and no longer felt threatened and intimidated, as they were used to the openness from the beginning. The super software committee was the backbone of the communication activities at Local5. The uniqueness of super software committee was it could surpass normal channels of communication provided by the organizational structure as suggested by CM4:

³ Super software is a committee consisting of the operational staff representatives. The committee meets with the GM on a regular basis.

We have set up a committee called the super software committee. Now our mission is very unique, we have set our missions, which are 'super software', 'healthy hardware' and 'wonder ware'. So the formula is 'SHW2', which is in line with computer terminology. So, super software refers to all the employees. Healthy hardware is the product and wonder ware is the marketing strategy. On why we called this committee super software committee; it means the employee committee.

The super software committee consisted of only non-management representatives from all departments and outlets in the property, the GM chaired the committee, while the HR Director also attended the meeting. One of the strengths of the committee was their ability to communicate directly with the GM and voice their grievances without having to go through normal communication channels. The normal, traditional channels require grievances to go through supervisors, HOD and HR department before reaching the GM. As a result, some of these could be barriers to communication which hampers the 'right' message from getting to the GM.

CM4 agreed that the super software meeting has increased the interaction amongst the employees and management and thus reduced the communication gap. At the same time many problems could be solved much more effectively:

I think that is very effective, in fact the GM said she enjoys that meeting more than any other meetings. She gets a lot of inputs from the staff, even if they can't speak English they tried their best to communicate to her because that the only language she speaks. So when something is broken in their department, they came and say my freezer has been broken for so long and we have been informing the maintenance, until now it still wasn't fixed yet. They tell that directly to the GM and the GM will take note and during the 'EXCO' meeting she will speak to the maintenance manager.

Hence, the super software meeting eliminated some of the layers of communication because as the message goes down to different layers it tends to break down and at

the end the message would be totally different by the time it reached the top. During this meeting staff sometimes were told by the GM directly if something could not be done as requested. As a result HODs must now make sure that the highlighted issue was settled before the next meeting. The HR department also distributed the minutes of the meeting to all departments for information.

Apart from the super software meeting, daily briefing also play an important role in encouraging openness in communication at Local5. According to CM1, in his department there were two sessions, one in the morning and one in the afternoon. Sometimes briefings for the F & B department would also include stewarding, service and kitchen departments and the F&B director carried out the briefing. At such briefings, problems could also be brought up to the HOD concerned.

Activities such as celebrating staff birthday's, a staff party and annual staff events such as award ceremonies, were intended to not only display appreciation by management to staff but also to bridge the gap between the employees and management. For such recreational activities, HOD's and managers were told to interact with their subordinates to foster a closer relationship amongst the members of the department as suggested by CM4:

Here many of them, I would say nearly 90%, have commented that there are no communication barriers here. The barrier has been removed. The management team is very approachable. Non-management can come and seek out the management anytime. And they have commented that senior management do not behave like some of the other hotels senior management. They don't think highly of themselves and always greet employees when they see them. They talk to each other; we have a lot of employee relation activities ... and we make a point that the senior management must be with their team, so that they are interacting.

At operational level, there are some complaints which result from a lack of communication between the departments involved. However, these complaints were

relatively trivial and CO6, CO4 described them as little argument here and there but nothing very critical. CO10 noted that the complaints to his department are mostly coming from the F&B service department while CO8 pointed to his earlier problem resulting from initial misunderstandings with other departments, although he noted how generally everybody aims to work as a team in a friendly environment.

5.14 Shared values and beliefs

The guiding principle that builds the foundation of values and beliefs of Local5 was based on the principles of working as a family, openness and sincerity amongst the staff. Table 5.4 outlines how the hotel sought to communicate its values and beliefs to the employees. Generally, the values and beliefs that the employees have in the organization were that work hard, play hard and you will be well rewarded. It was suggested from the findings that staff that worked hard were rewarded with promotion. This unwritten policy was also extended to those that play hard, they too were rewarded handsomely for example after the hotel team won a sporting event.

Table 5.4: Some of the values found in Local5

Beliefs/Values	Explanation	Evidence
Respect	Respect amongst the staff, respect the boss	CM2, CO8
Sincerity	Being sincere and honest	CM2
Rewards	Rewarding the employees	CO1, CO8
Loyalty	Loyalty also pay, longer service well rewarded	CO8
Discipline	A key to success	CM3
Teamwork	Working in a team, a must in this industry	CM2, CM3
Tolerance	A high tolerance is required	CO2
Hard work	Performance based appraisal	CM1
Security	A sense of security working at the property	CO2,CO1
Transparency	Openness: reduced communication gap	CM4, CO1
Relaxing	Relaxing working atmosphere, not tense	CO1, CO10
Commitment	Ability to seriously devote to work.	CO2
Food and ceremonies	Part of the motivation, a must for every occasion	CM4

Local5 also aimed to be sensitive to local culture and religion, for example allowing Muslim female staff to wear 'tudung' (a scarf) to cover their hair during working hours. The GM also attempted to be sensitive to people around her. CO6 noted how even with a lot of older subordinates there was always a sense of respect between them.

Openness in communication and the existence of avenues for staff to contribute ideas and voice their grievances maintained the values. In addition, employees like CO10 and CO6 suggested that there was not as much pressure at Local5, unlike their previous workplace. Similarly, several respondents mentioned the ambience and the green nature of the resort, which in many ways contributes to the peaceful feeling at Local5. CO1, in comparing Local5 to his previous workplace, now felt 'less tense and had no problem going to work'. He described the hotel as very 'very green, that is in parallel with the establishment's logo and motto which is where the paradise and high tech met'. This seemed to be an opinion of many of the staff that also reflected a sense of belonging to the organization.

5.15 Roles of leadership

It is often suggested that the leader in the organization is synonymous with organizational culture because they can play an important role in determining and maintaining the desired culture of an organization. The evidence from Local5 seemed to indicate that the leaders who started with the organization from its inception have a better understanding of the ways things are done in the organization. In the case of Local5, the GM appeared to be in a better position to shape the espoused culture as deemed necessary by the organization she was leading, as CM3 noted:

The system comes from the head, maybe she wants the system to be in such a way, even though we have our own style of doing things, we still have to follow her style because at the end she is the one who is representing the

hotel. So we can't be like, no we can't do what we like just because we came from different cultures and we got to do in our own ways. I think it doesn't work that way.

Although she is an American, the GM recognised some of the limitations to implementing values at Local5 according to the American way. Thus, the whole approach taken by the GM in managing the property was not so much about implementing the American ways of doing things, but rather combined her approach with some of the local values in her leadership styles based on her personal beliefs and integrity. CO1 noted how this was translated into her way of managing the organization:

Work wise, certain things which are American are 'good', we implemented here, such as working like a family. She improved everything. She started the coordination meeting with the staff, direct from GM to the staff. In other hotels this type of communication does not exist. Here she will deal with staff problems directly. Basically much of the problem can be solved at this stage, like an attitude problem.

CO1 described the leadership as very innovative in terms of bringing a lot of new inputs into the organization, especially in improving employees communication and staff welfare. Beyond that, the GM who has been in the country for the past eight years was described by CM4 as very humble and attempting to lead by example:

She is very humble, whatever activity we organized, she comes and joins in. For example, every month, we have 'gotong-royong' (co-operation); every department must send a number of people and we divide them into zones and we go around making sure the area is clean and neat. She joined in and she put on the gloves, she carried a plastic bag, she walked around with us collecting rubbish.

Two of the staff CM1 and CO2 noted how the GM had recently won a World Asia Hospitality Award; one of only three General Managers who won the award. When CM2 contacted the GM to congratulate her, her response was she was not alone in leading the hotel. She also expressed her gratitude to her staff for the success. Her caring attitude was further illustrated when one of her close associates passed away suddenly, she initiated a memorial service according to Muslim rites and planted a tree to show respect to the deceased. CM1 suggested that, 'I don't think she will settle down in US later on'. CM4 also related the degree of attachment to the hotel from the GM:

The GM is very passionate about this place, she is very passionate, she treats this place like her own home ... there are quite a number of staff who don't treat this place like their own, they like the environment, yes but they should also take care of the things. All the chairs and tables, it helps them to have a pride or have a sense of belonging. Creativeness is quite difficult. They don't think about cost, they don't think that if you do this, it will cost the company or if I do this I am going to break the thing and cost the company.

Table 5.5: Some of the comments on the leadership style

Comments	Respondent
She is an American but she has been here about 6 to 8 years. So, she is used to our culture	CO1
One thing I like about her, one of her strength was being open.	CM3
She's very humble, whatever activities we organized, she comes out and joined.	CM4
I think she the only GM that was able to remember all the staff names, she even call them by the staff name.	CM1, CM2, CM4
She is soft spoken but important thing is she is sincere and no prejudice.	CM2
Very friendly and soft spoken.	CM1
She is fussy because she is very serious in job and did the best for Local5.	CO9
The GM is very passionate about this place, she treat this place like her own home.	CM4
My GM is friendly.	CO7
If she meets the staff, she will greet them.	CO4
She is approachable, she is open, I have work with her for 6 years, if she did not get cooperation from other; she won't lasted six years.	CM1
She takes care of staff's welfare and she is not fussy.	CO3

Besides showing her caring attitude towards the establishment and the people the GM attempted to lead by example as illustrated by Table 5.5.

In terms of other managers' leadership styles at Local5, CM4 described herself as a very task orientated person who likes to see everything in order:

I like rules, regulations, policy and procedure to be very clear. Everybody should be brief, everybody should know what he or she should and shouldn't do. At the same time, I also don't believe that rules once made, are engraved in stone. We make rules and I believe we can make changes to them. I strongly believe in that, if the rule is too strict, we can always be flexible, we can make rules, we can bend them in the correct way. But, I am also very people orientated, any time people can come over and talk to me.

Despite being a 'by the book' person, she always allocated time for staff to come to her office. She further noted how she always believes that when the staff walk- in no matter how busy she was, she would always talk to them. She emphasized that the overall management style at Local5 was very people orientated.

CM3 believes that he needs to be firm and serious as far as work was concerned:

I always see myself as very firm, work is work, play is play because in the end it reflects on me. The hotel world is very small; at the end we know who we are in the industry. I always have to take care of my image and reputation so people know that this guy is fit to do this work. So this is how we work, in that case we have to be as what I am.

CM2's management style varies, he described himself as a situational leader; there were times he would go by the book, however there were other times when to him the motto 'the guest is always right' was not applicable. Even a diplomatic approach sometimes did not work, citing an example of dealing with his staff who were

lacking in self-confidence, he found that using the informal approach in dealing with his staff far more effective. Most of the time he was using his personal skills to build a relationship with employees. To him, different people have a different style and approach in managing. However, the bottom line for him was he always respected the boss.

5.16 Rites and rituals

The management planned rites and rituals to communicate cultural messages to the employees. It could also be seen as a direct intervention in managing culture in an organization by the staff. Table 5.6 outlines some of the activities, which could be regarded as rites and rituals for Local5:

Table 5.6: List of Rites and Rituals

Rites and rituals	Role
Awards and recognition ceremonies for staff	Recognition, appreciation
Games, competition	Integration
Briefings with HOD	Communication
Staff party, birthday and other celebrations	Recognition and integration
Meetings: super software committee meeting	Communication
Outing with GM	Integration
Clocking in by swiping card	Punctuality, discipline
Changing into uniform	Role to play

As already mentioned, ceremonies such as birthday parties for staff and awards ceremonies were an avenue not only to recognize but also to integrate staff. Morning briefing and afternoon briefings were also common in attempting to involve and integrate staff. For example, CO9 described the importance of briefing in her department: ‘Briefing is very important, we have to know what is the occupancy of the hotel, who is the VIP coming in, what should we do, check the room, is it ready or not?’

On the other hand, some other rituals, such as clocking in and changing into uniform, were very much about disciplining the staff into a set of accepted norms in an organization.

5.17 Symbols

Two aspects were considered important in reflecting the overall image of the hotel, especially signifying Local5 as an international hotel. One was the uniform, which was chosen by the GM herself. As CM3 noted:

It is the GM, she likes to plays around with colours. Even when I first came here, I was really impressed with the kitchen uniform because it doesn't have the same uniform like other hotels. Here you can see three or four different styles of uniform. This will actually motivate the staff, rather than saying 'I'm going to wear the same uniform', now they can say 'I'm wearing something different'.

The uniqueness of the uniform, it was argued, reflects the uniqueness of the property itself as a boutique resort. For example, security staff are not bound by a typical security uniform, a design borrowed from the armed forces, but the security personnel were wearing a batik⁴-type shirt which was designed to camouflage the personnel and to ensure they blended in with the surroundings, which is green in nature. Furthermore, the kitchen staff wore a specially designed neck scarf, which has different colours to signify their department. Although the difference in colours did bother some of the staff initially, now it has been accepted as the company norm. The unique design was also in line with the requirements of the Ministry of Culture Arts and Tourism because the government wanted hoteliers to use more local ambience. Batik was chosen because the staff were required to walk around a lot in the resort and this material is very light and cooling especially in the tropical climate (CM4).

⁴ Batik is a coloured design on textiles using wax to resist dye, originating in Java, Indonesia.

A further, physical symbol, which is very important to the Local5 culture is the landscape. It is an integral part of the resort. The flora of Local5 not only fascinated the guests but many staff also 'fell in love' with the green landscape. Several respondents referred to the green characteristic of the resort, which was considered soothing and conducive for the working environment.

5.18 National culture

Being a multi-ethnic country, Malaysia's population consists of three major races: Malay, Chinese and Indian in the Peninsular Malaysia while in East Malaysia there are many other ethnic groups such as Kadazan, Iban, Dayak. Despite this diversity, Local5 was still dominated by a single race. According to CM4, there were not many Chinese staff, while the majority of the non-management employees are Malay and Indian. For example, it was noted by CO3 that the majority of the kitchen staff are Malay, whilst CO6 noted that in his department there was no Chinese, and only five Indians the rest being Malay. For CO3, he preferred to work in a single race environment that was the reason why he enjoyed working at Local5. As a result of the relative dominance of one culture, the Malays, ethnic conflict was relatively rare amongst the employees.

Despite the relative lack of ethnic conflict, there was another problem, which is also related to ethnicity: cultural baggage. The cultural baggage of some of the Malay employees was identified as a problem in terms of their work ethic and this was described by CM4:

When talking about culture ... I hope it doesn't sound offensive but the Chinese are very good ... you tell them one thing, they will carry it out and they take the initiative to get it done. But, the Malays still have a lazy attitude. Even the 'LEPAK' (gathering) thing, every time they have to get together at the smoking area, they just like it, they just talk, you know, what is that 'sembang kosong (Chit-chat). They just sit there and they can just talk. You can never see the Chinese doing that.

However, the problem was considered relatively small and controllable as long as the management were aware of it and continued to monitor it.

Apart from punctuality, another situation which is related to the cultural baggage at Local5 was their lack of discipline and commitment to the job especially amongst the younger staff. The attitude of the younger employees was usually related to their lack of discipline and lack of commitment to their jobs. Part of the reason, according to CM1, was the large number of jobs available in the labour market, such that if employees lose a job there were many more waiting for them. Hopping from a hotel to another was a common practice amongst the younger staff.

Evidence of cultural sensitivity was also found at Local5. For example, the management allowed Muslim staff to go out for their Friday prayer. Although there is a provision under Malaysia's labour laws for this, sometimes implementation varies from organization to organization. Some hotels do not extend this privilege to operational staff. The present scenario is considered much better than ten to fifteen years ago; all hotels including Local5 must have Surau (Prayer room for Muslim) for employees and guests. Even every guestroom was marked with an arrow pointing to the Mecca to facilitate Muslim guests, if they decided to pray in the room as noted by CO3. Multi-ethnic employees were now sharing the same foods in the cafeteria, all foods served was Halal; the food was universally fit for Muslim and Non-Muslim as suggested by CM4: 'Now we must have Surau in every hotel. No such thing as non-halal. I don't think any hotel have any non-halal thing anymore.'

In the month of Ramadhan, breaking fast for Muslim was held in the cafeteria at sunset, while the non-Muslim staff scheduled their meals much earlier. Apart from that, ethnic and religious celebrations such as Eid (Muslim), Chinese New Year, Deepavali (Indian), Christmas and New Year are also celebrated and enjoyed by all staff at Local5 (CO7).

5.19 Sub-culture

Sub-cultures existed within the Local5 culture. However the presence of the cultural groupings was merely based on age and departments. Their existence does not seem to pose any real threat to the main culture as related by CM4:

It does happen. I would say the housekeeping they are very much to themselves, though not all of them because like housekeeping they come from the village nearby, some of them are married women. There are common things for them to talk about ... F&B and front office positions are considered the glamorous positions by them. I think the housekeeping attendants feel inferior to them. Because, the front office staff are normally the ones who can speak English, who are more confidence in facing the guests.

Another natural segregation may be due to the generation gap; for example, the younger and older staff tended to stick together in their separate groups. This process also occurred because normally the older and married staff belonged to the housekeeping department while the younger staff were usually from front office and food and beverage service. Despite this segregation, CO1 felt that some staff still mix whenever possible:

I don't see any problem with that. Maybe the Chinese restaurant staff, they are located at another part of the hotel, but they still come here and mingle around. Sometimes they come here working in the banquet and they mix together.

Generally the integration amongst the Local5 staff could be better as noted by CM4. As the same respondent noted with regard to separate groupings based on ethnicity:

They [employees] were comfortable with their own language. They just like to speak in their own language, they stick to that but they are not being malicious to each other. They are not fighting each other. They just stick to their own groups, they share the same culture, same language, eating the same food.

Nevertheless, it was suggested that the management continues to make effort to improve the integration process.

5.20 Image

Being a five star property, Local5 already had an established image; one which was generally positive as it is associated with other properties that are managed by the same management company. Although it is not part of an international chain, Local5's image-building process started when it hosted many international conferences, meetings related to what is known as the Multi-Media Super Corridor (MSC) advisory committee. This committee was initiated by the former Prime Minister and draws many world corporate figures to the property. Local5 also plays host to many VIPs, which includes the head of states, Kings, Formula1 drivers, and is also a favourite venue for the former Prime Minister of Malaysia who, according to CM2, 'fell in love' with Local5's landscape.

Community service also plays an important role in enhancing Local5's image. Local5 has sponsored underprivileged children from welfare homes according to CM3:

We do a lot of that because we actually part of the S**** H*****, coming up is Disney on Ice, actually sponsoring a lot of tickets to orphanages ... F&B have just started an independence day gourmet indulgence, which is the big event for us but the proceeds goes to The Regent Foundation. That was about twenty-two thousand Ringgit.

Management is very committed to this kind of activity as it enhances the image of the property to the general public.

5.21 Relationships with trade unions

On the question of trade unions, CO1 felt that the presence of a union was not necessary as any issue or problem could be brought to the management directly and it was given immediate attention and staff received immediate feedback. As CO1 argued 'I don't think we need a union here. If they can maintain the present system, the family style, there shouldn't be any problem'.

However, some respondents felt that the union has its advantages and disadvantages to the employees and the organization. For example, CM3 noted:

The older hotels they still have the union. I think most of the KL hotels have, the new hotels they have to wait for five years, before they can establish a union. Sometimes there can be really dirty because they take advantage. The head of the union will actually take advantage of this, they instigate these people just for their own good because I have seen a lot, for example just because they can't get along with the management, so they instigate all the down liners and anyone who has a problem and mess things up.

According to CM4, the union could exploit the implementation of multi-skilling because the issue is very sensitive. The perception held by the union towards multi-skilling is one of exploitation of the employees by the management. However, the management have different perspectives, as suggested by CM4:

If you examine the older hotels, they have about 60 positions in the hotel. They have bellman, doorman, busboy and then order takers and waiters. Order takers take orders only. Busboys clear tables and pour water only. You know it is too backwards. Multi-skilling is very much an advance, we have to move forward and employees have to be paid accordingly. They can't be paying so

low and expect them to do hundreds of tasks. Pay them a higher basic and multi-skilling is fine. I'll go for it.

CM4 went further in explaining how multi-skilling could benefit both the employee and the management:

For example, here a cashier can also be a waiter, in a place where it is not so busy, like in our T*** H**** fun pub, the cashier will also work as a bar tender ... I will stand here no matter whether I need to do cashiering work or not even though no business, I just stand there. This is a waste of money. If not for the organization, it is very good for the employees themselves because the more they learn, the better they will become. So when they move up, they can say I can do this, I can do that. multi-skilling is good.

On his personal preference between a union and non-unionised environment, CM3 felt that:

It is easier to handle the non-unionised employees because if the management is not fair to the employee then the union have to do something, if we were fair to the staff and we treat them nicely then there shouldn't be any problem.

In addition, CM4 suggested that:

In the unionised environment many things block the staff mentality. It is very different. They don't see the big picture. They don't see how they can benefit from it, all they see is 'oh, it a new idea from the management, we must fight it we must oppose that' ... They don't think positively, nothing proactive from them. Sad to say that union have that kind of thinking.

The general feeling of the respondents on union was that if their welfare were taken care of and communication was excellence, there was no reason why union was needed as noted by CO1 and CM1.

5.22 Outsourcing

Local5 outsourced many of its operational activities to contractors or by using part-timers to support its existing work force. The areas that are outsourced are limited to security, banquet and the management was also looking to privatise the employee cafeteria. As it caters to mostly the high profile guests and VIPs, Local5 decided on extra security personnel to provide total surveillance to its guests. It was recognised how difficult it is to hire good security personnel and many of the core security staff have resigned and it hard to replace them. Hence, the management decided to hire contract workers from Nepal. There are twenty 'Ghurkhas' currently serving as peripheral security workers, supporting 13 core staff on site (CO7). While the core security staff acted as supervisors and coordinators, the Ghurkhas were performing the security duties. Dealing with the peripheral workforce was not without problems, local staff found that the Ghurkhas were unable to speak Malay and only speak English and it was hard to communicate with them, but after a while they got used to the system and learnt to speak Malay (CO8).

Another area which requires the support of peripheral workers was banqueting. According to CO10 many of the Local5 part-timers were outsourced from a nearby hotel school and these students were mainly foreign students. The main problem with hiring foreign students as part-timers was that they could not communicate well with non-English speaking Local5 employees. The inexperienced students were unable to handle crockery and glassware well and this has resulted in breakages, which concerned core staff like CO10.

On the other hand, CM4 applauded the idea of outsourcing Local5's employee cafeteria, she suggested that:

In fact we are looking into outsourcing our employee cafeteria next year, for now we still doing it, we still managing it, effective 1st January 2004, we are looking into outsourcing. Some hotels have already started, but then outsourcing doesn't mean we are going to neglect the quality of the food.

CM4 believed that outsourcing the cafeteria could be better in terms of providing service and quality of food to the staff because management would be able to monitor the contractor services based on the agreement. Outsourcing the cafeteria could also mean saving the property a hundred thousand Ringgit per annum:

Cost wise it is much lesser, very much lesser ... for example we want to save a hundred thousand per year by outsourcing ... outsourcing is cheaper but the management must make sure the food quality is still monitored and they don't give some old stuff.

The advantage of outsourcing is that not only are the staff provided with a better service and food, but they still also enjoy free meals as before. The enthusiasm to outsource, however, was limited according to CM4. She believed that certain departments like payroll should not be outsourced due to its confidential nature.

5.23 Staff turnover

Amongst the most challenging tasks of the human resource department is managing labour turnover; too high turnover or a very small or non-existent turnover rate were considered unhealthy. Ideally, 'normal' staff-turnover was desirable and could in fact be a blessing in disguise to the management as suggested by CM4:

Personally, I would prefer the staff are moving; not too often, but keep on moving after five to six years because I would never want to have a staff who have served for twenty years. If majority of staff have served that long, then it will be a problem to the management.

A long serving employee could be either an asset or burdensome to the company. For example, as indicated by CM4, the 'overstaying employee' could be a barrier to the implementation of the new culture:

It is good if they know too much and they are positive about it and they are willing to transfer the knowledge to the junior. But instead, they will resist to any changes because they are comfortable with what they have been doing. For example, after ten years, suddenly we want to change the system, these are the people who will resist the change and they will go around and influence other people.

Instead of becoming a role model and a buddy to the new employees, it was suggested that they are more likely to be a negative influence, as noted by CM4:

If he didn't agree and kept his opinion to himself, it's fine. However, if they go around influencing other employees and if everybody started to think negatively, then it's bad for the company. It won't be a learning organization any more. Everybody is so stagnant. It is a challenge for the management.

It was suggested by respondents that it is easier to implement any change in culture where the majority of employees were relatively new, however too many new employees could also affect the overall service quality of the organization. For Local5, overall staff turnover was not very high and generally the rate was considered acceptable. The turnover phenomenon, as such was common in the hospitality industry according to CM3 who had previously worked for several other properties prior to coming to Local5. He believed that many hoteliers like him were natural 'job hoppers', always seeking a new challenge throughout their career:

I have been too long in one hotel, whereby we hoteliers do not normally do that, that's why we are labelled as 'job hoppers'. It's not to say that the property is not good or they are not treating us well, but the things are ourselves, like in E***** I have been there five years, I have been building up my own team and basically F&B runs itself. The system just runs and the boys are just following the system and I have nothing to do anymore.

Other respondents, such as CO3, agreed with CM3 that jumping from one hotel to another was more rewarding than being loyal to only one hotel. It is common practice for staff from a slightly lower star moving to a higher rated property. CO3 himself moved from a four star property. This mobility has resulted in monetary gains and self-esteem for him, but the main catalyst was the prospect of new experience, which would be beneficial for his future career advancement.

5.24 Crisis Management

Generally, SARS was the most challenging crisis as compared to the country economics crisis, 9/11 and the Iraq war faced by the hospitality industry. However, SARS had not affected Local5 very much. During the SARS crisis the occupancy was around 30% to 40% which was considered low for Local5, but still sustainable (CM3). Meanwhile, F&B business was hardly affected at all (CO1). CM3 suggested that the overall impact on the industry was bad, but Local5 had suffered less than other properties. The reason as noted by CM3 was:

Unlike hotels in KL where the hotel was running, 2 to 3 %, which they really can't sustain on their overhead, but luckily for Local5, it was least affected because we still have projects going on in Cyberjaya. People still have to travel because of the Cyberjaya project ... We still have people, we managed still managed to run the outlets with average covers. And we were not hit very badly by SARS.

The SARS crisis had hit other hotels hard with some hotels experiencing single digit occupancy. For example, a newly opened hotel needed at least 40% occupancy in order to sustain the hotel. The overall loss throughout the Malaysian hotel industry due to SARS was about RM240 million. Hence, some measures had to be taken by Local5 to survive. Local5 implemented 'friendly' measures to safeguard both the staff interest and to sustain the business as indicated by CM4:

When the hotel occupancy is low, if there is any resignations they will not be replaced at the time and moreover we are not busy so we don't really need people. But we didn't have any retrenchment or VSS ... No pay cut, no nothing. Staff are still happy and in the end they bring back the same pay check as before.

The management decided on a softer approach of avoiding any laying off the staff. Employees were encouraged to come up with inputs and measures to save cost as CM4 put it:

We have our budget in response to SARS. First thing we try to control our expenses, the main thing that we did when extra revenue is not coming, we control our expenses, see how we can bring down our expenses in order to get a better revenue, that's how we managed. All of us started to put in our input and come out with cost saving measures. What can we do in every department?

At that time, the overall focus was on cost cutting and cost saving measures and ensuring none of the Local5 employees were made redundant. More proactively, room rates were reviewed by the sales and marketing department to attract more local guests. CM4 summed up the measures as follows:

We didn't retrench at all but we were not very active in hiring. Whoever resigned, if we can manage we did not hire. We didn't want to replace the position immediately. Just freeze hiring. And for the sales and marketing, we have certain rates, so what we did during that time is we dropped the rate a bit. We said ok, let us lower the rate a bit, and sell to this people. See whether somebody still wants to come in and do a bit of activity in the hotel. Other than that, we reviewed our marketing strategy.

Staff were informed of the situation through meetings and it was suggested by managerial respondents that they fully understood the whole situation. Such

comments were made by CO1, CO6, and CO7 in support of the comments made by CM4 below:

Staff are aware, you see every month we have this managers and supervisors meeting chaired by the GM, all management and supervisory staff attended it, so she openly showed the books. At every management meeting she will show the P&L, she shared with them, this is our budget, this is how much we have achieved compared to last year, now SARS and how much we are doing, we are behind by this much, what we are going to do about it, and at the super software committee meeting, again it was mentioned.

The employees not only cooperated well with the management but they appeared more willing to work harder than usual as related by CM4:

So the staff understood the situation well, they understand when we didn't give them overtime. And yet, they are willing to work extra hours and then they understand if we didn't give them bonus. They know it happened everywhere, so they work hard they knew the situation and they co-operated very well.

The ongoing communication process had arguably helped the employees understand the situation better since the crisis affected the whole nation. They also accepted the fact that management could not pay them overtime and in return they willing to work harder, even if the company could not afford to pay them bonus at the year end.

5.25 Service quality

Local5's leaderships were fully aware of the importance of maintaining service excellence through their commitment in investing in their human resources. For example, employees were given training in areas such as customer service to enhance their customer relations skills. Furthermore, there seemed to be evidence of service quality consciousness amongst Local5 operational staff, as noted by CO1:

The quality and the quietness of this place are the main reason people come. Here if you want to have a function for 2000 people, not to say they don't want take it but we will see on how the thing goes because we really concerned on that. We could do thousand and so but we are concerned about quality of service, that's why we are really very choosy.

In delivering quality service to the guests, CM3 pointed to the fact that managing people was the most challenging task for him. The task of handling customers who continue to have high expectations and the concomitant need to satisfy their demand was not an easy job. Thus, managing his own people towards fulfilling customer needs was a very demanding task:

The challenging thing here is about managing people ... I am not only saying the staff, but also the guest, the guest also demands higher and better service, so it all about fulfilling their demands, so at the end, no matter how demanding he is, if we can actually fulfil his demand I am a very happy man. So basically the challenging part, the main thing is managing people.

The next part of the analysis will examine the findings of the internal service quality of Local5 hotel.

5.26 Semi-quantitative evidence: Internal Service Quality of Local5.

5.27 The demographic profile of the PAT respondents

Most of the Local5 respondents in the study were male (70.6 %) as compared to 29.4% female respondents.

Figure 5. 1: Years of service

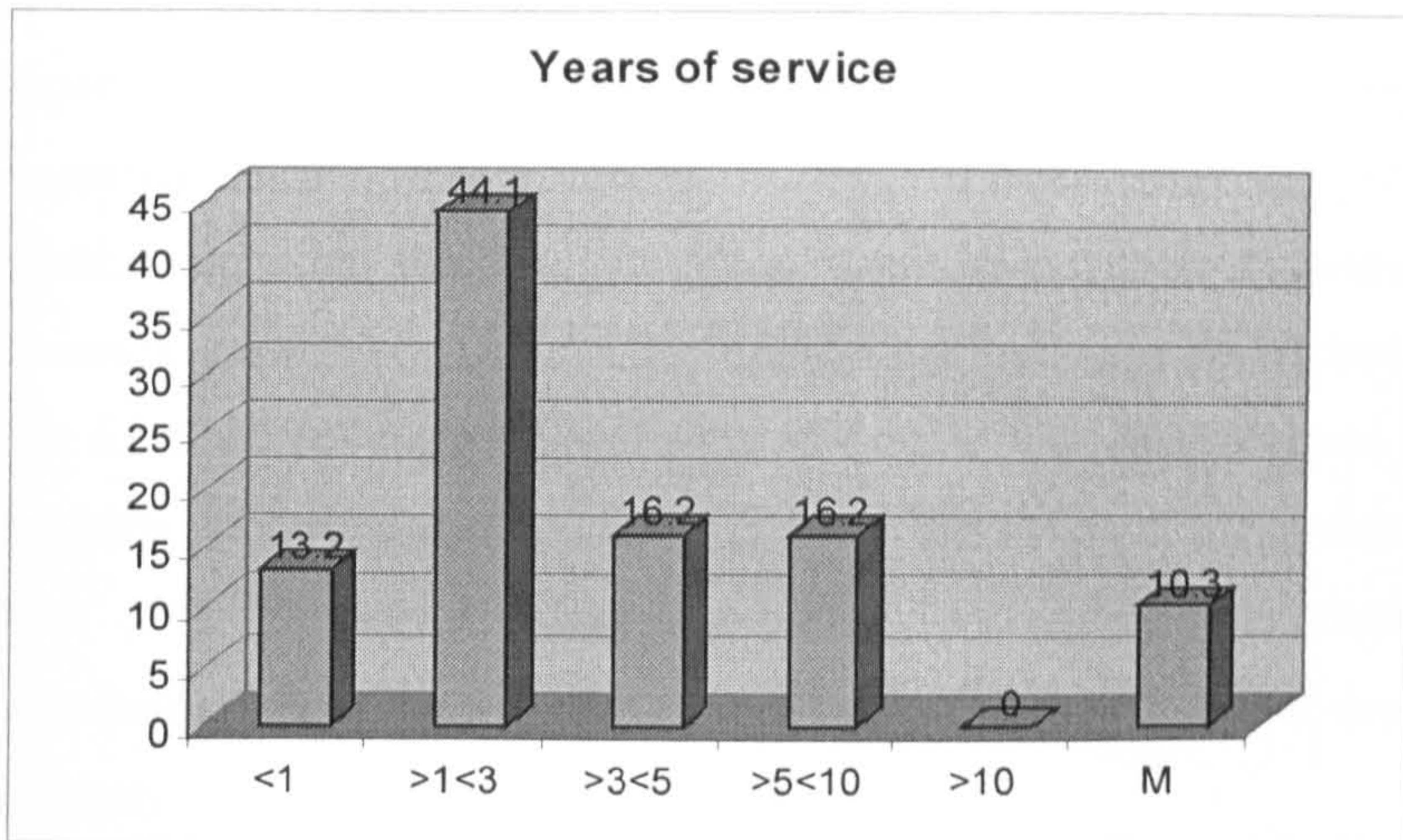
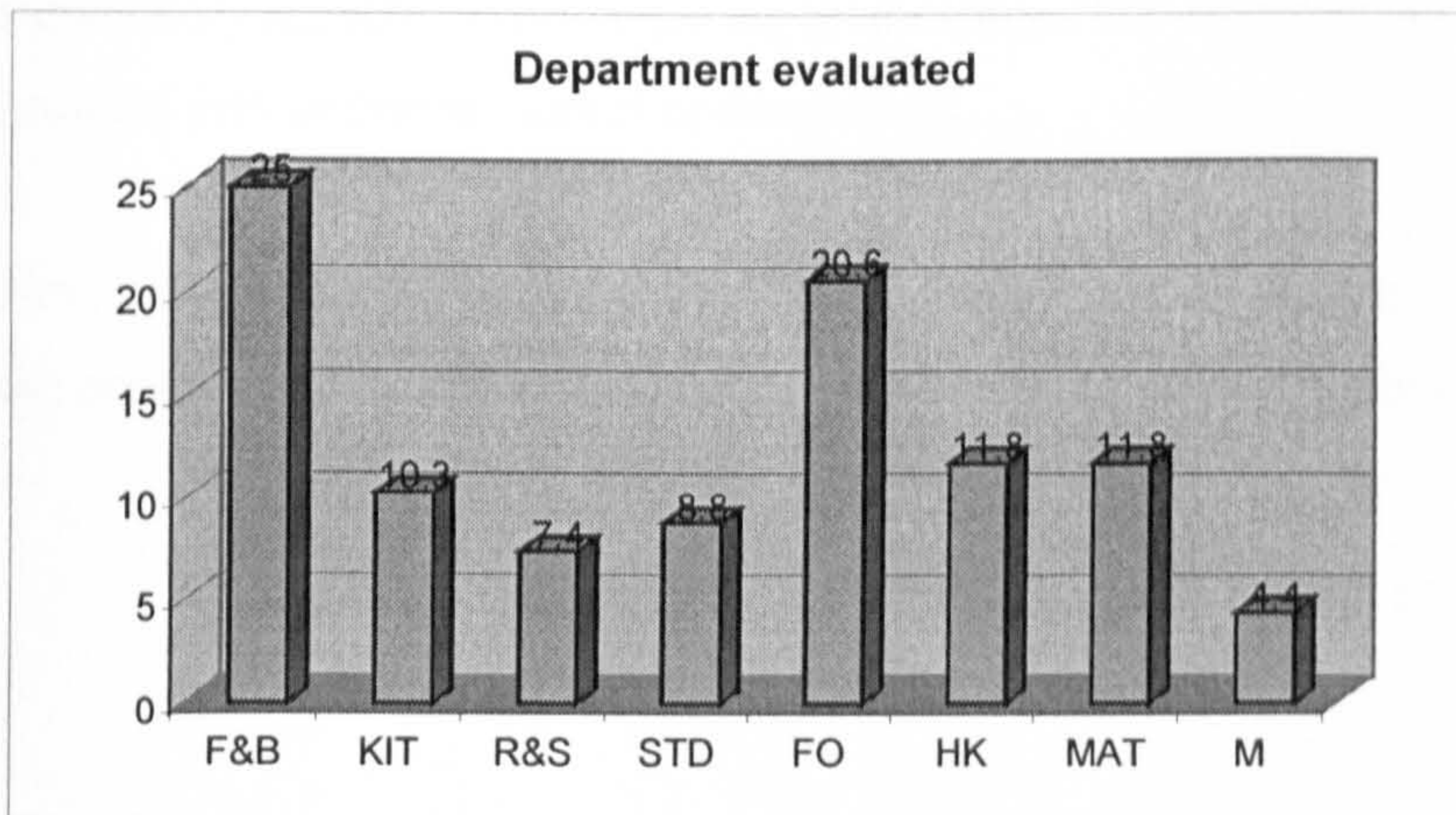


Figure 5.1 shows the respondents years of service, with the top three groups of the respondents belonging to more than 1, but less than 3 is 44.1%, more than 5, but less than 10 and more than 55 but less than 10 both are 16.2%. This is followed by less than 1 year, 13.2% and 10.3% did not indicate their years of service. The data meant that the large group of respondents was coming from employees serving between one to three years. The fact that employees who served more than 10 years service was 0% because Local5 was just 6 years old. Figure 5.2 shown on the next page outlines the departments being evaluated.

Figure 5. 2: Departments evaluated



The three most popular departments being evaluated are food and beverage department 25%, front office department 20.6% and both housekeeping and maintenance departments received 11.8%. The figures also imply the level of relationship or the frequency of interactions between these departments. Food and beverage department staff are the 'middleman' between the kitchen and the guests. The food and beverage department staff also have to communicate with many other departments throughout their daily tasks. While the front office department is the 'hub' of the property, this was followed by maintenance and housekeeping departments, because they are the service providers to the other departments in the property.

The ISQ is characterized by the attitudes that employees have towards each other and the way they serve each other in the organization (Heskett et al., 1994). The profile is based on the understanding that in order to perform effectively in any organization, interdependent individuals and groups within organizations must establish exemplary working relationships. Individuals or departments within an organization are servicing other individuals and departments, while some individuals or departments may have to serve more than one department within the organization. The ISQ examines the relationship between the internal providers of the services and the internal customers. Thus, the positive and negative attributes that emerged in the findings are based on respondents' impressions with regard to the best and the least satisfactory aspects of their working relationship. The emerging attributes are then grouped into common themes or dimensions.

Next are the positive and negative dimensions of the ISQ analysis. Table 5.7 shows the positive and negative dimensions of the internal service quality profile.

Table 5.7: Positive and negative dimension of ISQ

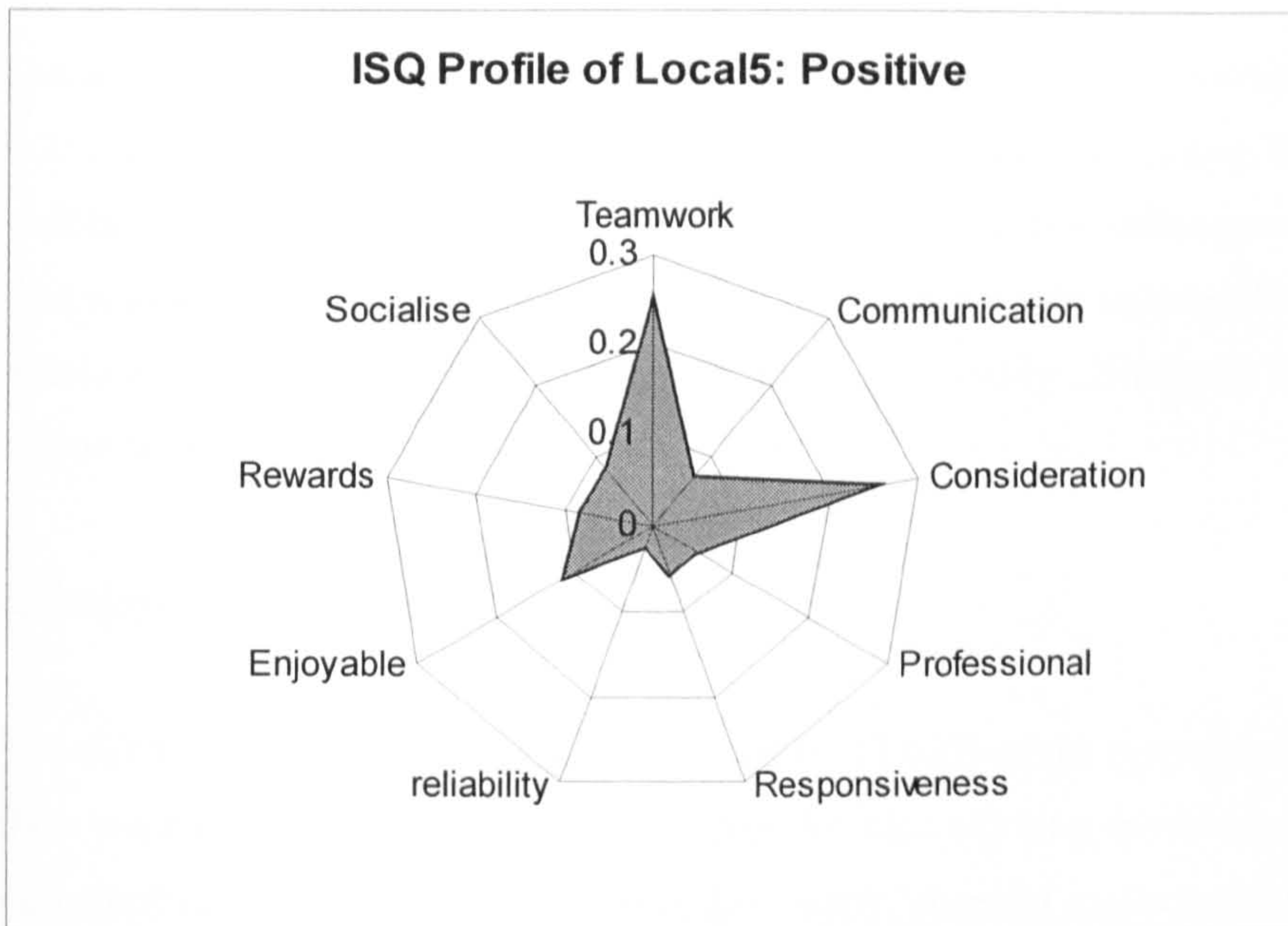
Dimensions	Positive	Dimensions	Negative
Teamwork	0.2558	Attitude problem	0.2741
Consideration	0.2558	Management problem	0.1935
Enjoyable	0.1162	Lack of skills	0.1129
Rewards	0.0813	Lack of teamwork	0.0806
Socialise	0.0813	Not professional	0.0806
Communication	0.0697	No reliability	0.0806
Professional	0.0581	No consideration	0.0645
Responsiveness	0.0581	Lack responsiveness	0.0645
Reliability	0.0232	Miscommunication	0.0483

The positive figures from Table 5.7 were translated into Positive ISQ profile and are shown in Figure 5.3 while Figure 5.4 also shows the Negative ISQ profile.

5. 28 Positive Aspects of the ISQ

The positive profile has nine dimensions, with the first six dimensions being an opposite of the negative dimension, while the other three are the newly emerging dimensions such as enjoyable, rewards and socialise. The profile's dimensions were arranged in descending position to signify their importance with the most important dimensions at the top and the least important dimensions at the bottom.

Figure 5. 3: ISQ Profile of Local5: Positive



5.29 Positive responses

1. Teamwork

Teamwork was perceived as the most popular dimension in the profile, which is 25.58%. The attributes included in the teamwork as described by the respondents include, cohesiveness, co-operation, teamwork, working like a family, serving each other and being helpful. One employee with six years service described the teamwork with front office department as follows: 'They are co-operative, helpful and work extremely well even under pressure.' Meanwhile, an example of a positive reason given by the same respondent was that 'people who come to help in a tense situation are really genuine and nice human beings regardless of race.' Teamwork is undeniably very critical and plays an importance role in the labour intensive industry.

2. Consideration

The second most important dimension ranked by respondents is consideration, which is 25.58%. The attributes mentioned included, accommodating, caring, tolerance, understanding, respect each other, courtesy, friendliness, nice colleagues, politeness. One respondent who had been working in the hotel for a year in describing relationship amongst the staff noted how 'They are friendly'. Similarly his positive reason was the employees 'respect each other.'

3. Enjoyable

The third most popular dimension is enjoyable, 11.62% of the respondents described their working relationship as enjoyable. Besides nice working environment, staff described their working relationship as fun, happy, cheerful and enjoyable. Some even described their working relationships as very pleasant as there was no pressure. 'When everybody understands each other, work will be smooth and efficient, working environment will be enjoyable.' noted an employee with six years service, the same respondents positive reason was that 'Work will be fun.'

4. Rewards

The fourth most popular dimension is reward, which is 8.13%. The attributes were described as benefits gained as the result of the interaction between staff. Staff indicated the non-monetary rewards that they received which also included learning service, skills gained from other and ability to enhanced knowledge. As one new employee described it 'My ability to learn new things and meet so many people', was an important part of his employment experience. The positive reason offered by the same respondent was 'My ability to enhance my knowledge in the hotel industry.'

5. Socialise

The working relationship was perceived as an opportunity to meet people and enjoy the working environment. The social aspect is also the fourth important according to

the respondents, which is 8.13%. Some people regarded the workplace as a venue to socialise with people from diverse cultural background staff and guests. An employee who had been with the property since its inception indicated that 'My life is to make people happy, so I'm happy if other people are happy.' The positive reason offered by the same respondent was 'I meet a lot of people and was able to learn about other peoples' culture.'

6. Communication

Communication is important to any establishment but the respondents perceived it as the sixth most important after rewards and socialise. Only 6.97% described communication as important in this establishment. An employee with five years experiences described communication as 'Easy to communicate with maintenance staff'. While the positive reason was 'They always are always available to give assistance.'

7. Professional

Only 5.81% respondents perceived their fellow employees as professional. The descriptions named their colleagues as committed, dedicated, professional and being systematic and organised. 'They are professional and know their job well' noted an employee referring to her experience with the kitchen department staff. Positive reason is that 'they are easy to approach and very reasonable.'

8. Responsiveness

Being efficient was not considered as an important issue in the service-orientated establishment like Local5. Responsiveness was mentioned by 5.81% of the respondents. 'Very alert!' was an example of evidence noted by a member of staff. His positive reason is 'They remember your favourites.' This comment was probably coming from a manager who was frequently being served by the food and beverage staff.

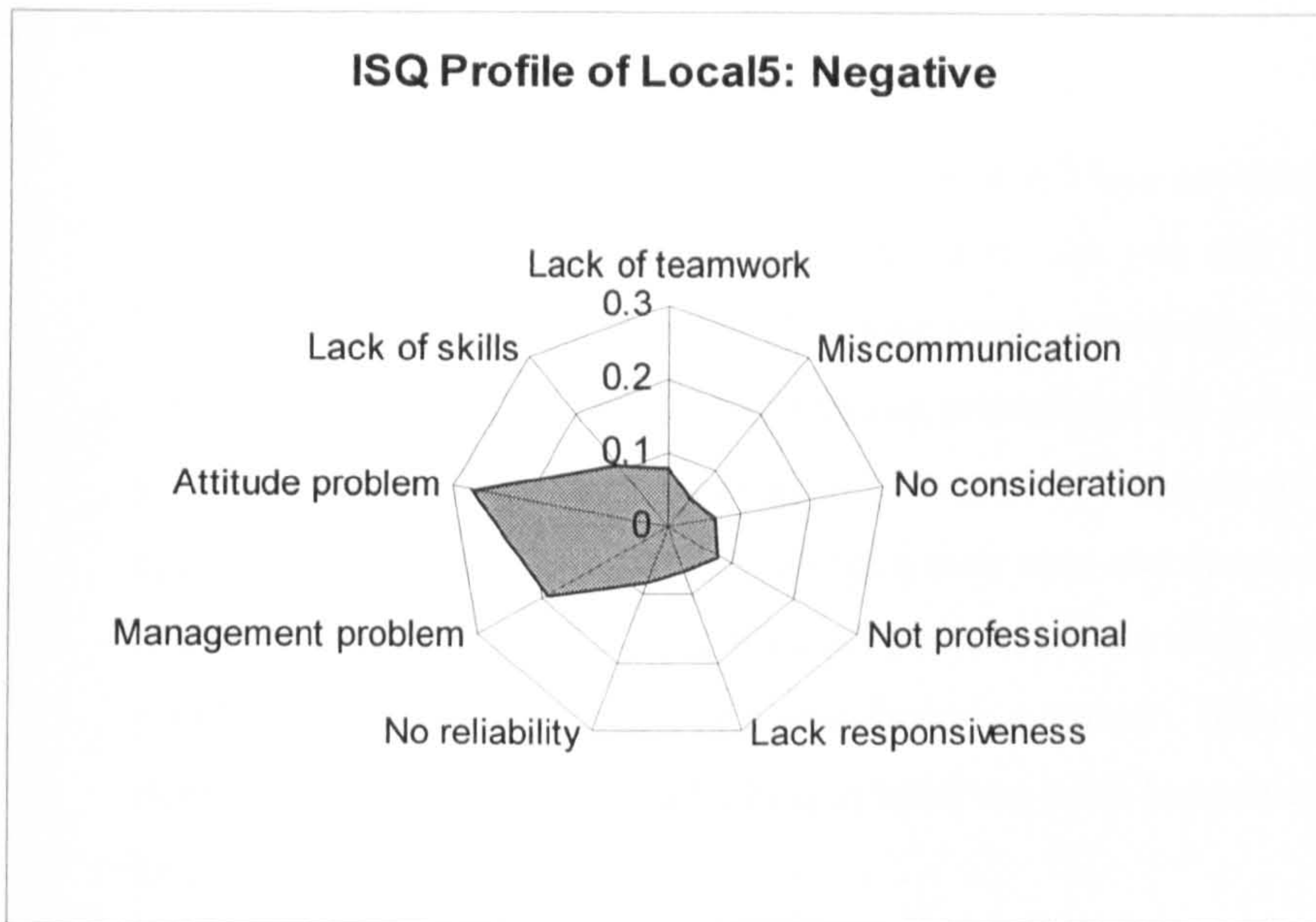
9. Reliability

Reliability is the least important aspect in the ranking by the respondents. Reliable service was mentioned by 2.32% of the respondents. Reliability focuses on whether the employees are dependable or not and accountable when delivering their service to the 'internal customers'. 'Very dependable for making sure that materials are available and in good quality.' was a comment by an employee with six years service referring to his relationship with purchasing, receiving and store personnel. The positive reason was that 'they are helping other departments to get their supplies efficiently.'

Now let us examine the negative aspects of the ISQ profile. The negative profile also has nine dimensions but the first six dimensions are an opposite of the positive dimension while the other three are the newly emerging dimensions; lack of skills, not professional and no consideration. The negative profile dimensions were arranged in descending position to signify with the most important dimension at the top while the least important dimensions at the bottom.

5.30 Negative aspects of the ISQ

Figure 5.4: ISQ Profile of Local5: Negative



5.31 Negative responses

1. Attitude problem

The analysis of the ISQ of Local5 points to a belief that their dissatisfaction or negative attributes on their relationship were originating from dissatisfaction over the other parties attitudes or personal behaviours. By going through all negative attributes as part of the categorising process, the attributes mentioned were traced to the employees attitudes themselves; angry, cursing each other, scolding each other, attitude problem, bad moods, hot tempered, moody, blaming others, busy body, cutting corners, discipline problem, being too emotional, envy, jealousy, lackadaisical attitude, lazy, no initiative, no sense of belonging, not open minded, not punctual, sabotage, selfishness, stubborn and words abused. These attributes were summarized as an attitude problem, which is 27.41% of the responses. By way of illustration the following comment was made by an employee about the food and

beverage department staff: 'There are some of them who like to show off what they can do. But when the problem arise they kind of blur on what they have to do to take the next step to satisfy the guest.' The reason for such frustration was articulated by the same respondent:

Don't show off. Just be yourself. Because you don't lose anything by asking if you don't know something because if you don't ask you don't learn. Theory doesn't always work. You also must know practically what is F&B. The sequence of service, standard operating procedures and most important is your PR. Even some of the higher-level managers don't know how to appreciate the staff. They just need to open their eyes and come down to earth and look at what is going on. Sometimes you can see the staff that is very good is still a waiter but a guy with two faces is a captain, when he really doesn't even know what is F&B. This is what has been happening here at the Local5.

2. Management problem

Further examination of the other attributes found a group of negative attributes were centred on management problems. Some of the emerging responses by the respondents pointed to management policies, the fact that respondents described their work as burdensome or under pressure, their welfare was neglected or they felt under appreciated, internal politics, working with a lack of equipment or stock, lack of staff and more direct comments about management practices such as favouritism and nepotism. This dimension forms 19.35% of the responses. For example, one employee expressed concern about 'The shortage of manpower' which created dissatisfaction in the maintenance department. The negative reason given to justify his dissatisfaction over what he saw as the management problem was 'The thing which can be done faster now take sometime to complete due to the shortage of the staff'.

3. Lack of skills

Lack of skills appeared due to reasons like lacking in customers relations, lack of ideas or not being innovative or when employees disregard safety due to a lack of skills or training which enables them to carry out their job effectively. 'Very poor on knowledge of work concerned' was a description by an employee, who had recently joined the property, over his dissatisfaction with the food and beverage staff. The negative reason given was 'were not up to the standard of quality required for a five star hotel hospitality workers.' The lack of skills is 11.29% of the responses, a phenomenon pointing to the need for a training needs analysis (TNA) by the management.

4. Lack of teamwork

Lack of teamwork amongst the employees was described as the uncooperative nature of their relationship as a team or in between the teams during the course of working relationship. 'Like to enforce rules which was not apply by any other hotel, did not cooperate well, sometime they were not being sensitive with what was going on, when there was a last minute change especially in the kitchen department ' as noted by an employee. While the negative reason was 'this has caused problem to other staff, confused the staff with the last minute changes and thus added pressure to them'. Lack of teamwork is 8.06% of the responses.

5. Not professional

Not professional was described by the respondents as not acting appropriately as a professional person, such as not being systematic in carrying out their work or acting incompetently in performing their job. 'Some are not attentive to job' was a description by an employee to describe the unprofessional conduct of some of staff in the housekeeping department. A negative reason cited was 'their lackadaisical attitude, doesn't bother whether they are doing the right thing or not.' Not being professional was also 8.06% of the responses.

6. Not reliable

Not reliable was described as inefficiency in getting the job done or a job not well done, not being responsible in carrying out their job, which leads to complaints from the guests as the result of their actions. A comment by one employee concerning the unreliability of the service by front desk employees was that 'staff were not attentive to their work, like to dawdle, for example always hook on to the telephone or sometime not at the counter'. Negative reason was given as 'Always provide inaccurate information, keys were not programme properly thus giving problem.' The not reliable service by the internal service provider was 8.06% and this will result in service inefficiency to the external customers.

7. No consideration

No consideration means the employees did not show any consideration to fellow employees. For example, they were being less understanding, insensitive to others and also showing no respect to colleagues during their working relationship. One employee described her experience over the no respect by other employees from the front desk to her as 'No respect towards individual and if they were busy, they tend to become very emotional.' And her reason for this was 'There was no tolerance.' No consideration was only 6.45% of the responses.

8. Lack of responsiveness

Lack of responsiveness was because the job was being done too slow or taking their own time to complete certain tasks. The slowness of the service was 6.45% of the responses. 'Some of them take longer time to response or to complete any job requested' was a description from one employee of the slowness in delivering the service by the maintenance department. Negative reason cited by him was 'Because we also get pressure if the job not completed.'

9. Miscommunication

Miscommunication was reflected through a communication breakdown among the staff in their daily working relationship. 'Sometime there was a little miscommunication especially during busy time, when everything must be perfect.' noted an employee with two years service with the hotel. The negative reason given by her was 'There is always a slight dissatisfaction but this was just a temporary thing because at the end the job was completed successfully.' Miscommunication formed 4.83% of the responses although the significance of the communication phenomenon is very clear.

5.32 Conclusion

Local5 is a property which was led by a GM who was sensitive to the environment and people, such that her style of leadership was rather maternal in that she aimed to treat staff like her own family. Many of the attempts to integrate employees through various activities were personally led by her and the principle behind her management style was transparency through her open door policy. A relative unique aspect of the Local5 culture was that the leadership was very sensitive to employees need and requirements. From the ISQ analysis it was found that the respondents have expressed their satisfaction and dissatisfaction over their relationship as shown in Table 5.8 below. Generally, the evidence points to a situation where despite all the transparency approach adopted by the management, the results direct attention to possible problems in certain areas, specifically over dimensions such as employees' professionalism, responsiveness and reliability.

Table 5.8: Comparing positive and negative dimension of ISQ

Dimensions	Positive	Dimensions	Negative	Difference	Comments
Teamwork	25.58%	Lack of teamwork	8.06%	17.52%	OK
Communication	6.97%	Miscommunication	4.83%	2.14%	OK
Consideration	25.58%	No consideration	6.45%	19.13%	OK
Professional	5.81%	Not professional	8.06%	-2.25%	Problem
Responsiveness	5.81%	Lack responsiveness	6.45%	-0.64%	Problem
Reliability	2.32%	No reliability	8.06%	-5.74%	Problem
Enjoyable	11.62%	Management problem	19.35%		
Rewards	8.13%	Attitude problem	27.41%		
Socialise	8.13%	Lack of skills	11.29%		

Teamwork and consideration were significant positive dimensions for Local5. Both dimensions received 25.58% and were followed by enjoyable 11.62% of responses. The negative dimensions pointed to attitude problem of the employees (27.41%), followed by management related problems (19.35 %) and lack of skills (11.29%). However in comparing the positive and negative dimensions, by subtracting positive and negative values of the first five dimensions resulted in the following outcome; a positive balance for teamwork, communication and consideration, with the problem areas identified as no reliability (-5.74%), not professional (-2.25%) and lack of responsiveness (-0.64%) which that resulted in negative balance. Overall, the findings of the ISQ analysis found the internal customers were satisfied with the services of the internal service providers. Nevertheless, it is advisable that improvements were necessary in certain dimensions of the ISQ.

The first part of the chapter discussed the overall findings of Local5's organizational culture, which is based on the emerging themes such as overall human resources practices, the organizational values, beliefs and the ways things are being done at the establishment. The second part of the findings discussed the positive and negative dimensions of the ISQ an analysis based on employees feedback on their working relationship with each other. The following chapter will discuss the findings of a Local3 hotel based on a similar approach.

CHAPTER 6 EVIDENCE FROM LOCAL3 CASE STUDY

6.1 Introduction.

This chapter discusses the findings from Local3. The findings are based on 10 qualitative, semi-structured interviews with operational and managerial staff, which sought to explore organizational culture. The second part of the chapter discusses the findings from the internal service quality analysis using PAT as a semi-quantitative tool. The organizational culture findings are presented as the emerging themes such as: human resources practices, adapt to environmental changes, leadership, national culture, the role of trade unions, the organisations response to economic crisis, values and beliefs. The internal service quality findings are presented by means of an internal service quality profile. The presentation of the findings in this manner is in line with the research objective of obtaining the respondents 'stories' based on their experiences and perceptions of the establishment.

6.2 Qualitative evidence

6.3 Culture: the guiding principle

Owned by a state government agency, Local3 was often described as 'a government hotel' despite being managed by Local3, a private management company. PM3 described the target market of Local3 as basically catering for the local market:

We are now catering more to the government needs and local residential market. We do not have a big foreign market here ... the embassies provide some long-term business, but 90% of the business mix is local ... more related to government meetings.

Being associated with a government agency gives a sense of security to the employees, although on the other hand this situation did mean that certain ethnic groups such as the Chinese community was unlikely to join the hotel team. PM5 pointed to being a 'government hotel' as the reason why the Malay ethnic group dominated and why there are not many other races amongst employees. Indeed, the evidence from the interviews would seem to suggest that the values coming from the state government agency did have a certain impact on the Local3 organizational culture.

In terms of their previous experience, many of its management team, including the group general manager, came from a range of establishments though many of them had previously worked in four to five star properties. Some respondents, such as PM2 and PM5, indicated that they had experienced a pay cut when joining Local3. However, PM2 for example noted the reason for moving was not about money, but more about happiness and job satisfaction. At Local3, most of these executives were given group designations, making them responsible for all other Local3 group properties.

Local3 have also recruited executives from other international hotels. For example, some of the key executives such as group director of human resources, group housekeeper and the front office manager were previously employed at various international hotels and resorts. Apparently this is because the GM himself had been with an international hotel for a considerable number of years. In the front office department for example, PM3 noted that his predecessor also came from the same international hotel as he did. However, each of them has different ways of doing things:

Of course there are one or two changes that we have done, in the ways we treat the staff and sometimes it all depend on your juniors, the middle management people. What I foresee was that in some way, somebody was trying to follow somebody style and maybe my predecessor has a different style or approach but I have changed the style now to be more attached to the

staff, what I noticed here was my predecessor also came from H*****, he was also a H***** boy (PM3).

PM3 in comparing Local3 with his former hotel felt that the culture was also very much influenced by the types of clientele that the hotel had:

In many ways the way in which things are done here is not in much different because the line of reporting, systems wise, accounting wise and anything to do with the paperwork and administration is all there. It is only the way we approach the customer because the client base is totally different from H*****. H***** executives are higher because of the brand name. And they got a good business mix. The people coming there are totally different from what we had here.

In many ways the organization has a 'mixed culture', as manifested in the way managers, who used to work in other international hotels, were trying to introduce the system that they are used to, as pointed out by PM3. However, the culture-in-practice was a result of blending their previous experiences with the existing culture based on the need and requirements of Local3.

6.4 Management of change

One of the challenges for Local3's leadership is managing change, as changing culture is also about changing attitude. When handling the management of change, PM3 noted that:

You are dealing with attitude problems; to make them to change their attitude towards something else you've got to make them happy to a certain extent. If that doesn't happen then we're in the wrong industry. That is going to be a big shift, so I personally feel that we should take care of the staff. Don't be too happy with policy and procedures. Sometimes policy and procedures can be dictating thing, which affect the operations. You have to be flexible, as a

manager you are the deciding factor, so if we don't get involved you become a dictator, then you're going to be the one who failed.

A number of respondents suggested that one of the critical issues in the management of change is handling the lateness problem in the hotel. PM5 considered lateness as a serious problem at Local3. Generally, he deals with this problem according to the procedures set by the organization. Such procedures allow for a number of verbal and written warnings prior to a domestic inquiry¹ after the third warning. In the domestic inquiry the latecomer will be given one last warning before any termination was carry out. Termination of service will be carried out only after a second domestic inquiry. Despite the seriousness of the action taken by the management, this problem continues to exist and remains a real challenge to the management.

Another challenging task is to change employees mind set towards their resistance to any changes carried out in the hotel, PM5 described instances where efforts to change the mind set of all employees was very difficult. For example, he noted that when any changes were introduced, many efforts were made by department heads and supervisors to brief their subordinates on the changes, nevertheless this still failed to convince some employees. Moreover, it was suggested that employees with this attitude problem not only rejected any changes but also influenced other people to agree with them. Specifically, PM5 had tried counselling for this group but this had failed. To an extent he was applying some western theories on changing the employees mind set but none was working so far. On balance, though, it was recognised that this issue was not a big problem at Local3 and it does not affect the organization's operation.

At Local3, training was the main tool to carry out any changes. PM5 believed that it is good if the employees' practice one percent of what they learn from training. On the other hand he felt it was very frustrating if the employees did not give any

¹ Domestic inquiry is the investigation by an internal board consisting of representatives from other departments in the company.

feedback or if there is no sign of learning taking place after the training. Meanwhile, PM3 suggested that flexibility is also required to manage change:

Here you are flexible. We should also allow the supervisory people to do things the same way. We should let the supervisor train in his style. Checks and balances are the best thing the manager can do, if it is wrong you and he decide. What is the right way and what is the management policy, as long as you become a guiding person, the team will be better. So it is basically the teamwork. I don't think you can run away from that.

6.5 Work organization and teamwork

Local3 has a simple organizational structure, the whole groups is headed by a group general manager, with a few key executives such as group human resource director and group executive housekeeper holding group designations in charge of the groups as well as the specific property. This is evidence of how human resources at managerial level can be maximised by the three star hotel's group. Meanwhile at the property level, further steps are taken to economise the resources where deemed necessary, for example in the food and beverage department, which used to have a food and beverage manager, is now being looked after only by an executive, who is responsible for four outlets; coffee house, banquet, sidewalk café and lounge. At another level, the supervisor is also responsible for the four outlets. Consequently, this has resulted after the leadership felt that an executive could effectively coordinate these outlets. The group managers besides assuming responsibility for other property are given additional roles of taking care of the biggest property in the group. In the same way, a resident manager for Local3 was not physically based at the property but was he was based at another property, which also belongs to the group. In another word, he was made accountable for two properties at the same time.

Teamwork at Local3 is quite good as suggested by PM1:

The team work here is quite good because the majority of employees see its importance, so the minority have to follow and the main aim now is that we are trying to develop a sense of belonging amongst staff and management. We are not working for the management but we are working for our own company, that kind of sense of belonging.

6.6 Recruitment and selection policy

Generally, recruitment at Local5 is based on the requirements of various department heads, although there is a budget for recruitment, the practice was never to entirely follow the guidelines, but apply a pragmatic approach which also considered the average occupancy of the property, as noted by PM5:

Recruitment is usually based on the requirement from the departmental heads, although we have some budgets but we never follow the budget 100%. If it is supposed to be for 80% occupancy, our average occupancy is 60%, 70% and for the food and beverage department, in our budget they have, for example, 20 waiters but our occupancy doesn't require 20 waiters at the moment, maybe just 15 waiters. We cannot give them 20 waiters because when there are too many staff some will be redundant. Unless somebody resigned, then we will replace provided that the department head requested, otherwise we take for granted that it was not necessary. The same goes for other departments.

By the same token, PM5 recognised that paper qualifications and special skills were crucial only for certain positions. However, the critical requirement across the hotel staff is their ability to communicate in English. However, getting candidates with English proficiency is difficult, as noted by PM5:

English proficiency is very important, but at the moment it is very hard to get candidate who can speak good English, especially for the service side. Front office is not so bad because those who came here for interview, we make sure that they have the proficiency. However, for food and beverage service staff, when they came for interviews most of them were unable to speak English, even now if you go to our restaurant; we ask for something, they will bring us something else. That's because they don't understand English very well.

Local³ are not keen to employ candidates with paper qualifications such as degree or diploma from higher institutions because in most cases, graduates usually regarded working at the property as a transition job while waiting for another job somewhere else. PO3 noted that employing university graduates could also be a problem owing to their mindset and the expectations they have; they are not willing to start from the bottom. This may be seen as problematic in a situation where the industry norm tends to be that experience superseded qualifications. As a result, it was suggested that graduates may have a lackadaisical attitude towards work and regard working at the hotel as a stepping-stone while waiting for a better opportunity. For example, PM5 recognised how the turnover for this group is high compared to staff with a high school qualification. He further noted that:

Other qualifications, we don't require that much because in the hotel industry because we usually train them ... we don't need people with a degree or diploma because these people they don't want to work as a waiter, they don't want to work as a chambermaid. They come here and they want to be an executive ... Not to say that I am entirely reluctant to take graduates but I know the turnover will be very high. Hence, I prefer those with SPM² qualifications only, as long as they can write, reads, can understand simple English and they can understand Bahasa Melayu³.

² SPM is an equivalent of a GCSE qualification in the UK.

³ Bahasa Melayu is the national language in Malaysia.

To further elaborate his point, PM5 pointed out that for operational staff, if given the choice between candidates with qualification and experience, he personally preferred someone with experience as they are usually more competent:

For operational staff, decisions are based on experience, qualifications are not a must. If I have two candidates, one with a diploma, one without a diploma and this diploma holder probably has three years experiences, whereas this guy without a diploma has 10 years experience, I would rather take the one with 10 years experiences. The only advantage of people with qualifications are that they know the theory well, however they are lacking in the practical aspects.

Other respondents also shared the feeling of PM5 over the recruitment policy, but they specifically noted special requirements for their own department. PM2, for example, emphasized the right attitude and personality when recruiting staff. For him discipline and the right attitude are the core skills and knowledge for the jobs. While PM4 agreed with PM2 on the discipline, he preferred to recruit people with a high interest in the job. Thus, he suggested that academic qualifications are secondary while knowledge and skills can be taught while on the job. A particular focus should be on their ability to communicate and if possible he preferred to have ex armed forces personnel in his team, as these people are used to following orders. On the other hand, PM3 who is in charge of the room divisions, described his preferences as:

Speaking good English, they are friendly, they don't have an attitude problem, a certain knowledge about customer service. If they don't have experience, I am going to teach them, but they must have the right attitude. In a way when you talk to them, the way they speak, you get a feeling of what type of people they are and look at their history.

Meanwhile, some potential employees who possess higher academic qualification are also welcome, but usually they have to start from the bottom like any other employee. In the case of PO4, he joined the property after a short stint at another

resort, equipped with a qualification from a hotel school and some experience he managed to secure a position as a captain in a banquet department. Meanwhile, PM5 emphasized that for certain areas like ICT, which is a highly skilled position, a paper qualification is always a basic requirement.

6.7 Induction and socialisation

There is evidence of a standard induction programme for Local3. Beyond this formal induction, there also seemed to be a process of socialisation, which aims to ensure employees fit into the desired culture. Most often the HOD would take the initiative to organize this in their respective department as noted by PM2:

What we did was we put the new staff in one room, and we conducted the orientation. After the orientation, they are then sent to their respective departments. In my department, I'll bring them around with me just to let them see what is happening, introduce them to the housekeeping department, on first day they just observe, the second day I will conduct training. After that I let them follow the senior staff for two or three weeks for on the job training. Once they are confident, then only then will we let them work alone. I also have monthly training for them to have a better understanding of certain housekeeping procedures.

Interestingly, for managers like PM3, there was no proper induction for him and the process of adapting to the new environment was a shock for him despite being in the industry for over 33 years:

When I came in I was looking at people around me for the first two or three days, I have to study them. I basically study the person next to me, who you are going to work with, who you going to report to, who your peers are, who are the subordinates and then I think to settle down, to fit into that kind of team in the hotel takes at least a month or more. A lot of things are involved. It is not easy. You have no choice you have to fit into the team.

PM3 pointed out that management staff will take longer than operational staff to adjust, learn and adapt to the new environment. In his observation operational staff settle more easily and are comfortable in their job after only three weeks while the management staff can take as long as six months to be comfortable. He cited an example of his former GM who came in and spent six months studying the whole situation and another six months moving people around and introducing changes to the organization.

Other respondents had their own opinions on the duration taken by the new staff to assimilate into the new culture. PM4 noted that staff in his department would take two to three weeks to be comfortable in their jobs. In other departments, as pointed out by PM2, on average staff would take four to six months to know the culture of the organization. However, he added that this time varied from person to person.

6.8 Training and skills development

Local3 seemed to have a lot of training activities aiming at providing its employees with the necessary knowledge and skills to enhance their job performances.

Training can also be a device to boost employees' morale and remind them of the organizational mission and vision. The training programmes provided by Local3 are shown in Table 6.1.

Table 6.1: Types of training programme available

	Type of programme	Respondents
1	Induction Programme	PM2, PM5
2	Security Training	PM4
3	Motivation training and leadership	PO5, PM5
4	Front office training	PM1
5	ICT training	PM1, PO3
6	Hospitality information system training for front desk and accounts	PM1
7	Sanitation, hygiene for kitchen staff	PO5
8	Grooming and public relations	PO3
9	Customer service	PM1
10	Work ethic and profit and loss for HOD	PM3
11	On the job training by HOD	PM1
12	Diploma programme for staff	PM3
13	A joint training programme with Indonesian counterpart	PM1

There are three types of training provided by Local3; induction training, skills training and motivational training. While, the induction training and skills training were mostly in-house training with the HOD and departmental heads, including the GM, in areas where there was a lack of in-house expertise, outside trainers were employed or staff were sent out to attend courses. PM4 regarded the opportunity to attend courses outside the property as motivational as well.

Local3 tried to involve as many HODs as possible in conducting training because it was believed that internal trainers could better understand employees, as indicated by PM3:

External people do not understand your culture ... that is why we find it easier for the GM to become a trainer because he understands the culture. Outside trainers tend to teach from books, so this is a deviation from the culture ... But, if the GM is the trainer he will be tackling the issues that concern the hotel itself, it is much easier. He understands what is happening

in the hotel. Sometimes, I think we need internal training more than external training.

Training activities are ongoing at Local3; a training and development committee was set up and headed by the resident manager. PM5, who is a member of the committee, noted that they had formulated a training strategy for Local3. The stated policy is that staff are required to have a minimum of 40 hours of training before they are eligible for promotion.

As part of his tasks, PM3, although not a Local3 group manager, is required to conduct training for the whole group as well. For this, HODs and operations managers of Local3 meet once a month to discuss training programmes for the staff. One of PM3's immediate tasks was to prepare a module and standardize the front office procedures and practices for the group properties. In his opinion, employing a professional trainer would be an unnecessary added cost:

We do not have to employ professional trainers otherwise the cost will go up, whereas we can conduct our own training because people will be more comfortable with their own managers who have hands on experience. A professional trainer may base training on their own experiences and, of course, are very theoretical. So here we were talking about hands on and the module was very good and the response given by the staff was quite good too.

The advantage of being with Local3 is that almost all HODs and managers have an opportunity to become trainers. Their role model is the GM who was constantly conducting training in areas such as work ethic and profit and loss for the HODs.

That said, PO2 pointed out that high turnover amongst the managers has affected training. She suggested that there is a lack of coordination and standardization of the training. As a result staff became confused every time new managers kept on introducing different kinds of procedures and standards to the establishment.

Although the response to training is generally good, there are some problems with regard to training. For example, some of the new staff did not turn up to work the next day, after induction because they were just testing the market. They had not actually left their previous job but after they found the situation at Local 3 did not suit them, they went back to the previous employer.

Local3 have their own career development programme. It was originally launched in 1997 but the programme had really failed to take hold, although they were trying to regenerate the programme now, which includes multi-skilling. Multi-skilling was launched by the Local3 chairman in 1999 and is known as the MAS programme⁴. However, the problem with multi-skilling was the perception of many employees who tended to think that the employer was exploiting them, which had created a number of problems.

6.9 Participation and involvement

In terms of providing facilities and encouraging staff involvement in the activities organised by the hotel, PM2, on his own initiative, organised a number of parties and outings for his departmental staff because the relationship amongst the employees was very important to him. In addition, PM5 also mentioned the common daily activities consisting of aspects such as briefings, communication meetings, feedback, a suggestion box and staff having direct access to the HR department to voice their grievances or ideas. By the same token, PM3 encourages such a move by the staff:

We do ask for ideas; I do as a department head. Of course, when the GM comes in they welcome suggestions and all that. We come up with new ideas and ... shift some of the policies, not to be too rigid. If it is in my department, I leave it to my assistant manager, if he wants to see if something works, let's try it. That is not a problem here,

⁴ MAS is the Malaysian apprenticeship scheme.

However, despite the positive responses from the majority of staff, there was a small number of staff who did not want to participate. PM5 cited an example of two of the employees who did not want to participate in other activities, except for coming to work. He suggested that he tried to make them participate but this effort was in vain.

6.10 Performance appraisal and reward systems

Like many other similar establishments, Local3 have different kinds of rewards for staff. PM1 revealed that staff are usually rewarded with awards if employees were found to be doing a good job or offering exemplary service for the guest, as noted by PM1:

The one who does not have any MC⁵, throughout the year, the ones who have been working who are long service ... and also an honesty award, when employees find belongings of a guest and this item is returned to the guest, or sometimes is not being claimed, so this is the honesty awards. There is also an award when we have a good comment from our clients for particular staff so they get recognition.

Some of these rewards included monetary rewards and a complimentary stay at a hotel within the Local3 group in recognition of the good service. It was suggested by respondents that the management was trying very hard to add variety to the awards for staff. As an example, a new award that is about to be introduced by the management is when supervisors or managers can spot staff who did good deeds other than his or her main duties of work. For this purpose, managers move around the property and the programme will also cover other group properties. Each staff who was 'spotted' by the supervisory staff will be given a sticker. Employees will collect the stickers and every three months they can redeem the stickers for prizes. According to PM5, under normal circumstances staff were usually 'caught' for their faults or mistakes by the supervisors, but never the opposite. The reward is a bonus point, apart from other rewards that the staff are currently enjoying. The uniqueness

⁵ MC is a medical certificate issued by a medical doctor to any worker unfit for work due to illness.

of this award is that all the managers will carry the stickers around and could award them to any staff 'spotted' doing good work from any of the Local3 properties. PM5 hopes that the new award could further motivate employees that were unable to change their attitude.

PM3 who was previously attached to an international hotel, was also trying to introduce an incentive for front desk employees to increase their up-selling efforts:

We are looking for some form of marketing incentive scheme for them ... if they achieve certain targets we will be giving them some rewards in terms of travel, ticketing, which we give customers anyway, so we want to give the staff this chance. I am trying to upgrade the rooms into some executive room business, and then I will start the incentive. Based on my experience it worked fantastically, anything to do with money they worked very hard.

According to PM3, this incentive worked very well with front desk staff at his former hotel. The incentive programme would benefit both the staff and the property. Staff will get their incentive in terms of 2 or 3 % of the incremental revenue while the establishment would anticipate incremental revenue between 10 to 14 % annually.

6.11 Promotion and human resource development

Presently, promotion at Local3 is based on a recommendation from the HOD, however recently a new policy has been introduced by the training and development committee, which is headed by the resident manager. The policy stated that promotion would be based on employee performance, as well as a recommendation by the HOD:

We are setting up a policy that promotion will be based on performance, they can be recommended by the departmental head, but we look into their files, their training files especially, we have set the target that the person must have

at least 40 hours of training. Part of the criteria is discipline and attendance too (PM5).

PM5 also did not rule out leadership quality as the important criteria in their judgement to promote and, indeed, it has been a policy of Local3 to conduct a lot of training to enhance leadership skills amongst supervisory staff. Even prospective supervisors are encouraged to attend the course.

Cross exposure between properties is common practice at Local3 according to PM3. Staff were sent to other properties for exposure or to help out when there was a lack of staff in the property. In the long term PM3 planned to make cross exposure between properties a common feature in employee human resource development:

Basically we are trying to get the whole group involved. So there is a lot of participation within the group, meaning we have done more compared to what we did before. We did exchange a lot of things, I start moving people from different properties, like one guy there, for cross exposure, which is not done in the past, that is the process for them to get to know what ever they could learn and what my guy can learn and pass it on. The same thing is happening in food and beverage, kitchen departments, cross exposure is on going.

PO3 had experienced being sent for cross exposure to another property, while PO4 was attached to a banquet department before being assigned to a coffee house. PO2 describes her perseverance as a key to her promotion as a coffee house captain by the management, even though she did not like the idea initially. In addition to this, there are instances at Local3, where an employee declined promotion. PM5 citing an example when he tried to promote one of his female staff but she declined because she was satisfied with what she was doing, and a new position was seen as an added responsibility that would be burdensome to her.

6.12 Compensation and benefits

Similar to other establishments, Local3 has a comprehensive reward system, apart from monthly salary, yearly bonus and promotion as discussed above. Additionally, there are other perks, which are highlighted in Table 6.2 on the next page.

While many of these benefits and perks for employees are common in the industry, some benefits such as medical and annual leave are requirements of the labour laws. A few things like the up selling incentive and spotting a good deed from employees can be considered as unique and not offered by any other property.

Table 6.2: List of rewards and benefits offered by Local3 hotel

No	Rewards	Respondent
1	Monthly salary, no ceiling, yearly increment	PM5
2	Bonus	PM3
3	Service point not fixed	PO2, PO4
4	Overtime	PO2
5	Rewards incentive for staff, good deeds stickers turn into rewards	PM5
6	Recreational and sports clubs	HM4, HO4
7	Outing at the hotel expense	PM2
8	Food at cafeteria free	PM4
9	Training for all staff	PM5, PM4, PM1, PM3, PO3
10	Marketing incentive for up selling for front office staff in form of travel, tickets	PM3
11	Celebrations, birthday, annual dinner	PM1, PM4, PM5
12	Recognitions, awards, no mc, long service, good conduct, honesty	PM1, PM4, PM5
13	Reward for competition entitled to stay at any of the Local3 group hotel for free	PM5
14	Medical benefits	PO4
15	Further study: Diploma programme	PM3
16	Lunches with GM or HOD	PM2, PM4

6.13 Communication

This section considers some of the formal and informal communications found at Local3. There were several examples of communication between staff and the management. For example, the GM initiated lunch meetings with staff to reduce the distance between management and staff and provide an avenue for staff to voice their grievances directly to the leadership. As PM1 noted:

The GM has always has a get together session with the rank and file staff, where they have either a dinner or a high tea, which have been organised ... this is a session where they can have dinner and a casual talk to voice their feeling because sometimes staff may not able to speak to their immediate superior. Sometimes the communication amongst the staff always misconstrued, rumours become the truth but actually the truth is different, so the GM is really working on this, with the help of human resource department.

In addition to this initiative, other departmental heads, like PM2, scheduled regular lunch meetings at the coffee house with selected subordinates. Besides getting to know their staff better, the avenue could be used to voice grievances. For crisis situations, such as SARS, the GM briefed his managers in the P&L meeting and HODs later communicated the message to staff.

Generally, the relationships amongst staff seemed to be good, with only occasional arguments but nothing critical, as noted by PO2. She suggested that miscommunication between her departments is mostly with the kitchen department, especially regarding a late pickup or matters relating to food. On a more serious note, the high labour turnover of the staff in her department has caused communication problems, for example staff changing every six months and so proper training was not carried out.

Hence, there were still some issues to be resolved with regard to communication amongst the staff at Local3. PM5 related how employees were not used to channelling their ideas or suggestions into the suggestion box but instead their grievances were channelled through graffiti. For example, graffiti can be found on the walls of the service elevator or staff toilet walls and it has become a routine to PM5, when he has to check on the locker room walls for graffiti every week. In his experiences, the suggestion box was never an effective way of getting feedback from employees; he cited examples when the management wanted to solicit ideas from staff to name the suite and the ways to reduce electricity cost. Although a reward of two return tickets to Sydney were offered for the best idea or suggestion, he failed to get any response from the employees.

6.14 Shared values and beliefs

The values and beliefs of Local3 are based on the acculturation of the three major cultures, Malay, Chinese and Indian, who form the three major races in Malaysia. These are reflected in the evidence from the practices carried out by the staff and management in the organization. Generally, the beliefs and values are quite similar to other hotels (and see Table 6.3).

Table 6.3: Some of the values found in Local3

Beliefs/Values	Explanation	Respondent
Caring	Taking care of the staff welfare and promoting a sense of caring through community services.	PM1, PM2
Patience	Employees with patience will be rewarded.	HM3
Rewards	The policy of rewarding staff.	PM1, PM4, PM5
Loyalty	Loyalty also pays, longer service was well rewarded	PM1, PM2, PM4,
Discipline	A key to success	PM2, PO1
Teamwork	Working in a team, a must in this industry	PM1, PO1
Tolerance	A high tolerance is required	PO2
Commitment	Ability to seriously devote to work.	PM2, PO3
Food and ceremonies	Part of the motivation, a must in almost any occasion	PM5, PM2

For example, the most common values and beliefs in organization is that the employees who work hard will be rewarded accordingly and loyalty always pays. Despite the high turnover, most of the long service staff at Local3 are rewarded with promotion. Very few of the original staff had not been promoted to a higher position. For example, PO2 was made a coffee house captain, while PO3 was made a senior captain in the banquet and PM1 reached an assistant manager's position after starting as a receptionist.

6.15 Roles of leadership

Organizational leaders play an important role in managing culture change in any organization. The evidence from Local3 suggested that some managers are brought in to inject fresh ideas into the organization. The GM brought in PM3, who had vast experience with an international hotel, hoping they could bring in new values and to help in developing a new culture.

On the other hand, PO3 classified managers into two categories: those who started in the industry from the bottom and rise to the top, generally hands on managers who are able to guide employees on the rights and wrongs of doing things; the second type is those who have paper qualification, who usually focussed on paperwork, were good at giving instructions but lacked operational experience. PO3 felt that managers with extensive experiences would be in a better position to guide staff with the details of the operational aspect of running a restaurant. At Local3, many of the managers belonged to the first group.

The leadership was well received by the employees. PM2 thought the GM was strict and described his style as:

He is the person that always-talking facts, don't tell lies. He didn't want people to talk around the bush. He gives me a freedom on whatever I want to do, but make sure that it done in the right way. However, I have to notify him, what I have done. He loves to listen to our ideas. He is very positive,

encourages creativity, ideas from us. Suddenly I realised that I'm the longest serving staff, this is due to freedom that I got here and he always like to develop us to be a better person.

Meanwhile, PM3 described the GM as a good leader, as they used to work together for twelve years in an international hotel. According to PM3, the GM is the role model for him as he had started as a rank and file employee. Consequently, PM3 had an opportunity to learn a lot from him operational wise. The GM started as a bellman in the industry and he came a long way to become a general manager. PM3 added that:

He is very understanding manager and boss. He backs you up, he gives you what you want, as long as you get it done. He guides a lots, he gives a lot of information in terms of understanding the workers. I have gained a lot ... I have worked for a few different bosses, their approach is quite different, some are very demanding or not even bothered whether you can do it or not. He is nothing like that.

PO3 also noted that his relationship with his executive was good. The executive was very open-minded and he gives him an opportunity to suggest ideas.

Table 6.4 outlines some of the comments made on the leaders:

Table 6.4: Some of the comments on the leadership

Comments	Respondent
He is a good leader, very knowledgeable.	PM3
He likes to listen to new ideas.	PM2
He conducts a lot of things, such as training.	PM2
He gives a lot of information in terms of understanding workers.	PM3
He practices an open door policy.	PM4, PO2
He is very simple. He gives full freedom to you to act in your capacity.	PM5
He seeks feedback on a regular basis	PM5
He is very easy to approachable	PM5
He has an open door policy, but many people are afraid to se him.	PM5

Looking at some of the other managers' leadership styles, a few managers described themselves as being open, participative and caring. For example, PM5 described himself as very open and always willing to listen to the staff:

I am very open, even when my office door is closed, but they still can come in and discuss any problem with me. I will try to give my best advice, however not many staff are willing to come and see me ... Actually I am flexible, I try to be flexible and I am not going to do things as the book says.

PM3 on the other hand, described himself as being open but also believed in a participative style of management:

I think I am more open. I believe in teamwork. I love to teach because I have been in the hotel industry for almost 33 years now. My leadership style is participation, basically participation and I understand the management needs and the needs of the employees. Hence we have to meet half way. I think today we deal a lot with attitude. You must be able to be a good counsellor, coaching, you must be able to teach, understand their feeling, put them in the same shoes as you are. I think treating staff as a major asset, as far as management is concerned.

PM2 also believed in the importance of teamwork and suggested that being caring was the key to effective leadership:

We must work as a team. The information I get from my boss, I will pass on to my staff. I have meetings with the engineering department twice a month, meetings with housekeeping once a month. I have been doing counselling. Every month I choose one staff member to come to my room for counselling or to speak about their grievances. During that time I am not their boss, but I am their friend. I also invite my staff to have a meal with me in the coffeehouse, once a month. I asked them to speak up, what they see in their department, anything to improve or what you want to for your department.

PM2 added that a leader like himself, should not only be leading the staff but should also try to be closer to the staff in order to understand them better. Hence, the best approach would be to get to know the staff well to gain their respect and obedience. PO2 believed in being transparent in her leadership, she always spoke up whenever there were problems with either her superiors or subordinates. Being a female supervisor one of her more challenging tasks is managing a team of mainly male service personnel. PO2 found that handling male staff at the coffee house could be very challenging for a female captain like her. Some of the male waiters like to take things for granted that she is a female and has taken advantage of her gender. To a certain extent they disregard her instructions and she ended up doing the task herself. Hence, as a captain, she has to be very serious and firm. Furthermore, she is very fortunate to have a supportive supervisor who in many occasions backed her up.

6.16 Rites and rituals

The role of planned or unplanned activities in an organization is to communicate cultural messages to the staff. The daily briefing for staff by the HOD is an example of a communication ritual, while many other activities could also be regarded as rites and rituals for this organization and these are outlined in Table 6.5.

Table 6.5: Rites and rituals in Local3

Rites and rituals	Role
Awards and recognition ceremonies for staff	Recognition, appreciation
Briefings with HOD	Communication
Staff parties, birthdays and other celebrations	Recognition and integration
Meetings	Communication
Lunch with GM	Integration
Punch card	Punctuality

Parties for staff and award-giving ceremonies are amongst the very common activities in any hotel. For Local3, these kinds of activities are significant not only because the staff were recognised for their good deeds but the gathering itself aims to enhance the integration amongst the employees.

6.17 Symbols

The two emerging points on symbols at Local3 are the physical aspects, such as corporate clothing, and the language expression by the staff. PO5 pointed to the uniqueness of the uniform worn by the kitchen staff. Recently, the management decided to change the white for all kitchen staff to a blue uniform for commis cook to the chef de partie, however the chef de parties' are wearing tall hats to differentiate them from other ranks in the kitchen brigade. The traditional white uniform is exclusively reserved for the executive chef only. The expression 'I'm working for Local3', although not widely used, was found to be common with some respondents during the course of the interviews.

6.18 National culture

Malaysia is a multi-ethnic country consisting of three major races: Malay, Chinese and Indian in the Peninsular Malaysia while in East Malaysia there are many other ethnic groups such as Kadazan, Iban, Dayak. However, Local3 is dominated by a single race, the Malays. There are other races amongst the staff but the number is very small. The fact that this hotel is associated with a state government has established a perception of it as 'a Malay hotel'. PM5 noted that the hotel employees are dominated by the mostly Malay employees, followed by fifteen Indian, two Chinese and a few Indonesian nationals⁶. He added that not many Chinese are keen to work in a 'Malay hotel', something which PM3 commented on:

But sometimes you find a Chinese guy has a different thinking, he comes to a small hotel like this to get to know everything, and then he has got a better idea. Maybe the Indian and the Malay employees are not fair with them, but I think they believe we just work, there is no entrepreneurial thinking.

PM2 pointed out that national culture is not a problem, as long as the employees understand the nature of their jobs. He cited that he has no problems with other races,

⁶ Indonesian employees consist of permanent resident and some trainees.

for example in his department there are ethnic Indian and Indonesian employees. On the other hand, PM5 did not agree with the notion that there was a problem only amongst certain ethnic groups. In his opinion, the attitude problems are not traced to any single ethnic group but are generally common to all Malaysians, especially the younger generation. For example, he suggested that it was hard to find dedicated employees amongst the younger generation. Due to the perceived problems with younger workers and particularly their high labour turnover, he would rather hire single mothers because it was felt they were more likely to be dedicated workers due to their family commitments.

6.19 Sub-culture

PO4 felt that sub-cultures were not really in evidence within the Local3 culture. He pointed out that since the majority of employees are Malay, Malay culture is dominating the organization. However, there are other kind of sub-culture, which were not ethnically-based, but based on teams. PM5 related his own experience when two teams failed to cooperate with each other with the result that a function was badly handled. However, it was suggested that this was an isolated case.

As a human resource director at Local3 for almost two years, PM5 has personally experienced a conflict between the two teams, which had screwed up a function. The incident of conflict was between sections in the food and beverage department, which had affected operations of the organization. Both teams equally had strong followers that had denied being responsible for a certain task, which should have been their job. PM5 in a rather drastic action summoned the leaders of both groups to see the GM. It seemed that the crisis was ended with an ultimatum given by the leadership. The ultimatum asked both leaders to think whether they are doing a favour to the company or working for the company, if they are just doing a favour then they can take their pay and go home, but if the company paid their salary then they should work. The crisis has eventually cooled down but PM5 was once beaten twice shy, now he is taking proactive steps to consult the parties concerned if there is any symptom of future conflict found in the organization. He is hoping that the

earlier stage of consultation with all parties concerned is necessary to resolve any problem.

6.20 Image

Building a good image is recognised as one of the important aspects in Local3 culture, especially when it is associated with the state government development corporation as the owner of the hotel. The hotel was a popular venue when the state government organized functions for the needy or unfortunate children. PM1 noted a yearly activity initiated by Local3:

I am not sure whether the other hotels are doing it, but we practice this in this area most of the time. And of course during the 'Hari Raja Haji' [Eidul Adha] we do 'Qurban' [slaughtered cow donated to the poor] ... We invited a state representative and we distributed it to some governments departments, like armed forces and police. We do this kind of community service. That is how we get recognition by the public.

Most of the community services activities were held in the month of Ramadhan, the holy month for Muslims. Table 6.6 lists some of the activities connected with the local community.

Table 6.6: Local3 Community services

	Activities
1	During 'Eid Adha' slaughtered cow and distributed to the poor.
2	Distribute food and drinks to people in the street for breaking fast.
3	Cook and distributed 'Dodol' delicacies to armed forces and police forces for 'Eid'.
4	Breaking fast with orphanage and disabled children.
5	Initiated a joint training programme with Indonesian counterpart.

Local3 also plays an important role in enhancing its image through a joint programme with its Indonesian counterpart as related by PM1:

Yes, this is a joint programme initiated by our GM as well with our Indonesian counterpart. It is a training programme, and they choose our hotel actually, so we have tied up an agreement that they could come here and learn, and we are giving them the benefit here as well. It is on the-job-training, that all.

The GM is very supportive of these activities as it enhanced the image of the hotel to the general public.

6.21 Relationship with trade union

Although Local3 is not an unionised hotel, many respondents expressed their reservations about a role for a union in the organization. For example, PM1, thought that there were good and bad things about the union:

It going to be a bit more difficult if the union leader is exploiting the staff and this will not help the management, but if the union leader is wiser, he is taking care of the staff as well as the management, of course with union will be better. I always have a perception that the company have given a privilege to the staff to form the union so that at least they can voice their grievances against the management.

PM3 who had been working in an unionised environment for a long time noted that Local3 did not need a union:

Here we don't need a union because we are managing well, we work as a team, and I don't foresee anybody thinking of a union. If you asked me here, my perception of the whole thing, we need to be much stricter because we are much more flexible here. Sometimes we are being taken advantage of by the staff. That one we are going have to tighten up.

He further suggested that non-performing staff could be transferred to other properties within the group to discipline them. However, this measure is not possible if the union is present. PM5 also pointed out that if the union was too strong it could also be a problem, as it is very hard to implement any changes. He cited an example of a case of an established international hotel with a very strong union movement, which has ended in being closed down and the property later had a new management where the former hotel staff were rehired to work in a newly re-established hotel with much lower anticipated salary. At this stage the union could not do anything much, however the case is still pending in the industrial court as technically it is lawful for the company to do so.

6.22 Outsourcing

PM5 cited several reasons behind the decision to outsource certain activities at Local3. One of the reasons is the difficulty in getting reliable employees to work in certain areas such as stewarding. Many of the younger generation are not willing to work in the stewarding department as it involves the challenging task of keeping the kitchen clean but also equipment, dishes and cutlery as well. As a human resource director one of his challenging tasks is to hire the right candidates and most of the time the turnover for this particular area is very high. Hence, Local3 decided to outsource the staff from a local outsourcing company, and now Local3 only have three permanent staff in the stewarding department. In terms of cost, it is slightly higher compared to having permanent staff, but the arrangement is the best option as the supplier service is very reliable and efficient. The most important thing is making sure the hotel operation runs smoothly and saves PM5 from the difficulty of finding the right people to fill the positions. Table 6.7 outlines the outsourcing activities.

Table 6.7: Outsourcing activities

	Activities	Respondents
1	Stewarding	PM5
2	Part timers for banquet	PO3
3	Employee cafeteria	PM4

It is common practice in a banquet department to hire many part timers due to the seasonal nature of banquet activities in the hotel. Local3 usually depended on students to help out during their functions. According to PO3, over 80% of the banquet staff are part-timers, while there are only four full time staff to coordinate; two in the morning and two in the afternoon shift. Despite the reliance on part-time staff PO3 noted some problems:

They are inexperienced, lack knowledge and training is difficult. They have no confidence and every time there are different people coming. It takes me about one month to train them to be competent. But the problem is, once they are confident they move to other hotels. It is hard to hold on to them as we still pay them RM3.50 while others are paying between RM4.00 and RM5.00 per hour.

PM5 also agreed with PO3 that hiring students as part-timers requires close supervision because these students can be playful without proper supervision. Hence, he insisted on placing a permanent banquet staff on the shift. PM5 had tried to outsource for the security department but he was not very satisfied with their service, as most of the contract security staff were too old to carry out their duties effectively. Not wanting to jeopardise the security of the property and guests, Local3 decided to end the contract services immediately.

Another area in which Local3 had outsourced is its employee cafeteria. The decision to have an outside catering company catering for the Local3 staff was made recently, according to PM4. Previously, the hotel kitchen staff prepared the food for the employees. PM4 also suggested that the cost was the main reason for switching.

6.23 Staff turnover

For managerial staff the turnover was due to different reasons. According to PO4 while working at Local3 he had observed many managers 'come and go'. He suggested that the work pressure was the reason for the movement. Local3 managers

most often are required to stay back until late evening as compared to managers from other hotels. However, he found the turnover amongst staff was not so high as compared to managers because although the jobs of staff are hectic, the manager's job comes with added responsibility. PO2 noted that she has been working at Local3 for four years while most of her former colleagues resigned after only four months.

PM1 noted that there is a relatively low staff turnover at local3, and this was largely unproblematic. To PM1 the turnover that did exist was largely due to the attitude of the younger people who were unable to be committed to one job, hopping from one job to another in the hospitality sector.

PM3 noted that the turnover was normal for the industry. Many people left to join another organization for better opportunities because the industry failed to attract many newcomers and most of these people are hopping from one hotel to another looking for better positions. By the same token, PM5 found that despite the economic slowness, it is still hard to recruit people to work in certain positions in the hotel. This was partly due to the attitude of people who were very selective about which jobs they wanted, he cited an example when he went out to recruit staff for Local3 in the northern part of the country. The most frequent questions asked were if there were any vacancies for clerical positions. It seemed that everybody was looking for clerical positions and nothing else.

6.24 Crisis management

Local3 had also been through a period of crisis due to a variety of factors, such as: economic downturn in 1997, 9/11, the Iraq war and most recently SARS. During the last SARS crisis, due to a different target market from other two hotels in the study and its association with government agencies, several respondents suggested that Local3 was least affected of all the hotels in the area. According to PM1 when SARS was at a peak, Local3 was still experiencing 40% to 50% occupancy when others were experiencing single digit occupancy. One of the reasons for this was that Local3 did not depend on foreign guests and it has established a good rapport with

many government agencies. However, there were some precautionary measures introduced such as cost cutting and room rate reduction to overcome any potential problems. PM2 also outlined some of the measures to minimise costs in his department:

During crisis, we know the business is not good, I try to minimise all my expenses to overcome the problem. Minimise the expenses, my overtime, my manpower, I will cut down the overtime. For example, I asked some staff to cover another shift, changed the duty roster. If I normally put ten people in the morning, I put, five, another five could cover in the afternoon. When my GM passed down the information about the crisis to me, I will pass it down to all my staff. We also have P&L meeting with staff, what is going on, I explained to them, this is our expenses, when I showed them this, they understand.

6.25 Service quality

PM3 suggested that in the long-term Local3 would upgrade all rooms to a four star standard in their commitment to serve their customers better. In line with that, new facilities also to be added. However, getting the right quality people is also crucial in making these goals achievable. Hence, an investment in training is also a worthy consideration.

The next part of the analysis will look at the findings of the internal service quality of Local3 hotel.

6.26 Semi-quantitative evidence: Internal Service Quality of Local3

6.27 The demographic profile of the PAT respondents

Most of the Local3 respondents in the study were male (59.3 %) compared to only 40.7% female respondents.

Figure 6.1: Years of service

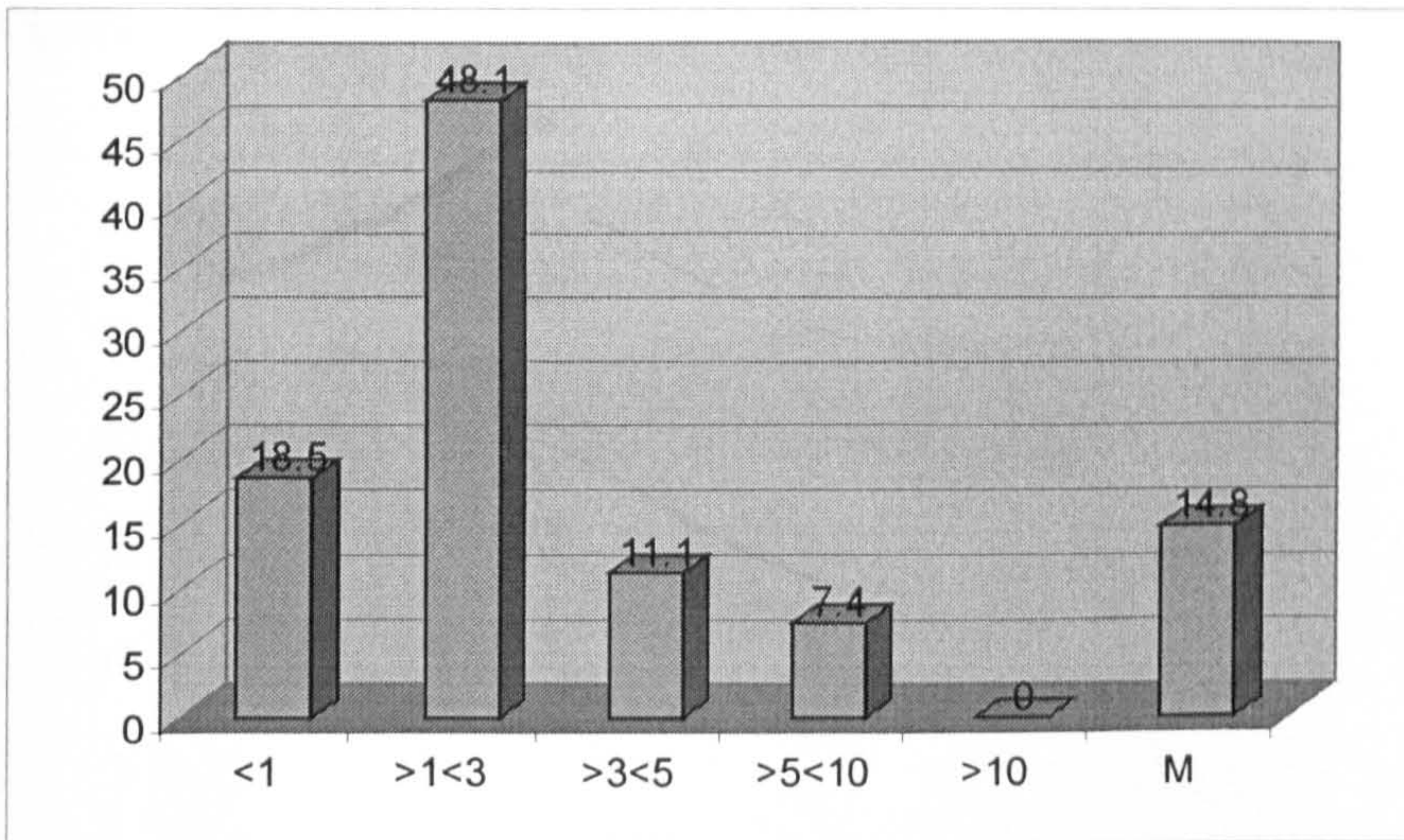


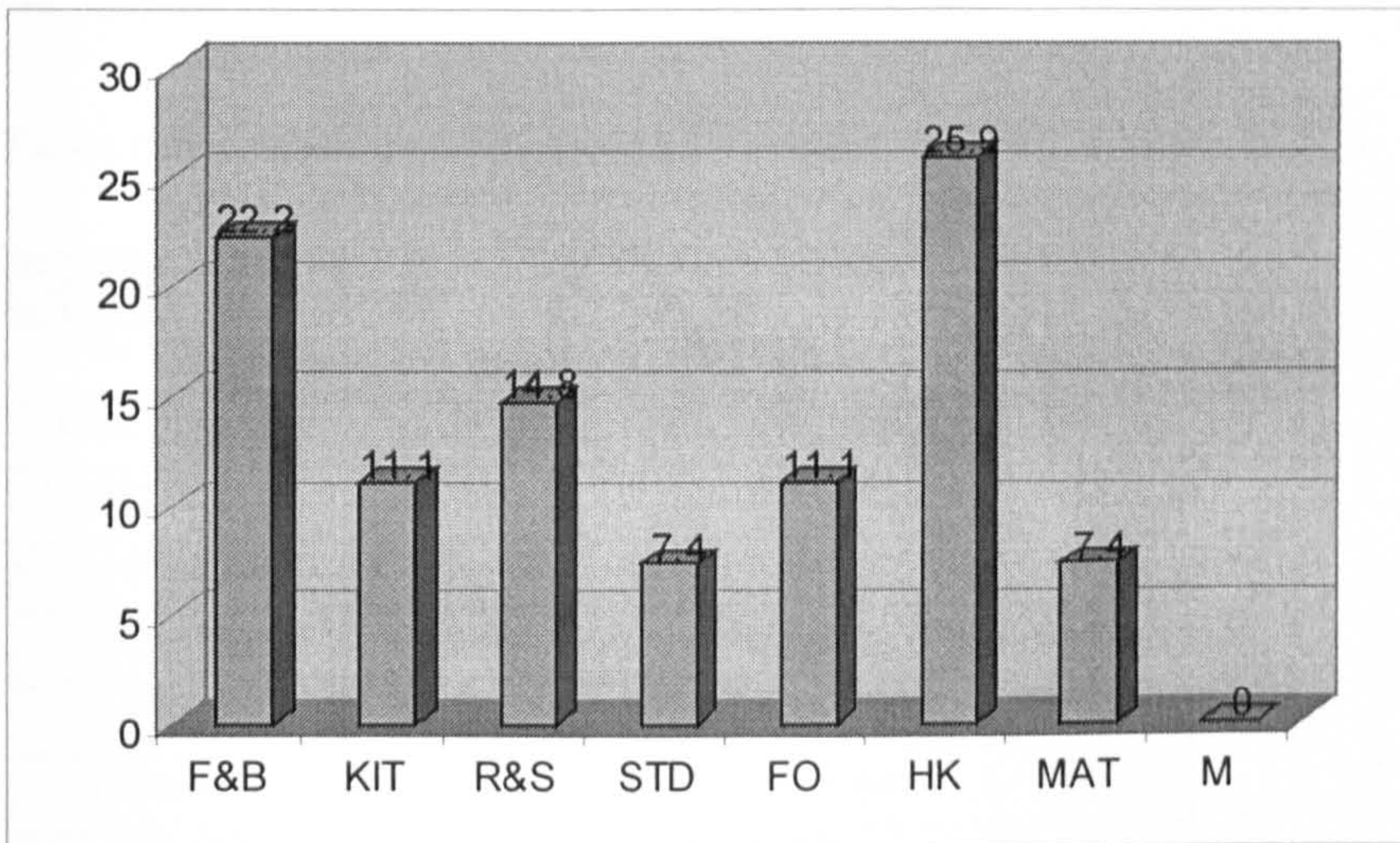
Figure 6.1 notes the respondents' length of service, with the top three groups of the respondents belonging to more than 1, but not more than 3 years, at 48.1% and less than 1 year at 18.5%. This is followed by more than 3 but less than 5 years, 11.1%. Thus, the largest group of respondents were employees serving between one to three years. However, the more than ten years service group did not exist because the hotel was just seven years old when the research was carried out. Finally, 14.8% of the respondents did not indicate their length of service.

In terms of where respondents were located, Figure 6.2 below outlines the departments being evaluated.

The three most popular departments being evaluated are housekeeping (25.9%), food and beverage (22.2%) and purchasing, receiving and stores (14.8%). The figures also imply the level of relationship or the frequency of interaction between these departments. In their daily tasks, the housekeeping department has to communicate with many other departments in the hotel. Food and beverage department staff are the 'middlemen' between the kitchen and the guest. Meanwhile, the purchasing,

receiving and stores department staff plays an important role as 'internal suppliers' to many departments such as the kitchen, food and beverage and housekeeping.

Figure 6.2: Department evaluated



The ISQ is characterized by the attitudes that employees have towards each other and the way they serve each other in the organization (Heskett et al., 1994). The profile is based on the understanding that in order to perform effectively in any organization, interdependent individuals and groups within organizations must establish exemplary working relationships. Individuals or departments within an organization are servicing other individuals and departments, while some individuals or departments may have to serve more than one department within the organization. The ISQ examines the relationship between the internal providers of services and the internal customers. Thus, the positive and negative attributes that emerged in the findings are based on respondents' impressions with regard to the best and the least satisfactory aspects of their working relationship. The emerging attributes are then grouped into common themes or dimensions.

6.28 Positive aspects of the ISQ

Having briefly reiterated the nature of the ISQ profile, the chapter now turns to consider the positive and negative dimensions of the ISQ analysis. Table 6.8 shows the positive dimensions of the internal service quality profile.

Table 6.8: Positive and negative dimension of ISQ Profile

Dimensions	Positive	Dimensions	Negative
Teamwork	0.423	Attitude problem	0.3437
Consideration	0.2307	Not professional	0.1562
Communication	0.0769	Management problem	0.1562
Professional	0.0769	No reliability	0.125
Rewards	0.0769	Lack responsiveness	0.0937
Reliability	0.0384	Lack of skills	0.0937
Enjoyable	0.0384	Lack of teamwork	0.0312
Socialise	0.0384	Miscommunication	0
Responsiveness	0	No consideration	0

The positive figures from Table 6.8 were translated into a Positive ISQ profile and are shown below in Figure 6.3.

Figure 6.3: ISQ Profile of positive attributes in Local3



The positive profile has nine dimensions, with the first six dimensions being an opposite of the negative dimension, while the other three are the newly emerging dimensions, such as enjoyable work environment, rewards and the ability to socialise. The profile's dimensions were arranged in descending position to signify their importance with the most important dimensions on the top and the least important dimensions at the bottom.

6.29 Positive responses

1. Teamwork

The attributes included in teamwork are aspects such as cohesiveness, cooperation, working like a family, serving each other and being helpful amongst the employees. Teamwork was perceived as the most popular dimension within the profile, which is 42.30%. One newly joined operational staff described the teamwork in his department, as 'The teamwork amongst the staff is great' A further example of a positive reason given by the respondent was, 'They are very understanding.' Teamwork is critical and seems to play a significant role at Local3.

2. Consideration

Another important dimension ranked by respondents was consideration, which is 23.07%. The attributes in this category included accommodating, caring, tolerance, understanding, respect each other, courtesy, friendliness, nice colleagues and politeness. In describing the relationship amongst the employees one employee related her experience 'The staff and the front office manager are friendly.' While the reason suggested by the same employee is that 'We could check the room rates and room availability when we want to.'

3. Communication

Communication may be very important in any establishment but the respondents perceived it as the third most important dimension. Only 7.69% described communication as important in this establishment. One employee described communication as 'Easy to get information from them'. While his positive remark was 'It makes my work easier.'

4. Professional

Employees noted how their colleagues were committed, dedicated, even professional and being systematic and organised to make their points in describing their peer professionalism. However, only 7.69% respondents perceived their peers as professional. 'Overall they are committed and proactive', cited one respondent. In terms of the positive reason the same respondent noted that this was 'Because they monitor their daily work.'

5. Rewards

Respondents described benefits gained as the result of the interaction between staff and the non-monetary rewards that they received, which included learning service, skills gained from others and ability to enhance knowledge as reward in their jobs. Rewards were noted by 7.69% of the respondents. One employee described it, 'his ability to be involved in all aspects of the overall operations.' A reason noted by the same employee was how 'work and gained knowledge as well.'

6. Reliability

Reliability is the least important aspect in the ranking by the respondents. Reliable service was only mentioned by 3.84% of the respondents. This variable focuses on whether employees are dependable or not and accountable when delivering their service to the 'internal customers'. A comment by an employee suggested that many

of their fellow employees were reliable as 'They are dedicated workers'. A positive reason for the reliability is 'They delivered as promised.'

7. Enjoyable

Only 3.84% of the respondents described their working relationship as enjoyable.

Besides a nice working environment, employees described their working relationship as fun, happy, cheerful and enjoyable. Some described their working environment as very pleasant as there is no pressure. As noted by one employee work was enjoyable due to 'Best working environment and a good boss.' His positive reason is 'The boss is very cheerful and helpful.'

8. Socialise

Respondents perceived working as an opportunity to meet people and enjoy the environment. The social aspect is the least importance aspect to the respondents, which is also 3.84%. Some people regarded the workplace as a venue to socialise with staff and guests. One employee indicated that, 'Staff are really friendly and cordial' and the positive reason noted was 'I enjoys mixing with them.'

9. Responsiveness

Interestingly, being efficient was not considered important in the service-orientated establishment like Local3. In the survey, responsiveness was not mentioned by any of the respondents.

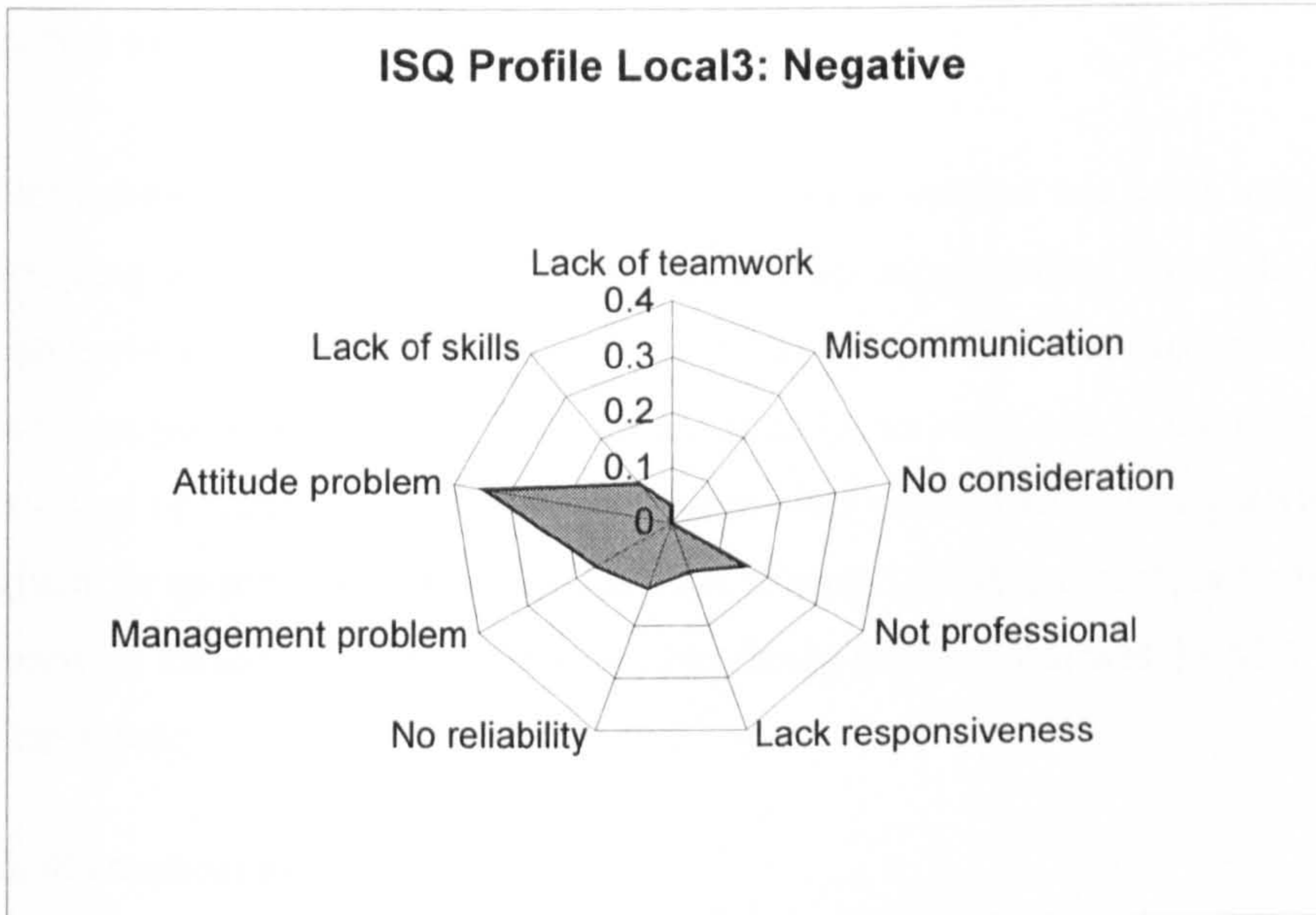
6.30 Negative aspects of the ISQ

Having considered the positive aspects of the ISQ, attention now turns to those aspects, which were characterised as being the negative aspects of the ISQ profile. The negative profile (shown in Figure 6.4 overleaf) also has nine dimensions but the first six dimensions are an opposite of the positive dimensions while the other three

are the newly emerging dimensions such as lack of skills, not professional and no consideration. The negative profile dimensions were also arranged in descending position to signify their importance with the most important dimensions at the top while the least importance dimensions are located at the bottom.

6.31 Negative responses

Figure 6.4: ISQ Profile of negative attributes in Local3



1. Attitude problem

The ISQ analysis points to the fact that a large part of the respondents' dissatisfaction or negative attributes originated from dissatisfaction over their colleagues attitudes or personal behaviours. The negative attributes below were traced to the employees attitudes, which were described by respondents as encompassing aspects such as: angry, cursing each other, scolding each other, attitude problem, bad moods, hot tempered, moody, blaming others, busy body, cutting corners, discipline problem, being too emotional, envy, jealousy, lackadaisical attitude, lazy, no initiative, no sense of belonging, not open minded, not punctual, sabotage, selfishness, stubborn and using abusive words. These attributes were summed up as attitude problems,

which is 34.37% of the responses. An employee with three years of service noted the attitude of certain colleagues: 'They don't really know how to take care of the equipments and tools, etc, they completed tasks for the sake of completing, most of their time is spent hanging around and not being friendly to customers'. His negative reason was given as 'Many guests complaint on food quality, if the food is not good, guests will not come back, many complaints on functions as well, as a result the service point dropped.'

2. Not professional

Not acting appropriately as a professional person, such as not being systematic in carrying out their work or acting incompetently in performing their jobs are categorized as not professional. 'Staff are lazy, the boss is not professional and there is no proper work system.' was a description by an employee of the unprofessional conduct of some of the employees he came into contact with. A negative reason given, as an example, was 'Service trays were left outside rooms, not collected and many of them were already smelly'. Not being professional was 15.62% of the responses.

3. Management problem

Some of the negative attributes were centred on management problems. The emerging responses by the respondents pointed to management policies, the fact that respondents described their work as burdensome or pressurised, their welfare was neglected or they felt under appreciated, internal politics, working with a lack of equipment or stock, a lack of staff and more direct comments about management practices, such as favouritism and nepotism. This dimension forms 15.62% of the respondents' responses. 'Too much work', was a point expressed by an employee over her workload. The negative reason given to justify her dissatisfaction over management practice is 'Sometimes the duty roster was not done satisfactorily.'

4. No reliability

The inefficiency in carrying out the jobs or a job not well done, not being responsible in carrying out their job, which leads to guest complaints as the result of their actions is categorized under no reliability. A comment by a male employee over the unreliability of the service by the other party is 'Like to make empty promise to guest when in fact, they know that the hotel did not have the thing'. Negative reason was given as 'As the result, it has caused trouble to my department.' The unreliable service by the internal service provider was 12.50% of the responses and such unreliability is most likely to result in service inefficiency to the external customers.

5. Lack of responsiveness

Lack of responsiveness was due to a job being done too slowly or taking their own time to complete the tasks. This issue was noted by 9.37% of the responses. 'Always late to comply or respond to some problem' was a description by an employee of the problem of slowness in delivering service. The negative reason given by the same respondent was that 'Staff did not know how to solve problem. It seemed that there is no proper training. Besides, they are lazy and always have two peoples handling one job.'

6. Lack of skills

Lacking in customers relations, lack of ideas or not being innovative or when employees disregard safety due to a lack of skills or training required to carry out the job properly could be critical to delivering quality service. 'Ideas in their F&B presentations sometimes unsuitable and very unsatisfactorily presented.' was a description from one employee who had just joined the hotel. His negative reason given was 'They are not creative enough and the quality of food is below standard.' Hence, the lack of skills formed 9.37% of the responses. Lack of skills emerged due to reasons like a lack of proper training programmes for the employees concerned.

7. Lack of teamwork

Lack of teamwork amongst the employees was described as the uncooperative nature of their relationship as a team or in between the teams during the course of their working relationship. An employee noted 'There is no teamwork amongst the staff.' Her negative reason was 'Staff are unable to complete their work properly, especially when they are supposed to clear plates and service trays from the rooms.' Hence, lack of teamwork was 3.12% of the responses.

8. Miscommunication

A miscommunication dimension represented communication breakdown among the employees in their working relationship. However, miscommunication did not emerge as a negative phenomenon at Local3.

9. No consideration

Being less understanding, insensitive to others and also showing no respect to fellow employees during their working relationship is categorized as no consideration which means the employees did not show any consideration to fellow employees. However, no consideration did not record any response.

6.32 Conclusion

Being perceived as government hotel, Local3 provided a sense of security for the employees in terms of job security and guaranteed business from the government. A unique feature of Local3's culture was giving back to the community through its community service programme. Overall, the Local3 culture is very much influenced by the type of clientele that the hotel serves and its association with the government agency. In the ISQ analysis it was found that the respondents expressed their satisfaction and dissatisfaction over their relationship as shown in Table 6.9. The

evidence points to the fact that, the employees felt dissatisfaction over certain dimensions, specifically over professionalism, responsiveness and reliability.

Table 6.9: Comparison of positive and negative dimensions of the ISQ

	Positive		Negative	Difference	Comments
Teamwork	42.30%	Lack of teamwork	3.12%	39.18%	OK
Communication	7.69%	Miscommunication	0.00%	7.69%	OK
Consideration	23.07%	No consideration	0.00%	23.07%	OK
Professional	7.69%	Not professional	15.62%	-7.93%	Problem
Responsiveness	0.00%	Lack responsiveness	9.37%	-9.37%	Problem
Reliability	3.84%	No reliability	12.50%	-8.66%	Problem
Enjoyable	3.84%	Management problem	15.62%		
Rewards	7.69%	Attitude problem	34.37%		
Socialise	3.84%	Lack of skills	9.37%		

Teamwork is a significant positive dimension in Local3. It received 42.30%, followed by consideration (23.07%). While the negative dimensions pointed to attitude problem of the employees (34.37%), followed by management problems and not professional both received 15.62% respectively, followed by no reliability (15.62%). However, in comparing the positive and negative dimensions, and by subtracting positive and negative values of the first six dimensions results in the following occurrences; a positive balance for teamwork, communication and consideration, with the problem areas seem to be not professional (-7.93%), lack of responsiveness (-9.37%) and no reliability (-8.66%) which all resulted in negative balance. Based on the findings of the ISQ analysis, generally the internal customers are satisfied with the services of the internal service providers. However, it is recommended that improvements are necessary in certain areas of the ISQ. Attention should also be given to areas such as attitude problems and management problem, which have significant responses.

The chapter has discussed the overall findings of Local3 organizational culture, which is based on the emerging themes such as human resources practices,

organizational values, beliefs and the ways things are being done at the establishment. The second part of the findings discussed the positive and negative dimensions of the ISQ an analysis based on how employees responded to questions on their working relationship with each other. The next chapter will discuss the findings of the three cases and make necessary recommendations to respective establishments.

CHAPTER 7 DISCUSSION

7.1 Introduction

This chapter discusses the emerging themes of the organizational culture findings and the internal service quality profiles of the three organizations. The discussion is based on the recurring elements of organizational culture at the three organizations and how the culture was found to impact on a variety of organizational processes and in particular its influence on internal service quality. This study utilizes Ogbonna and Harris' (2002) framework of corporate culture to consider the impact of organizational culture on internal service quality of three hotels in Malaysia. However, the internal service quality measurement uses PAT (Johns and Lee-Ross 1996) to examine the working relationships between employees.

Lund (2003) suggests that the pervasiveness of an organization's culture requires that management recognize the underlying dimensions of the organization culture and its impact on employee-related variables such as satisfaction, commitment, cohesion, strategy implementation and performance. This study found that many cultural dimensions are recurrent elements in the organizations in line with previous studies of organizational culture and performance, such as Lee and Yu (2004). However, the results of this study found twenty-four emerging themes of organizational culture from the three case studies and these are summarised in Table 7.1. Unlike Ogbonna and Harris (2002) who indicated four main insights into the management of organizational culture, the findings of this research derived nine organizational culture profiles from the emerging themes discussed in Chapter 3. Table 7.1 shown overleaf summarises the organizational culture dimensions of the three organizations, which originally consisted of 24 dimensions. Later, these dimensions were further re-categorized into nine profiles to facilitate the discussion. Each of these dimensions is presented below, however their linkages to the ISQ are discussed later in the chapter.

Table 7.1: Organizational culture profiles

	Themes	Foreign5	Local5	Local3
1	Guiding principle	International hybrid and local content	Culture determined by the leadership	Government agency association, mixed culture
2	Management of change	New leader to lead the changes	Leader initiated changes	Changing attitude and mind set
3	Work organization	Reducing numbers of managers/transparency	Teamwork	Groups managers/ teamwork
4	Recruitment and selection policy	Seeking staff with right attitude to fit with their international image	Applicants are tested with standard questions on EQ and IQ	Prefer someone with skills rather than qualifications
5	Induction and socialization	Focus on communication, courtesy and complaint handling.	Sent to department first then attend induction later/Buddy system	Put to work right after the induction
6	Training and development	Invest heavily in training	Focus on customer service	Conducted by internal trainers as they understand culture better
7	Participation and involvement	Geared towards a better sense of belonging	A lot of employee relations activities/GM also involved	Generally good, but some reluctance to participate
8	Performance appraisal and reward system	Periodical performance appraisal/ comprehensive rewards	Managers nominate staff and staff nominate managers for awards	Based on spotting exemplary staff and money incentive for staff
9	Promotion and human resource development	Excellent training ground for staff/career development inventory	Rewarding culture, competent and efficient staff are rewarded	Based on performance, supervisor recommendation and training
10	Compensation and benefits	Esprit/Excellence staff benefits	Fixed service point	Service point not fixed
11	Communication	Avenues such as exchange committee/ teambuilding exercise for managers	Avenue through staff super software committee meeting/ open door policy	Channel grievances through graffiti on the wall, reluctant to use proper channels
12	Shared values and beliefs	Brand standards books/ Esprit and Equilibrium	Working like a family, openness and sincerity	Teamwork, loyalty
13	Roles of leadership	Pivotal role in bringing changes	Leadership shapes espoused culture	Leader as role model
14	Rites and rituals	Esprit, Equilibrium briefing and meeting	Activities communicate cultural messages	Activities to promote integration
15	Symbols	Physical symbols, building, logo and language	Boutique resort, physical symbols, uniforms	Language and uniforms
16	National culture	Not a problem	Cultural baggage existed	Malay hotel
17	Sub-culture	Existed but not critical	Existed but cultural grouping did not affect operations	Existed and affected the operations
18	Conflict	Problem with union solved with negotiation	None	Problem with the existence of Teams/sub-culture
19	Image	Established image and enhance through physical refurbishments	Hosted many international events and community service	Community service activities
20	Union	Unionised	Non-unionised	Non-unionised

21	Outsourcing	Did not outsource, not even part-timers for banqueting	Yes, security and staff cafeteria for cost savings	Yes, stewarding and cafeteria, but not security
22	Staff turnover	High during a change of leadership	Not high, normal turnover is 'healthy'	Quite high, higher amongst managerial staff
23	Crisis management	During SARS took sustainable measures	Survived SARS due to location	Not affected by SARS due to local customer base
24	Service quality	Maintaining excellence, maximising productivity through the application of technology	Commitment through training to enhance staff customers relation skills	Long term commitment to upgrade to four star standard

7.2 Organizational culture profile

1. Guiding principle/management of change/work organization (philosophy)

Generally, the basic human resources practices are quite similar between the three organizations but the focus of each organization is quite different because every organization has its own ways of doing things (Deal and Kennedy, 1982). Evidence shows that Foreign5, as a multinational company, is guided by an international hybrid and a local content. The management's focus is on employee-centred management with high levels of employee involvement in its daily activities. At the time of the interviews, Foreign5 has undergone a massive shift in culture led by the new leadership. While Local5 is being managed by a locally based company, the hotel is headed by an expatriate who practices an open door policy and leadership by example. Local3, on the other hand is owned by a government agency which indicates a mix in its culture, which focuses more on day-to-day operations of the organization.

Woods (1989) pointed out that culture change tends to occur when there is an influx of new workers or new management; similarly in this research, it was found that Foreign5 has undergone a major cultural change with the coming of the new GM and other senior managers. In both Local5 and Local3, the human resource directors play important roles in initiating changes. A general inference is that change is made

possible with the involvement of the leadership and the 'control-room' is located at the human resource department. Structurally, Foreign5 reduced the number of managers with the introduction of 4D's to avoid redundancy and improve communication effectiveness. Local3 replaced managerial positions in charge of several outlets with only an executive and a few managers holding group designations in a measure to economise its managerial resources. In all organizations careful consideration was paid to organization structures which reflected their cultural and strategic needs (Watson and D'Annunzio-Green, 1996). The study also found evidence that all the hotels used continuous cultural intervention in their organizations as key elements like time factor, environmental and cultural reasons would determine the success of any changes implemented. This is contradictory to Ogbonna and Harris' (2002) findings which are in line with Deal and Kennedy (1982) and Peters and Waterman, (1982) on the discontinuous strategy in the culture change process where some companies requires culture intervention to be made at a particular, predetermined, point of time.

The hotels owners maintained less involvement in day-to-day management of the hotels, although the evidence did seem to show that Foreign5's owner has shown more interest in the bottom line than before. Employees tended to identify themselves as the employees of the hotels rather than associating themselves with the hotel owners, except for Local3 where employees like to be associated with the owner as it gave them a sense of belonging and security since the owner is a government agency. However, the finding also suggests that hotel's owners play a less significant role in contributing to the organization's culture by limiting their intervention in the operational aspects of the property.

2. Recruitment and selection policy/induction and socialization process

Foreign5 is seeking staff with the right attitude to fit into its international image, while Local5 conducted standard tests to measure candidates EQ and IQ and Local3 favoured experience rather than just qualifications. Above all, the recruitment process aimed to ensure new employees fit into the existing culture or, in the case of

Foreign5, some managerial staff were brought in as agents of change. The two human resource directors and a manager interviewed in the study reiterated their preference for the right candidates to fit into their existing culture. Similarly, Kemp and Dwyer (2001) highlighted the important role of the human resources department in ensuring only service-oriented people are employed and remain in the organization, hence only people who identify with the corporate objectives are recruited. By the same token, Local3 also handpicked experienced managers from other properties as a measure to inject fresh ideas into the organization.

The induction or socialization process at the three organizations was seen as an opportunity to cultivate the new culture amongst the employees through reinforcing the right values and expected behaviour, as suggested by Brown (1998), such that the individuals are at their most susceptible to new ideas and suggestions at the early stages for their employment. Thus, ensuring new employees understand Equilibrium from the guest perspective is crucial to Foreign5, even at the early stages of employment, where the new employees were introduced to Esprit training (which emphasized technical and behavioural skills) and at the same time they were introduced to Foreign5 standard and moment (Maxwell, Watson and Quail, 2004). Besides that Foreign5 also focuses on the 3C's (communication, courtesy and complaints handling) programme during the induction, while Local5 would do it quite differently, as it preferred to familiarise staff with departmental practices in the beginning before sending them for proper induction. To speed up the socialisation process, Local5 introduced a buddy system for new staff. On the other hand, Local3 put new staff straight to work after induction. The difference in approach taken by the hotels to the socialisation process varies according to organizational history, traditions, ethos and culture (Brown, 1998).

3. Training and development/participation and involvement/performance appraisal and reward system/promotion and human resource development/compensation and benefits (HRD)

Training was widely used by all three organizations as a primary tool of cultural intervention. In each case training was strategically focussed towards achieving short and long-term organizational objectives. Foreign5 has invested heavily on training programmes for staff, ranging from in-house training to ICT-based training. Local3 meanwhile is more concerned over the training objectives, hence preferred their own resources as internal trainers as compared to hiring external trainers with an assumption that internal trainers understand employees and the situation much better. Local5 tended to focus on customer service training. Thus, training should also be seen as part and parcel of employees work where employees learn from each other and help each other in their professional development (McColl-Kennedy and White, 1997). Besides training, Foreign5's employee participation programmes were geared towards building a better sense of belonging amongst staff and a better workplace, these are also forms of cultural interventions. Arguably one of the best ways to 'cultivate' a strong positive culture, as shown by Local5's leadership, is by practising leadership by example, this in fact required the general managers involvement in all facets of employee-relations activities in the hotel.

Each organization has its own unique performance appraisal and reward system. Foreign5 has periodical performance appraisal for its staff. Employees with exemplary performance are rewarded with a comprehensive range of awards under the Esprit concept. At Local5, managers and staff could nominate each other for awards as part of the appraisal system. Operational staff at Local3 who are spotted doing exemplary jobs will be rewarded with cash and other incentives. Each organization has its own unique benefits, ranging from Foreign5's Esprit programme to a fixed service point system for Local5 and a service point that was based on business performance for the other two hotels. However, rewards were not supposed to be limited to compensation or recognition for good performance only, staff also regarded career development as a form of reward too (Dwyer et al., 2000). Foreign5

is leading the way amongst the three hotels in staff career development, where employees could participate in developing their own training records and also tailored their own training through its 'Pathway ladder'. Foreign5 has excellent training programmes for both operational and managerial staff, where each employee has their own career development inventory. Thus, the training supports professional and personal development of the employees. Meanwhile Local5 only promoted efficient and competent staff with strong leadership qualities. Whereas, employees at Local3 will only be considered for job promotion if they have a recommendation from the supervisor and completed certain parts of the required supervisory training programme.

4. Communication

Communication is considered as an important tool in managing culture at all three hotels. They used a range of communication techniques and activities many of which are initiated by the human resource department. Foreign5 have an exchange committee for staff and teambuilding exercises for managers. Foreign5 also used a consultation approach in dealing with the union after previous experience found that a confrontational relationship had worsened the situation. Local5 have provided proper communication avenues for staff such as the super software meeting and the open door policy. Dwyer et al. (2000) also found a similar approach taken by a hotel in Indonesia where a works council was established with representatives from each department. Although Local3 have proper avenues for communication, staff seemed reluctant to use these channels but opted for graffiti to voice their grievances. Similarly, Mwaura, Sutton and Roberts (1998) found communication is a major problem in many Chinese organizations, for example Chinese managers were unwilling to express their opinions in meetings. Similar situations were also found at Foreign5 and Local5, managers are unwilling to talk in meetings, despite the fact that both Foreign5 and Local5 advocated strong employee relations and practiced open style communication between staff and management. Schermerhorn (1994) offers an explanation for the identical situation where employees from both countries have different underlying values, for example Malaysians have been culturally

programmed not to fight or question their boss. Hence, managers may approach Malaysians by being with them and does things with them, once they are comfortable it easier to get things done, an approach adopted by Local5 GM, an expatriate who has been in Malaysia long enough to appreciate to the need for cultural sensitivity.

5. Shared values and beliefs/rites and rituals/symbols/national culture/sub-culture

Meetings, celebrations and ceremonies are common rituals practice by all organizations; this is in line with Woods (1989) who found rites, rituals and ceremonies were intended to achieve one of three goals; they focused on making employees feel a part of the organization, they spread the culture, and creating a specific work environment. Similar to Woods findings, each of the three organizations investigated used different approaches in achieving the organizational goals but the themes are identical. Similarly, Foreign5's Esprit, a human resource management initiative, has becomes a vehicle to deliver quality Equilibrium service to customers (Maxwell and Lyle, 2002) benefiting both employees and its customers. Both Local5 and Local3's rituals are vehicles to communicate cultural messages aiming to promote better integration amongst staff. Meanwhile, Foreign5's physical symbols such as building and logo serve as unifying symbols of company identity for employees as indicated in Brown (1998) and Kemp and Dwyer (2001). Foreign5's brand standard book guides many of its shared values and beliefs, which becomes a main reference point for the employees. To a lesser extent the other two organizations also have their own symbols, such as language, uniforms and artefacts, which reflected their values and beliefs. For example, Local5's security uniforms, which were designed to camouflage security personnel, is seen as a unique feature at Local5.

Although Malaysia is a multi-ethnic and multi-cultural country, national culture has less impact on organizational culture arguably due to nearly fifty years of Malaysian independence. As the result, there is a better integration amongst the ethnic groupings such that they are able to work together with a lot of 'give and take' (Schermerhorn,

1994: 55) and there is a reasonable degree of tolerance in the workplace. Cultural baggage does not seem to be a real threat to the organization culture as the main culture still rules, though Foreign5 did acknowledge the existence of sub-cultures, as long they do not threaten the main culture. However, at Local3 the situation was slightly different. It was experiencing conflict because of the presence of sub-cultures. The team-based strong sub-cultures dominated the main culture thus creating a problem for the management, which affected the smooth running of the property. This finding seems contrary to research by Wilson (1997), which suggested that the sub-culture that existed within the bank they studied, did not impact on the performance of the branch.

6. Roles of leadership

At Foreign5, leaders play a pivotal role in bringing in any changes. Leadership at Local5 shaped the espoused culture. Being an expatriate, Local5's GM seemed able to blend her American experiences with the local culture in managing the property. Schermerhorn (1994) notes that foreign managers must be sensitive to local culture if they want to carry out changes because often approaches that work in America will not necessarily work in other parts of the world. Local3 leadership was perceived as the role model for staff and managers alike. In sum, leaders determine the company culture; for example the GM at Foreign5 faced the most challenging task in bringing in the new culture because the employees were very 'complacent' with the old culture. Valentino (2004) suggests that new leaders must become familiar enough with the old basic underlying assumptions in order to understand what needs to be changed and what kind of resistance may be encountered, something that Foreign5 seems to exemplify. However, at Foreign5 the change process became easier when some of the managers and employees decided to leave after they felt marginalized in the new culture.

7. Conflict/image/union/outsourcing/staff turnover

Woods (1989) notes that high turnover amongst managers in the restaurant sector was due to burnout and similar evidence of burnout was seen at Local3, where turnover amongst managers is much higher than operational staff. Whereas, managers at Foreign5 left after they could not fit into the new culture. Ogbonna and Harris (2002) found a high labour turnover imposed significant constraints on the nature of cultural control, while Timo and Davidson (2005) found the opposite; a level of turnover could in effect remove the 'dead wood' or de-motivated employees, a point which was expressed by the human resources director of Local5.

Evidence from both Local5 and Local3, who practice outsourcing, pointed to the difficulty of managing part-timers or peripheral workers in terms of adhering to the organizational culture, and this could be the reason for Foreign5 deciding against employing any part-timers. Local5 did not want to compromise on their commitment to service quality and it seemed that a large pool of peripheral workers could affect any attempt by the organization to develop an 'appropriate' organizational culture which did not match the espoused culture. Evidence seems to suggest that these workers may not be as committed to the organization (Ogbonna and Harris, 2002). Similarly, Stamper and Dyne (2003) found that part-time workers have differences in term of organizational citizenship when compared to full-timers; part-timer workers helped their co-workers less than the full-time workers. Despite these arguments, Lai and Baum (2005) note the hotel industry has been using external labour for a number of years and this has resulted in not only cost-effectiveness benefits but has also solved recruitment problems. Although both arguments have their own validity, for Local3 the priority is business operation and survival which are considered more important than getting the staff committed to the organization hence they decided to outsource their stewarding staff and the cafeteria services. Outsourcing hospitality staff may be new in Malaysia, but hotels in the UK have a longer history of outsourcing food and beverages services and have enjoyed financial benefits from the synergy but there are also some cultural issues that need to be addressed to ensure successful relationships (Hemmington and King, 2000). Similarly, Local5 provided

some solutions to its recruitment problems by outsourcing security staff from a contract firm to complement their existing in-house security. However, outsourcing banqueting staff at Local5 and Local3 has not occurred without any glitches, a lack of commitment and communication appeared to be a common problem for both organizations.

While Foreign5 is the only unionised hotel amongst the three properties, the relationship between the union and management has improved dramatically when the new management took over and decided on a non-confrontational approach in dealing with the union, something which the previous management tended to do. Mwaura et al. (1998) found union and local political intervention was a hindrance to the implementation of proper systems in the personnel function of hiring, firing and recruiting staff in China. In the same way, the trade union at Foreign5 hotel was identified as a barrier to the implementation of a multi-skilling programme in the hotel, which the union believed was concerned with the exploitation of the hotel employees.

8. Crisis management

The manner in which the hotels handled the SARS crisis was almost identical, however the level of the impact was quite different for each organization. Sustainable measures taken by all hotels were based on how much the crisis affected them. Foreign5, for example, used a softer approach of aiming for thrift in all their activities and Local5 survived the ordeal due to its unique location. Meanwhile, Local3 was least affected by the crisis because most of its business came from local clientele. Nevertheless, all the hotels had taken precautionary measures such as cost cutting, saving and freezing hiring to overcome the effect of SARS. As pointed out by Pine and McKecher (2004) hotels affected by SARS in Hong Kong also took similar cost-cutting measures, which included staff being ordered to take annual leave immediately, no paid leave ranging from one day to four days per month, terminating probationers and temporary contracts, and stopping all overtime payments.

9. Service quality

Commitment towards service excellence is seen as a service quality commitment, however each organization has its own way of achieving these goals. Foreign5 focuses on maintaining service excellence by not compromising on standards, which was reflected in every aspect of its organizational culture. Maxwell et al. (2004) in their study of Hilton hotel have identified hotel quality service that resulted from direct or indirect behaviour of the staff mainly with guest or with each other and believed that its Equilibrium and Esprit HR initiatives could enhance Hilton's quest for excellence whereby equilibrium identifies quality and Esprit delivers it. Similarly, Foreign5 seemed the most developed of the three hotels in terms of working on maximizing productivity through the application of ICT in their daily operations. At Local5, the focus is on customer service, where training is used as a vehicle to enhance staff customer relation skills. Lastly, Local3 has a long-term commitment to upgrade the rooms and amenities to a four star standard.

The emerging profiles examined and discussed above aim to enhance employee performance and employee identification with the hotel as suggested by Dwyer et al. (2000). At the same time the emerging profiles are also consistent with the characteristics found by Dwyer et al. (2000) in aiming to socialize employees. Five of out ten keys characteristics from Dwyer findings are similar to the profiles found in this study; integration, control, reward system, conflict tolerance and communication patterns. Meanwhile, Kemp and Dwyer (2001) in the study of Regent Hotel's organizational culture have distinguished six major types of artefact; rituals and routines, stories, symbols, power structures, organizational structures and control system, similarly some of the artefacts mentioned above has been discussed. The following steps will discuss the impact of organizational culture on internal service quality.

7.3 Internal service quality dimensions

The PAT responses yielded more positive responses than negative responses (shown in Table 7.2) in contrast to the findings of Paraskevas (2001) using CIT. Paraskevas (2001) suggests respondents tend to recall the stronger impact of the negative experiences based on the assumption that people recalled bad experiences rather than good ones.

Table 7.2: PAT responses

Process	Positive Responses	Positive Reasons	Negative Responses	Negative Reasons
Coding: Attributes	413	347	391	377
Common: attributes	21	20	44	53
Variables:	20			42
Profile: Dimensions	9			9

The findings pointed to teamwork and consideration as the most significant positive dimensions in all hotels but the percentage varies from one organization to another, where Foreign5 received 41.78% and 22.06% responses respectively, Local5 received 25.58% for both dimensions and Local3 received 42.30% for teamwork followed by consideration (23.07%). Surprisingly, the result saw an almost identical result for both Foreign5 and Local5, while Local3 received a much lower responses on both dimensions.

While the results for the negative dimensions also have something in common, the first two significant dimensions are also identical amongst the three organizations. Foreign5 pointed to the attitude problem of the employees (24.47%), followed by the management related problems (5.61%), lack of teamwork (15.18%) and no reliability (13.50%). While, the negative dimensions for Local5 also pointed to the attitude problem of the employees (27.41%), followed by the management related problems (19.35 %) and lack of skills (11.29%). However, the negative dimensions of Local3

pointed to the attitude problem of the employees (34.37%), followed by management problems and not professional both received 15.62% respectively, followed by no reliability (15.62%). Although all the three cases have identical results on the first two dimensions, it is noticeable that Local3 have the highest responses on attitude problem amongst the three and Foreign5 have the lowest management related problem.

Table 7.3: The difference between negative and positive ISQ

Positive	Negative	Foreign5	Local5	Local3
Teamwork	Lack of teamwork	26.60%	17.52%	39.18%
Communication	Miscommunication	-3.89%	2.14%	7.69%
Consideration	No consideration	18.69%	19.13%	23.07%
Professional	Not professional	0.00%	-2.25%	-7.93%
Responsiveness	Lack responsiveness	-9.47%	-0.64%	-9.37%
Reliability	No reliability	-11.63%	-5.74%	-8.66%

There are several areas that have been identified (shown in Table 7.3), as having the positive differences: for Foreign5 it was teamwork, consideration and professionalism. Both Local5 and Local3 have similar results: teamwork, communication and consideration. While the negative differences are focussed on areas such as miscommunication and lack of responsiveness and no reliability for Foreign5, while both Local5 and Local3 have similar result; not professional, lack of responsiveness and no reliability.

The summary of the differences is shown in Table 7.4 where the positive differences are categorized as non-problem area while the negative differences are categorized as the potential problem areas, which required the attention of the respective hotel management.

Table 7.4: Problem areas

Positive	Negative	Foreign5	Local5	Local3
Teamwork	Lack of teamwork	OK	OK	OK
Communication	Miscommunication	Problem	OK	OK
Consideration	No consideration	OK	OK	OK
Professional	Not professional	OK	Problem	Problem
Responsiveness	Lack responsiveness	Problem	Problem	Problem
Reliability	No reliability	Problem	Problem	Problem

All hotels are performing satisfactorily in terms of teamwork and consideration. Both Local5 and Local3 have no problem with communication amongst employees but Foreign5 certainly have a communication problem between employees. Based on the responses, only Foreign5 staff were perceived as being professional amongst the three hotels, whilst staff at the other two hotels did not see their peers as being professional. Arguably Foreign5's rigorous recruitment practices contributed to this, similarly Paraskevas (2001: 289) argues that hotels at this market level usually employed experienced employees and provide means to develop their staff to a high professional standard; therefore 'a sense of professional pride' is not unusual in such hotels. The two areas that should not be disregarded are lack of responsiveness and no reliability because the employees at the three hotels find their fellow workers did not provide prompt service and at the same time are not always reliable when servicing each other.

Table 7.5: Independent dimensions

Positive	Foreign5	Local5	Local3	Negative	Foreign5	Local5	Local3
Enjoyable	6.57%	11.62%	3.84%	Management problem	15.61%	19.35%	15.62%
Rewards	9.38%	8.13%	7.69%	Attitude problem	24.47%	27.41%	34.37%
Socialise	8.45%	8.13%	3.84%	Lack of skills	4.64%	11.29%	9.37%

Apart from the dimensions mentioned above, the PAT analysis also found six independent positive and negative dimensions hence each dimension is not a reflection of each other as has been found in the first six dimensions. The independent dimensions are shown in Table 7.5. On the positive dimension, Local5 has more enjoyable relationships amongst employees as compared to the other two hotels. In term of rewards and socialising in the working relationship, Foreign5 was leading the way due to its ethos which promotes better interaction amongst the employees, even after working hours.

The negative dimensions pointed to employees own attitude problem and problems related to management, which should be a concern to the hotel management. A higher response was recorded by Local5 in terms of management related problems. Meanwhile, attitude problems amongst employees was higher at Local3. Lack of skills is higher at Local5 and lower responses on lack of skills amongst staff were recorded at Foreign5. Lack of skills denotes a lack of skills related training at Local5 and Local3. The lower lack of skills response by Foreign5 was owing to its heavy investment in systematic training programmes by the management.

Teamwork is much better at Local3, being a smaller hotel it seemed that cooperation and togetherness were better controlled especially after learning from the previous conflict amongst sub-cultures as indicated earlier. Foreign5 on the other hand, although having relatively good teamwork, are having communication problems amongst the staff due to the larger number of employees compared to others. A smaller hotel seemed to have better communication, teamwork and consideration amongst their staff as compared to larger hotels, evidence shows that staff at Local3 are more considerate to fellow staff too. However, peers perceived their fellow employees from international hotel as more professional than the other two hotels, where both Local5 and Local3 are locally based hotels. Out of the three hotels, Local5 had better responsiveness when providing service to each other compared to the other two organizations. Despite being an internationally based hotel that has been identified as having good teamwork amongst staff, Foreign5 received the

lowest rank in terms of reliability by its own staff, while Local3 a small locally based hotel was perceived as more reliable in delivering service to fellow staff.

Staff of Local5 seemed to have more enjoyable working relationships amongst employees compared to the other two hotels, which point to evidence of a more conducive environment for employees to interact. Staff at a higher star hotel think that their working relationship are more rewarding. Moreover staff were able to socialise better compared to a smaller hotel, this could be due to the larger hotels having larger numbers of staff and had enabled the management to provides much better facility for them. For example, Foreign5 staff under the Esprit programme have been provided with an ample, 'luxury' employee recreation room, an ideal avenue for socialization.

The analysis also identified a higher management related problem at Local5 despite the caring attitude of the management as indicated in the interviews. However, the staff attitude problems were seen at Local3 more than any other hotel. In terms of lack of skills, which is related to professionalism and training, the finding found that Local5 has the highest followed by Local3, a point worth considering by the management of both organizations. On the other hand, Foreign5's heavy investment in training and skills development seemed to have a positive return with the results indicating it has the lowest responses in terms of deficiencies in training.

The nine dimensions that emerged from the PAT analysis of internal service quality are teamwork, communication, consideration, professional, responsiveness, reliability, enjoyable, rewards and socialise. There is consistency in the results between this study and other studies conducted by Caruana and Pitt (1997); Grembler, Bitner and Evans (1994); Paraskevas (2001); Reynoso and Moores (1995); Vandermerwe and Gilbert (1991) and White and Rudall (1999) as shown in Table 7.6. Meanwhile, two other studies of ISQ in the hospitality sector point to similar outcomes; White and Rudall (1999) found empathy, reliability, tangibles, responsiveness and assurance as the emerging dimensions, while Paraskevas (2001) found professionalism, dependability, conscientiousness,

Table 7.6: Comparative ISQ dimensions based on Parasuraman et al. 1988

	1	2	3	4	5	6	7	8
	External	Internal	Internal	Internal	Internal	Internal	Internal (CIT)	Internal (PAT)
	Parasuraman et al. 1988	Vandermerwe and Gilbert, 1991	Grembler et al. 1994	Reynoso and Moores, 1995	Caruana and Pitt, 1997	White and Rudall, 1999	Paraskevas, 2001	This Study
1	Tangibles			Tangibles	Tangibles	Tangibles		
2	Reliability	Reliability On Time		Reliability	Reliability	Reliability	Dependability	Reliability
3	Responsiveness	Responsiveness	Recovery	Helpfulness	Responsiveness	Responsiveness		Responsiveness
4	Empathy		Spontaneity	Promptness	Empathy	Empathy		
5	Assurance			Professionalism Consideration	Assurance	Assurance	Professionalism Consideration	Professional Consideration
6				Confidentiality			Conscientiousness	
7			Adaptability	Flexibility		Flexibility	Communication	Communication
8		Relevance				Relevance		Teamwork
9		Cost						Enjoyable
10		Within budget						Rewards
								Socialise

communication and consideration as the emerging dimensions. Reliability was found to be a common dimension amongst all the researchers including Parasuraman et al. (1988). Paraskevas (2001) meanwhile, uses the term dependability instead of reliability, although both terms carry a similar meaning. Responsiveness emerged in studies carried out by Caruana and Pitt (1997), Vandiermerwe and Gilbert (1991) and White and Rudall (1999). Professionalism and consideration emerged as dimensions in Paraskevas (2001) and Reynoso and Moores (1995). One of the important dimensions in interdepartmental relationships is communication based on the works of Paraskevas (2001), Reynoso and Moores (1995) and White and Rudall (1999). The recurrence of dimensions such as teamwork and communication in both the ISQ profiles and organizational culture profiles confirmed the significance of both dimensions in the investigation of the internal service domain, whereas any negative differences found in the ISQ might signal potential problems to interpersonal relationships in the organizations.

One of the strength of the ISQ analysis is its ability to display the emerging dimensions based on the responses for each organization which could benefit both practitioners and researchers. The information shown in Tables 7.7 and 7.8 could be used to identify particular areas of service strength and weakness (Johns and Howard, 1998) for each organization. Managers in each hotel will be able to assess whether the staff are performing well or not in terms of working relationships amongst staff in the hotel based on the ISQ analysis. A better understanding of the significance of the dimensions for each hotel could be achieved through the display of the ranking of the dimensions. It shows how employees from each organization prioritise and value their preferences in term of ISQ dimensions.

Table 7.7: Positive dimensions in order of importance

	Foreign5	Local5	Local3
1	Teamwork	Teamwork	Teamwork
2	Consideration	Consideration	Consideration
3	Rewards	Enjoyable	Communication
4	Socialise	Rewards	Professional
5	Enjoyable	Socialise	Rewards
6	Professional	Communication	Reliability
7	Communication	Professional	Enjoyable
8	Responsiveness	Responsiveness	Socialise
9	Reliability	Reliability	Responsiveness

For the positive profile, teamwork amongst staff is ranked first indicating it as the most significant dimensions in all hotels investigated. The importance of teamwork or Esprit de corps is identified as the most important element for successful organizational work culture in term of servicing each other in the working relationship (shown in Table 7.7). This is followed by consideration, which was ranked as second most important by the staff. Consideration to each other, which is related to teamwork, is also considered an important criterion in working relationships amongst the staff. Surprisingly, dimensions such as responsiveness, reliability are not the main priorities to the respondents in determining a good working relationship.

Table 7.8: Negative dimensions in order of importance

	Foreign5	Local5	Local3
1	Attitude problem	Attitude problem	Attitude problem
2	Management problem	Management problem	Not professional
3	Lack of teamwork	Lack of skills	Management problem
4	No reliability	Lack of teamwork	No reliability
5	Lack responsiveness	Not professional	Lack responsiveness
6	Miscommunication	No reliability	Lack of skills
7	Lack of skills	No consideration	Lack of teamwork
8	Not professional	Lack responsiveness	Miscommunication
9	No consideration	Miscommunication	No consideration

Meanwhile, for the negative profile (shown in Table 7.8), attitude problems amongst the staff was identified, as the most important response by the employees indicating many of the problems in the working relationship were traced to employees own attitude problems towards each other because much of the interaction during work is between individuals. For Foreign5 and Local5, employees indicated management related problems as another form of obstacle towards a better working relationship in their organization. Besides pointing the finger at colleagues, employees also blamed the management for their unsound policies and systems, which affected operations. Local3 employees perceived their peers as unprofessional, the second problem next to staff attitude problem, while the management problem was third. However, for the dimensions in both tables, each organization has its own order of importance that signified the uniqueness of each organization.

White and Rudall (1999) suggest that many dimensions emerged in their study, which closely resembled the original SERVQUAL dimensions of Parasuraman et al. (1988) although the latter are the proponents of the external domain. In a similar vein, this study of the ISQ using PAT found nine emerging dimensions, which has similarities to other researchers of the internal domain. The evidence above also suggests that PAT is equally pertinent to examine the internal domain of the service quality.

7.4 Linking OC and ISQ

This empirical investigation examines the impact of organizational culture on internal service quality of three hotels from the employee perspective using a combination of qualitative and semi-quantitative assessment methods. The following will discuss the linkages between organizational culture and internal service quality.

Organizational culture may impact on the ways people think, perform tasks, and communicate with each other. According to Schein (2004: 17) culture is '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 integration that 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 problem'. In a less formal way, Deal and Kennedy (1982: 4) describe an organizational culture as 'the way we do things around here'. More pragmatically, the culture of an organization is most clearly shown through the practices of the company according to Roper, Brookes and Hampton (1997). These definitions point to how organizational culture provides a behavioural framework for employees to think, carry out work, interact and communicate with each other according to their shared perceptions and beliefs. These perceptions and beliefs could influence the employee behaviour especially in the way they work, solve problems or communicate with internal as well as external customers. These aspects, in turn also affect each employee's job performance and satisfaction and thus in the long term affect the organization performance. Hence, Schein (1985), Brown (1998) and Ogbonna and Harris (2002) as 'realists' advocate fuller explorations of the application of the concept in order to develop a better understanding of the dynamics of culture change. This will led the discussion into the earlier concept of linking organizational culture to performance (Denison 1990, Ueki and Umezawa 1994 and Kotter and Heskett 1992).

Some of the related issues of linking organizational culture to performance were also addressed by Dywer et al., Kemp and Dwyer, Tidball, Woods and Watson and D'Annunzio-Green. Tidball (1988) argues that there is a direct link between culture and company profitability. Woods (1989) uncovers how a better understanding of restaurant culture could lead to better profits. Vallen (1993) examines job dissatisfaction and work environments that can cause burnout. Leblanc and Mills (1995) consider the relationship between organizational culture and performance. Watson and D'Annunzio-Green (1996) examine strategies and human resources practices implemented by two hotels to ensure long-term success. Dwyer et al. (2000) identified 10 characteristics of organizational culture that have impacted upon employee performance: individual initiative, risk tolerance, direction, integration, management support, control, identity, reward system, conflict tolerance, and communication patterns. Finally, Kemp and Dwyer (2001) explain the use of culture

to enhance organizational performance. Similarly, Lee and Yu (2004) found that the cultural strength of organizations was related to organizational performance in some cases and additionally some cultural elements, which distinguish companies from each other, are also found to be related to performance. Although the similarities in the profiles found in this study are clear, the level of cultural activities in each organization varies from organization to organization. In other words, each organization has its own ways of doing things.

The findings of the ISQ profiles point to different levels of satisfaction and dissatisfaction in each organization expressed in the forms of the ISQ dimensions (shown in Figure 7.1 and Figure 7.2 on the next page). The results of the PAT analysis pointed to teamwork and consideration as strong values that contributed most to internal service quality at all the hotels. Teamwork and consideration co-existed next to each other to satisfy the need of the individual employee, external customers and organization as a whole.

Lee and Yu (2004) categorised hospitals as a team oriented culture due to the nature of the jobs of doctors and nurses, while insurance is more task orientated and manufacturing more humanistic. Similarly, the hotel sector, due to the nature of the jobs that require strong teamwork, could also be categorised as being redolent of a team-oriented culture. This was supported by the evidence, which found that teamwork emerged as the most significant dimension in the organizational culture as well as the analysis of ISQ where teamwork was described as the dominant positive dimension.

Maxwell et al. (2004) in their study found that Foreign5 international's organizational culture was characterized by professionalism and being systematic and process-led, however in the case of the specific Foreign5 in Malaysia, the findings indicated that staff of Foreign5 perceived their peers as professional compared to the other two hotels. However, the strength of this dimension is rather weak because of the equal number of responses for both positive and negative aspects. A closer examination of the evidence from Foreign5, found further support

for Maxwell et al.'s (2004) argument, Foreign5 have employed a proactive approach in coordinating its HRM activities, since much of its HR strategic planning is based on guidelines from its regional corporate office. Foreign5 have been successful in developing their human resources systems, which was also globally recognized, for example many ex-Foreign5 staff are easily 'absorbed' by other hotels.

Figure 7.1: Positive ISQ

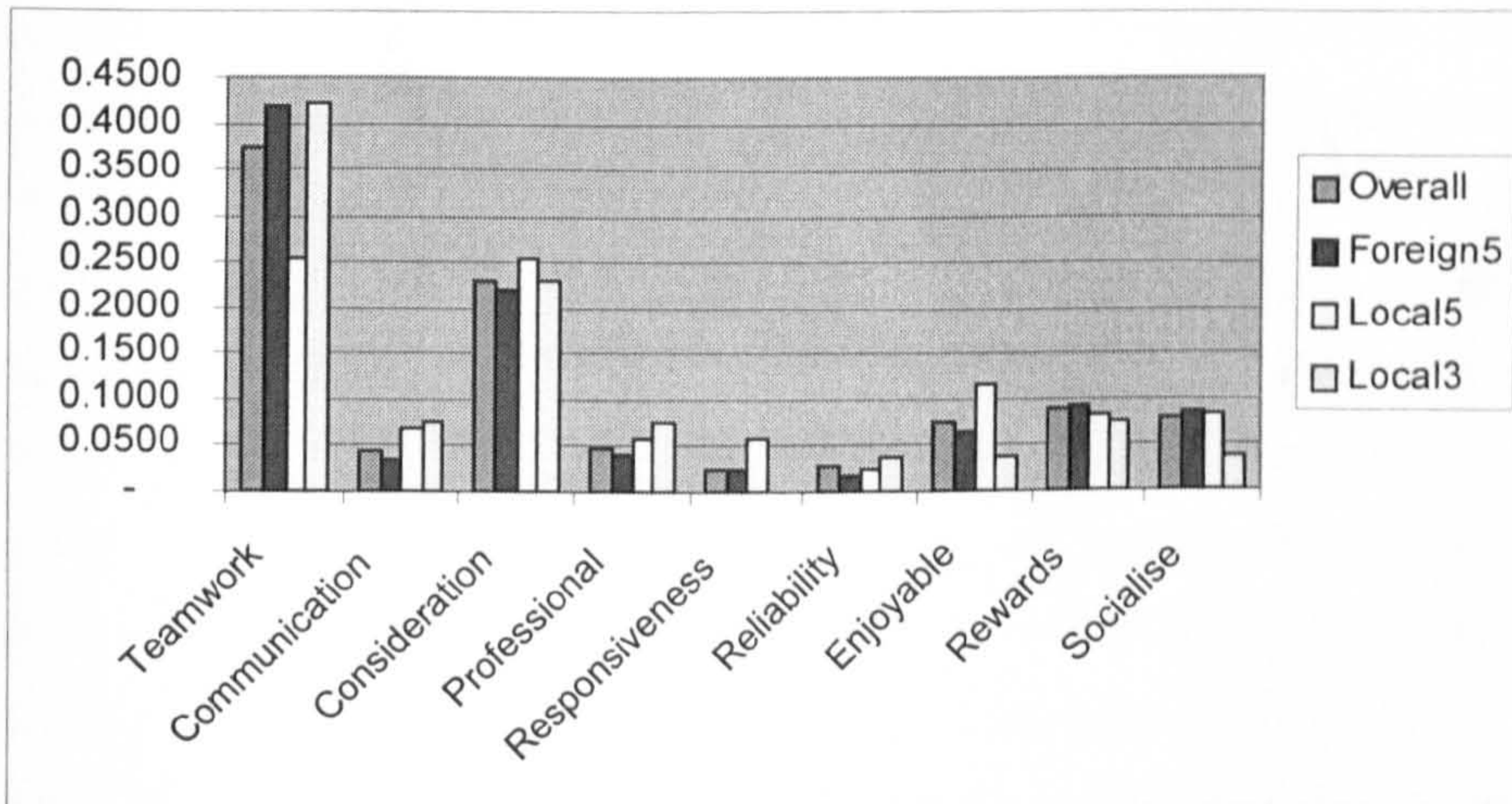
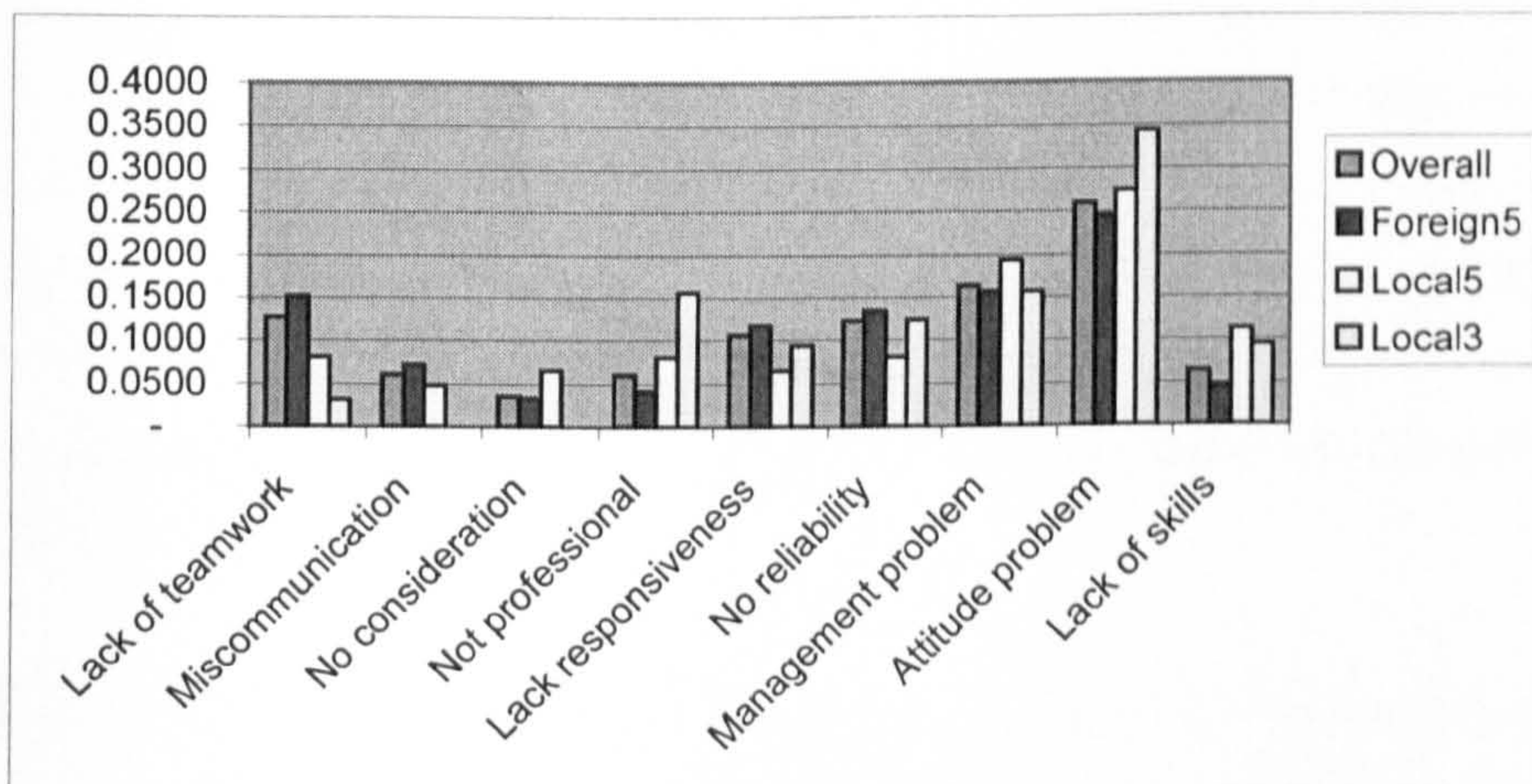


Figure 7.2: Negative ISQ



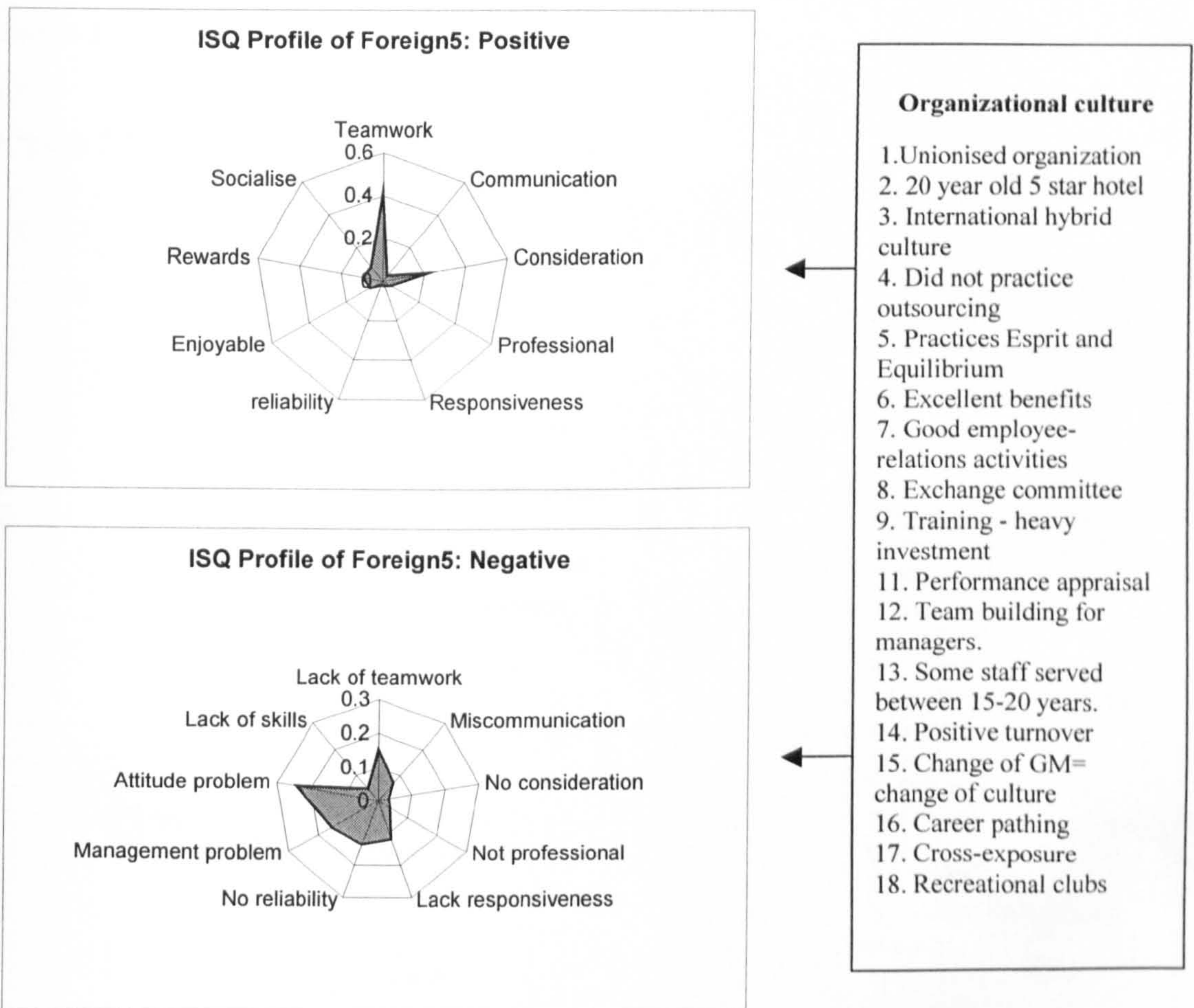
Despite the evidence of good teamwork amongst staff at Foreign5, one of its weaknesses is in the area of communication. The results indicate that staff were

unable to communicate effectively between each other because although attention was given to improving communications between management and staff or management and the union, the hotel seemed to ignore the fact that employees communicate with each other extensively during their working relationship. Dwyer et al. (2000) suggests that the formal channel of communication in hotels should be complemented by a structure of communication that attempted to minimize hierarchy and authority. Under the present leadership Foreign5 had a new structure, which has sought to improve communication, although it was able to reduce the number of managers in the organization, some employees thought it had slowed down the process of communication. In many ways, the new leadership are seeking to improve communication amongst staff, while in the 'old culture' staff were not encouraged to be critical to each other. In sum, it must be recognised that in the past the staff were experiencing a different culture, hence any attempt to realign their long held beliefs would require time and it is too early to judge at this stage whether it has been wholly successful. In the short term, Foreign5 equally should focus on addressing the communication problems between staff and management and also the communication between staff. For example, training in the area of interpersonal communications or human relations would be an added value since the existing Foreign5 staff are generally highly skilled employees. Meantime, the management should also aim to promote transparency and sincere communications amongst employees as this will not only promote an amicable working environment but also encourage creativity and enhance productivity. While communication was not a problem for both Local5 and Local3, they have a more serious problem wherein employees did not perceive their colleagues as professional, a prerequisite for any service-orientated organization. This particular point may also relate to evidence of the lack of responsiveness and reliability as the common problems identified at the three hotels investigated.

In order to illustrate the impact of organizational culture and internal service quality, it is necessary to examine the linkages established as shown below in Figures 7.3, 7.4 and 7.5 which display both the OC profile and the ISQ profile. The discussion below

also briefly outlines several aspects of organizational culture of each hotel and relates them to the emerging ISQ dimensions based on the concept of linking OCP and ISQ.

Figure 7.3: Linking OCP and ISQ of Foreign5

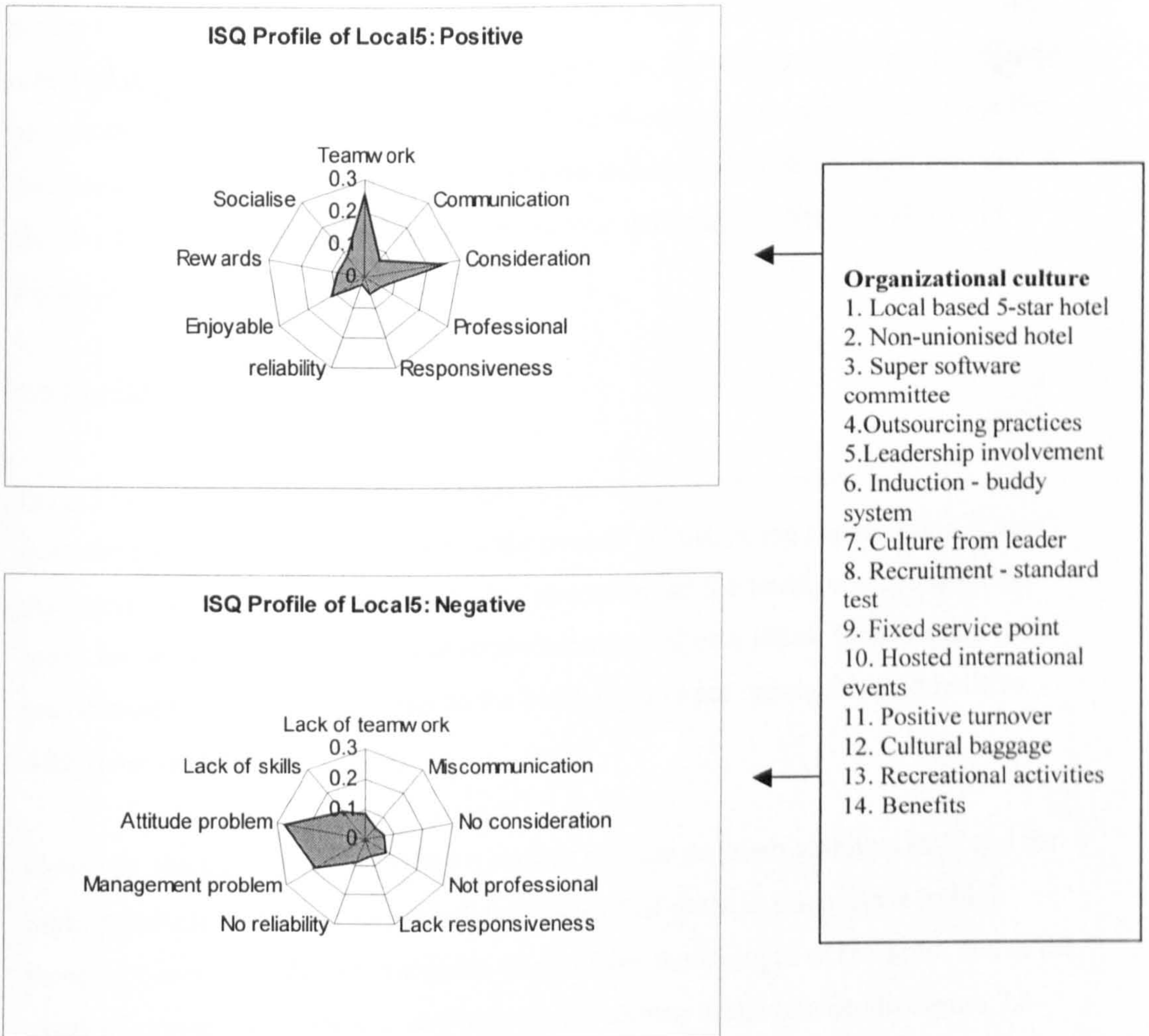


7.5 Foreign5

Foreign5 have been in the market for over twenty years. The unionised 5-star multinational international hotel observes a strict adherence to its corporate policies and management practices allowing certain flexibility to suit host country legal requirements such as labour laws. Recently, the property has undergone a massive shift in the culture as a result of leadership change. Despite a strong adherence to standard human resources practices and a focus on employee-centred management,

the behavioural patterns of the staff are not much different from the other two hotels in the study. However, its strength lies in the existence of strong teamwork and consideration of fellow employees and the weaknesses are in the absence of reliability, responsiveness and communication amongst the staff. The satisfaction and dissatisfaction expressed by the Foreign5 employees is displayed in the profiles shown in Figure 7.3.

Figure 7.4: Linking OCP and ISQ of Local5



7.6 Local5

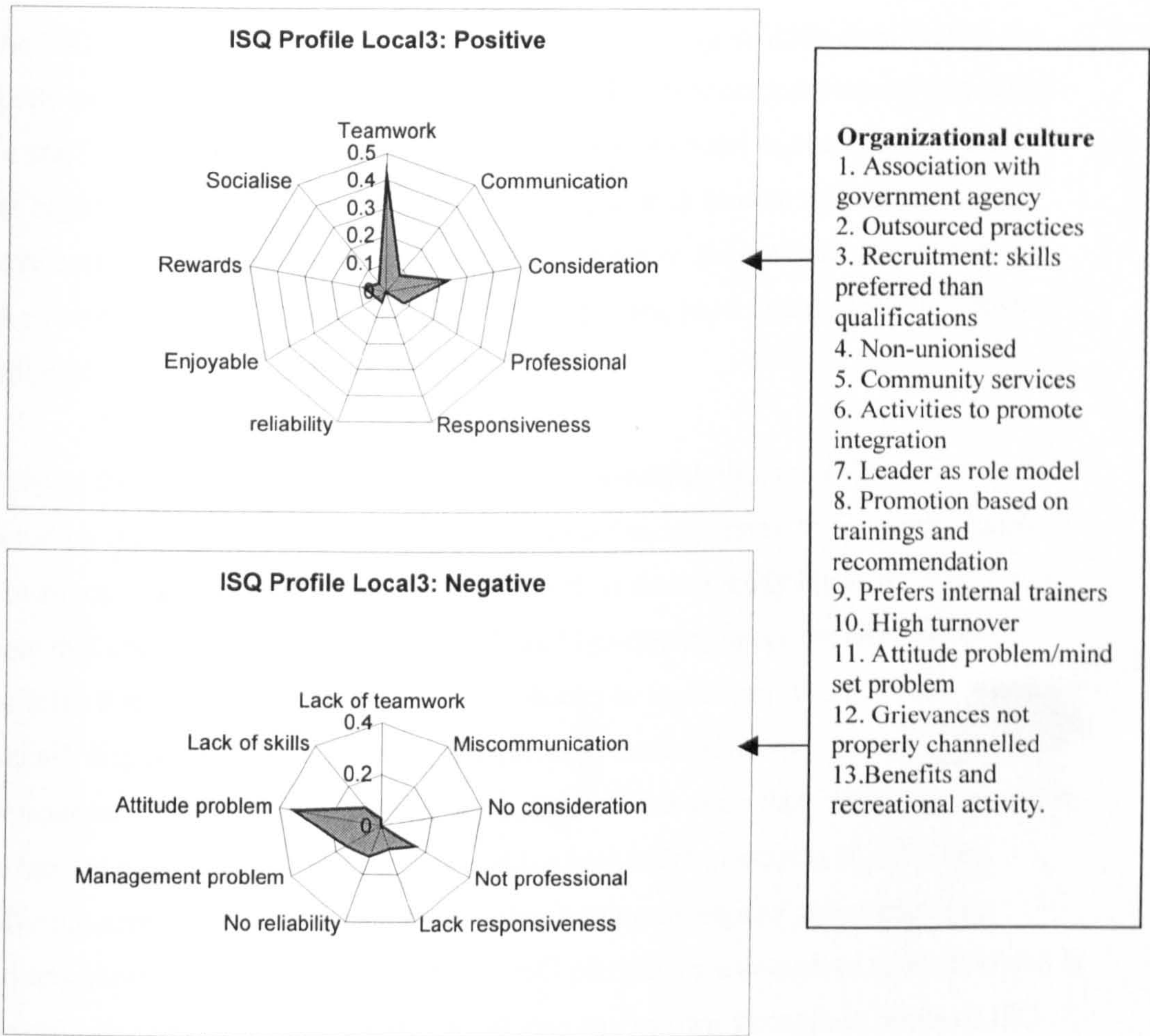
Local5 is a locally based 5 star international hotel that practices an open door policy and leadership by example. The leadership determines the espoused culture without any interference from the owning company. As a non-unionised hotel, it practices an open-door policy where employees are encouraged to voice their grievances directly to the GM besides that the management is actively pursuing employee relations activities. The hotel may be slightly behind Foreign5 in terms of providing benefits and perks packages for employees, but the staff indicated that it is one of the best places to come to work because of its friendly atmosphere. Image wise, the GM has received many international awards and recognition. The strength lies in the presence of teamwork, consideration and an enjoyable relationship with each other, while the weaknesses are the absence of professionalism and lack of skills amongst the staff. A slightly higher management related problem was detected in Local5 as shown in Figure 7.4 above.

7.7 Local3

Local3 is a property managed by a local group; the property is owed by a government agency, which influences the overall culture of the organization. Local3 management tend to focus on day-to-day operations of the hotel, giving them little room for developing creativity and implementation of new ideas. Benefits and perks are offered based on affordability to the company and are reasonably competitive with other hotels in the vicinity.

However, the hotel seemed to have a serious attitude problem amongst staff and the highest indication of unprofessional employees that perhaps contributes to high turnover amongst staff and managers. Meanwhile, the strength of the hotel lies in the areas of strong teamwork and consideration as shown in the profiles in Figure 7.5 below.

Figure 7.5: Linking OCP and ISQ of Local3



The evidence suggests there are linkages between organizational culture and internal service quality even though the notable findings pointed to the existence of similarities in the way the organizations do things in term of human resources policies and practices. The evidence further suggests that despite all the ‘generosity’ offered by the management, dissatisfaction amongst staff still prevailed in all hotels, it seemed that no matter how much the organizations offered, it was hard to please the employees all the time. Moreover, there was evidence that staff were complaining about management and sometimes, blamed them for inefficiency in

certain areas of the operations. That said, the attitudes of some employees were also held up as a contributing factor to the inefficiency in delivering service to each other.

The ISQ profiles indicate that employees are still lacking in skills even though the hotels have been actively engaged in training to improve on competency and skills for staff. The amount and type of training varies from hotel to hotel, although all of the organizations offered some level of training in their human resource development. The evidence from the ISQ profiles also indicate that organizations like Foreign5, who had invested in training activities, have less of a skills problem amongst its staff compared to others.

Despite the above evidence it still hard to truly establish that the ISQ performances could be linked to a strong organizational culture as suggested by Heskett, Jones, Loveman, Sasser and Schlesinger (1994). In their earlier study Heskett et al. (1994) note that employee satisfaction results from high-quality supports services and policies that enable employees to deliver results to customers. Findings suggest that Local3 displayed a positive ISQ performance in terms of teamwork and consideration and evidenced better percentages in the areas than Foreign5. Hence, it is hard to conclude that organizations with a high level of employee activities, offering more benefits and perks, providing more training and practicing open communications necessarily have better ISQ performance compared to hotel which is not so progressive. Thus, a smaller hotel also has its own strength in terms of ISQ performance compared to the larger establishments.

However, comparatively, the results suggest that organizational culture still plays an important role in establishing the varying levels of staff relationship in all the cases studied. In a similar vein, Silverthorne, (2004) found organizational culture plays an important role in the level of job satisfaction and commitment in an organization. For example, a bureaucratic organizational culture resulted in the lowest level of job satisfaction indicating that it has greater problems with maintaining employee job satisfaction than organizations that have an innovative or supportive culture. Similarly, the findings in the thesis point to different types of organizational culture

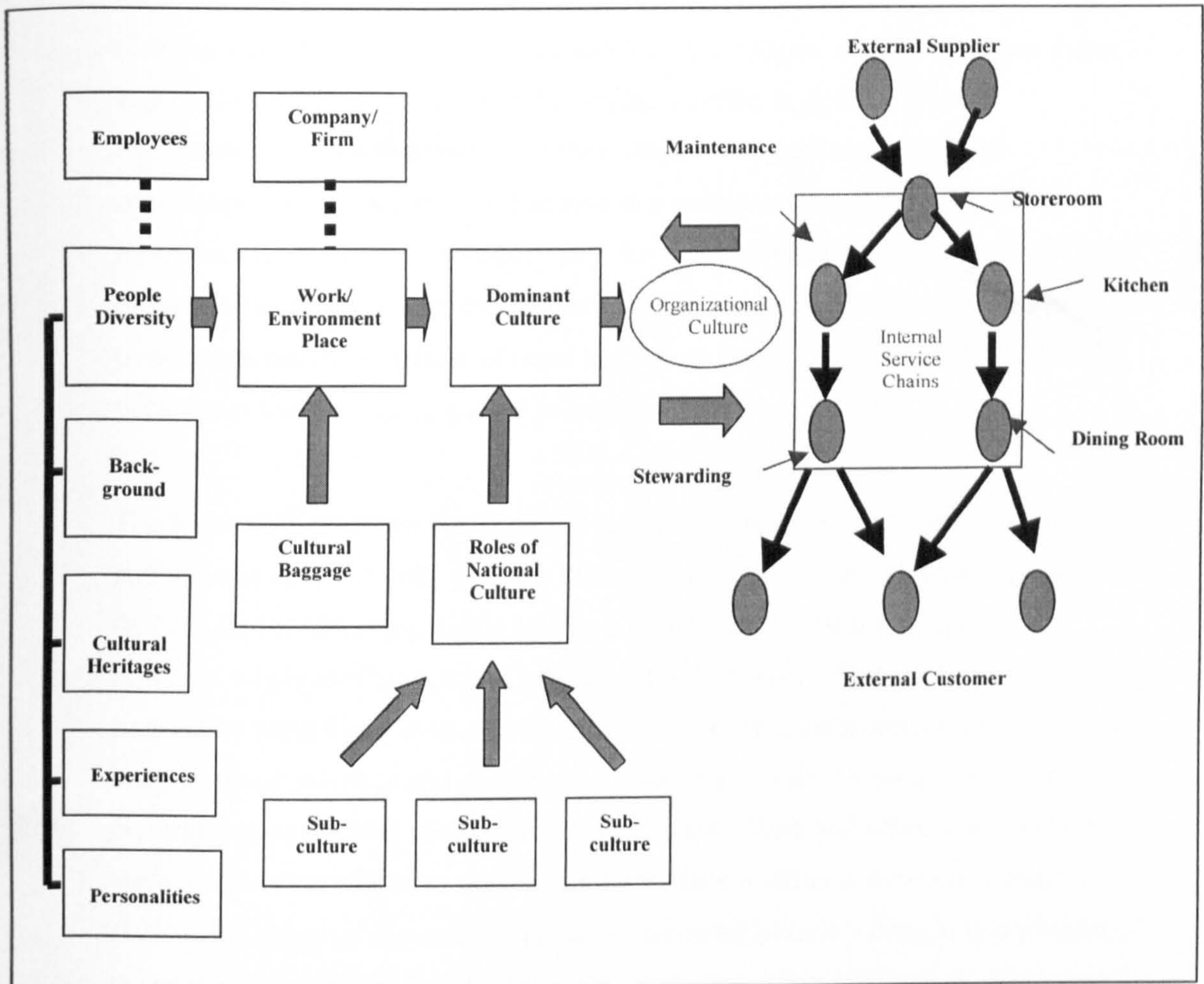
having different levels of ISQ as suggested by Rashid, Sambasivan and Johari (2003). Rashid et al. found that different types of organizational culture have different levels of acceptance of attitudes toward organizational change. Overall, this study suggests that organizational culture has affected the ISQ performances. The study provides empirical evidence that suggests that different types of organizational culture have different levels of impact on the employee behaviour in terms of interpersonal relationships.

Basic practices, especially human resource management, are quite similar in all organizations but they vary in emphasis based on their organizational needs and organization affordability. It is interesting to note that employee-centred management and a high level of employee participation and involvement does not guarantee the desired culture and results in an organization. There was evidence of dissatisfaction amongst the staff, especially those who have served more than 20 years, especially when many staff who have served 15 to 20 years are still in the same position when they first started and the existence of attractive retirement benefits seem the main reason for continuing the job.

Again, the evidence gathered on the linkages between organization culture and internal service quality from the three organizations suggests that each organization has its own way of doing things, which is consistent with the findings of Cannon (2002), who argues there is no single 'right' way of making sure organizations deliver consistent internal service. She pointed to how the needs for a high-level of commitment of organization's leaders and the philosophy of internal service must be imbedded in the organization's culture and not a temporary prescription. Cannon (2002) further notes the importance of seven steps of human resource practices to minimise internal service gaps, which includes establishing the right organizational culture, support from top level leaders, recruitment and hiring the right candidates, establishing processes to maximise performance, communicate with employees and understand their needs, consistently develop employees skill and knowledge and establish the right environment for employees to achieve quality performance.

Having discussed the linkages and trends of the organizational culture and ISQ performance, attention now turns to the analytical framework of the study.

Figure 7.6: The analytical framework



7.8 The analytical framework

The framework was formulated in line with Schein's (1985a) work, which focused on cultural evolution and how it was transmitted throughout the organizations, in turn influencing the organization's strategy and performance. In a similar account, Brown

(1988) proposed that analysis and recognition of the surface culture as the initial step in strategy formulation and implementation in the evaluation of organizational performance. This is in line with the realist perspective of Ogbonna and Harris (2002), which is a notably important world-view in researching organizational culture as the process involves interpreting a very complex set of beliefs, values, behaviours, attitudes, and assumptions of both employees and organizations. Schein (1985a), Brown (1998) and Ogbonna and Harris (2002) as 'realists' advocate fuller explorations of the application of the concept in order to develop a better understanding of the dynamics of culture change. They acknowledge that organizational culture may be influenced to a certain extent, but not, as already intimated, easily controlled. Importantly, the 'realists' further argue that the ability of organizations and managers to influence culture may be greatest during the inception of an organization, in periods of crisis and during leadership changes. It is the realist perspective that is largely adopted in this research.

The framework proposed that there is a relationship between organizational culture and internal service quality and how these two are linked. The evidence suggested that employees and organization equally contributed to organizational culture however, employees background such as cultural heritage, experiences and personality plays lesser roles in influencing the organization's culture while organizational practices and policies play a significant role. Consequently even cultural baggage, which resulted from the national culture and sub-culture, did not seem to affect the culture in the organizations. This is rather contrary to Tayeb (1997) who suggests that certain values, in particular Islamic values, might translate themselves into workplace behaviour. This study found that although in all hotels there was a majority of employees who are Malay and Muslim, their workplace behaviours are not really influenced by their cultural baggage. It is undeniable that certain cultural or religious values were given recognition as part of legal or government requirements, although the overall practices in the hotel culture seem entirely different from the culture in public service departments found in Tayeb (1997). It has been an industry practice for hotels to recruit and hire employees from diverse cultural backgrounds and 'mould' them into the organizational culture

through induction, training and socialization processes as shown by evidence found at the three organizations particularly, Foreign5 and Local5 where organizational culture seem to supersede national culture including religious beliefs. Foreign5 practices 'meticulous' selection to ensure potential employees fit into the organization's way of life. Organizational culture does affect the relationships of the internal customers to a certain extent as has been described above, but each organization uniquely maintained its own ways of doing things which is best suited to their organizational mission and objectives.

7.9 Recommendations

Organizational culture is a powerful tool that binds organizations together though each organization has a unique culture that is distinct from other organizations. Hence, developing the 'right' organizational culture or getting employees to behave or practice the specific behaviours in the workplace is basically the first steps towards managerial intervention in organizations. In line with Ogbonna and Harris' (2002) suggestion that managing organizational culture is one of the most popular forms of managerial intervention, many practitioners already engage themselves in various forms of cultural intervention in their organizations despite the continuing debates on the manageability of organizational culture. This study has provided insights into the importance of changes in the organizations, as they are critical elements that influence the organizational performances and determine the future of the organization. The case study organizations displayed many vibrant and positive aspects of organizational culture, which could be emulated by other organizations. Some of the positives attributes are:

1. Leadership and management styles play an important role in determining the espoused culture in an organization. The case studies provide a clear evidence of a more realistic and practical top-down approach if any changes are to be initiated in the organization. The leader must play a significant role in setting the clear strategic direction and making sure creative and innovative human resource policies and practices follow.

Transparency and an open environment, such as an open door policy, means staff have access to all level of management and which seemed to encourage a healthy working environment. Leaders must not cow people into unhealthy silence as this may cause frustration and may affect performance.

2. A challenging work environment must be complemented with a pleasant and collegial atmosphere, conducive to creative thinking and learning which at the same time encourages professional growth amongst employees. A conducive physical and mental environment is vital in highly stressful work situations and a labour intensive industry, such as the hotel industry. Hence, a pleasant locker room, good recreation room and excellent staff cafeteria are highly recommended. Sound mental environment includes providing proper avenues for staff to express their views to the management. Hence, establishing two-way communications between management and employees is crucial, where knowledge is shared and feedback is highly encouraged. In addition to attempting to create an open and transparent work environment, management must allow constructive criticism and allow criticism amongst staff as it stimulates creativity.
3. Professional and personal development of the employees must be properly managed as it creates a better sense of belonging and loyalty to the organization through a more structured combination of technical, management and individual skills, workshops, short courses, conferences and classes for all employees.
4. Rewarding employees must go beyond financial and materials rewards. Intrinsic rewards such as personal acknowledgement, praise, encouragement and positive feedback by managers are equally important and greatly appreciated by employees. There is also a need to establish a clear performance appraisal system as fair approach to rewarding employees based on performance.

5. Inculcate strong teamwork culture, as evidence shows that team spirit is important. Arguably, it promotes team harmony through effective employee relations activities. Positive values and beliefs shared across the workforce encourage a productive work culture.
6. The human resource function must move from merely being the watchdog of organizational policies and regulations and simply an administration functions. Being the hub of the company, the function of human resource department must be strategic and aligned to organizational objectives and overall strategies. The evidence from the study suggests that the leadership and the human resource department personnel are the catalysts in implementing or initiating change in the organizations.

7.10 Conclusion

This study is the first of its kind in attempting to link organizational culture with internal service quality. Additionally, it also a first attempt to examine ISQ using the PAT technique, which has primarily been used as measurement tool to consider the external domain of service quality. The findings suggest that PAT is a flexible tool which can be used concurrently with qualitative techniques such as interviews in investigating organizational culture. The findings in this study should provide a first step to understanding the impact of organizational culture on internal service quality in the hospitality sector.

It appears that the key categorical dimensions of organizational culture which emerged from the research focused on nine emerging themes such as guiding principle, recruitment and socialization, human resource development, communication, shared values and beliefs, leadership, conflict and turnover, handling crisis and service quality. The PAT analysis also yielded nine distinct dimensions each for both positive and negative aspects. Positive aspects were reliability, responsiveness, professional, consideration, communication, teamwork, enjoyable,

rewards, socialise for positive profile. While the negative profile covers areas such as lack of teamwork, miscommunication, no consideration, not professional, lack of responsiveness, no reliability, management problem, attitude problem and lack of skills. The gaps between positive and negative dimensions are then analysed to identify positive or negative outcomes.

Although the study did not intend to replicate any previous studies, some of the dimensions in the findings of organizational culture found that the emergent profile are similar to Dywer et al. (2000) and Kemp and Dwyer (2001). The ISQ dimensions also bear resemblance to some of the dimensions found by many authors such Caruana and Pitt (1997), Parasuraman (1988), Paraskevas (2001), Reynoso and Moores (1995), Vandermerwe and Gilbert (1991) and White and Rudall (1999). The study did not aim to investigate the causal relationship between organizational culture and ISQ, but merely to outline the interesting insights of the ways things are carried out (Deal and Kennedy, 1982) at each hotel which had resulted in a set of behavioural patterns which was reflected in the ISQ profiles.

In many ways, this study attempted to understand the linkages between organizational culture and internal service quality wherein a more pragmatic approach was adopted in hope that the findings would benefits both scholars and practitioners. Some of the exemplary HRM practices cited in the cases could be used by other organizations, especially in better understanding the interdepartmental relationships in an organization in its own cultural environment.

CHAPTER 8 CONCLUSIONS

8.1 Introduction

This chapter reviews the purposes and the importance of this study, and briefly discusses the methodology and framework used in the investigation. Then, the empirical evidence of the study is summarized, and the theoretical and practical implications of the findings are considered. Finally, the limitations are addressed and suggestions are offered for future research in the area of organizational culture and internal service quality.

This thesis has been concerned with examining the impact of organizational culture on internal service quality in three hotels in Malaysia. The case studies examined the effect of organizational culture on internal service quality in three organizations - Foreign5, Local5 and Local3. The investigation explored the connection between organizational culture and internal service quality based on the previous studies that link organizational culture to organizational performance (Denison 1990, Kotter and Heskett 1992, Ueki and Umezawa 1992). The case studies were based on in-depth interviews and a semi-quantitative technique, Profile Accumulation Technique (PAT). The analysis shows that certain aspects of organizational culture profile may impact on the internal service quality performance of an organization.

The objective of this final chapter is to move one step further by presenting theoretical linkages between the literature and main findings of the research. The chapter will bridge the gaps between the thesis, the research questions and the previous work discussed in the literature review (Chapters 1 and 2). Meanwhile, Chapter 3 explained the methodological choice responsible for bringing the thesis together especially in enabling the research to uncover various tangible aspects of organizational culture and ISQ as described in Chapters 4-6. Apart from the contributions made through the findings, the thesis also recognized the methodological issues related to several weakness and limitations of the study. In

relation to that, the conclusion will also address the possible direction for future research in this area.

8.2 The analytical framework revisited

In line with the objectives of the research, this study attempted to synthesise literature from different areas, particularly organizational culture, organizational culture and performance and internal service quality to develop a framework which allowed a micro level investigation to be carried out in the three organizations. Ogbonna and Harris' (2002) framework was adopted to examine organizational culture from the realist perspective and Johns and Lee-Ross (1995) technique was used to explore internal service quality based on the earlier works of Caruana and Pitt (1997), Paraskevas (2001) and White and Rundall (1999). While, Ogbonna and Harris' (2002) work was particularly useful in terms of determining the paradigm of the research, the three works on ISQ served as a guideline on the operational aspects of the research carried out especially in relations to the application of Johns and Lee-Ross (1995) technique in the evaluation of employees interdepartmental relationships within the organizations. Although PAT has been mainly applied in external customers service quality evaluation, it was also found to be a particularly useful tool to apply it to the internal service domain.

The previous literature that discusses the links between organizational culture and organizational performances (Denison 1990, Kotter and Heskett 1992 and Ueki and Umezawa 1992) provided the preliminary work for establishing a framework for this study. These studies focus on organizational performances such as effectiveness, performance and productivity. Furthermore, other popular business literature such as Peters and Waterman (1982) creates awareness on the existence of the potential linkage between culture and performance in organizations.

In the hospitality sector, no research has explicitly addressed the issue of linking organizational culture to organizational performance. This study has addressed the lack of research in this area especially by studying how employees (internal

customers) are servicing each other within an organization's own cultural environment in the hospitality sector.

In Chapter 2, the discussion also recognized the uniqueness of the service sector and pointed out that the concept of evaluating service quality, which was originally established for application in the manufacturing sector, was not appropriate for use in the hospitality sector. For example, Johns (1996) argues that the SERVQUAL instrument is potentially inappropriate for use in the hospitality sector since the research questions in service quality require contextually sensitive qualitative research. Consequently, service quality measurement in the hospitality sector cannot be based solely on an assumption that consumers always evaluate service quality in terms of expectations and perceptions. This argument also strengthens the earlier justification for the utilization of PAT as the right tool to consider the internal service domain as it is more focussed on service experience based on the respondent own words.

After reviewing the literature related to conceptual and methodological issues in the study of organizational culture and service quality/internal service quality a pragmatic, or 'realist' approach allowed for the collection of data which addressed the issue of linkages between OC and ISQ from both the interviews and the PAT responses. Such an approach allowed for the generation of qualitative and semi-quantitative data and here the findings are revisited, presented in a consolidated form to enable a cross-case comparison.

8.3 The empirical evidence

This section summarises the findings on the organizational culture-internal service quality relationship based on the established theoretical position discussed earlier. Table 8.1 displays some of the similarities and differences found in the three organizations.

Table 8.1: Similarities and differences at Foreign5, Local5 and Local3

SIMILARITIES AND DIFFERENCES		F5	L5	L3
SIMILARITIES				
1	Rites and rituals: identical to the industry practices	√	√	√
2	Training: widely exploited as a tool in cultural intervention	√	√	√
3	Rewards: varied according to their own affordability	√	√	√
4	Benefits: basic requirement is standard (required by laws) others varied based on the organizations own standard	√	√	√
5	Communication: similar but not exactly the same	√	√	√
6	Resistance to change: existed across cases	√	√	√
7	Leadership roles: role model and change initiator	√	√	√
8	Crisis management: similar approach taken as precautionary measures	√	√	√
9	Common positive ISQ: teamwork and consideration	√	√	√
10	Common negative ISQ: lack of responsiveness and no reliability	√	√	√
11	Trend: outsourcing, turnover and resistance to change/more apparent in One smaller hotel.	√	√	√
12	Trend: recruitment policy, training, rewards and benefits, a more scrutinized procedures and detailed in bigger hotel	√	√	√
DIFFERENCES				
1	Outsourcing: only apparent in the smaller/local hotel		√	√
2	Approach to service quality: differences in approach and focus	√	√	√
3	Image building: larger establishments focus on international events and The smaller one focus on community services	√	√	√
4	Uniqueness: Esprit and equilibrium and unionised	√		
5	Uniqueness: Induction, buddy system		√	
6	Uniqueness: on the spot performance appraisal system			√

The most noticeable similarities in this study are the way in which rites and rituals are important in the organizations. Events such as birthday party celebrations for staff and award giving ceremonies are amongst the most common events in the hotel. Deal and Kennedy (2000) describe rituals as expressive events, without it the culture will die and important values have no impact. No matter whether the hotel is large or small, rituals are a serious part of day-to-day activities. Meetings are another example of a common ritual which provides managers with opportunities for cultural intervention (Ogbonna and Harris, 2002).

Similarly, training, rewards and benefits are activities related to rites and rituals. Regardless of size and market niche, training is a critical tool for managing culture, for example training can instil values and beliefs (Christensen, 1988) or to the extent of swapping old values with the new ones as a result of a change process. For example, Foreign5's teambuilding exercise seemed to dramatically improve integration amongst the management team in the hotel and consequently they became more supportive of the changes brought by the new leadership. Davidson and Marco (1999) suggest change can be only successfully attained through structured educational programmes and a much wider concept of training for employees. They found that training programmes that run on needs basis are simply not strategic enough for continual organizational change.

Although all the hotels rewarded employee based on their affordability and innovativeness, there was evidences of rewarding individuals rather than the team (Applebaum, Bartolomucci, Beaumier, Boulanger, Corrigan, Dore, Girard and Serroni, 2004, Farquharson and Baum 2002) this practice contradicts the values of teamwork and collectivism, which are important in service-orientated organizations. While the results found no apparent problem with Foreign5 and Local5, the phenomenon was identified at Local3, where the embedded public sector culture was manifested in employee relationships. This value was inherited from being related to the government agency, and led to the formation of sub-cultures within the main culture, which had threatened the operation of the hotel.

On the issue of communication, numerous efforts were made by the organizations to improve communication. Such efforts included an open door policy (Local5), exchange committee (Foreign5), GM lunch meetings with staff (Local3) and training that focused on communication. However communication still remained an issue and affected organizational performance to some extent. Problem ranged from daily routine complaints from employees to a more serious conflict between sub-cultures, which can be damaging to the hotel operations.

On the issue of cultural change, similarities are observed when each of the organizations seemed to encounter difficulties in managing resistance to change, a common phenomenon for organizations undergoing leadership change (Foreign5) or organizations undergoing periodical cultural change (Local5 and Local3). Smith (2003) cites the strength of the existing culture as a significant barrier to culture change. The role of leadership in the management of change is undeniably very important, this has been exemplified by Foreign5's management who aimed for transparency and ensuring the reason why the change is necessary is known in order to make change possible or more acceptable.

The ISQ profile found that teamwork and consideration are the two common positive dimensions found across the organizations, which highlights the importance of these two aspects in interpersonal relationships in hotels. While teamwork is crucial in any service-orientated establishment, being considerate to other fellow employee should be regarded as a high-priority in working relationships in an organization. As these two dimensions are interrelated, management must ensure that they are maintained, nurtured and exemplified across organizations. While culture affects both employee behaviour and the success of a company (Tidball, 1988), equal attention must be given to the negative aspects of the ISQ profile as well. Lack of responsiveness and not reliable are the two common aspects of negative dimensions found across the cases. Since both positive and negative aspects of ISQ are manifestations of employee performance, they can be classified as important outcomes of employee commitment (Maxwell and Steele, 2003).

The difference identified at these organizations varies, one of them is outsourcing which being employed by Local5 and Local3 are similar in approach but based on their immediate need and human resource requirement. For example, Foreign5 did not practice outsourcing at all, while the other two hotels outsourced to a certain extent. Differences in approach taken by the organizations related to outsourcing policy are predominantly influenced by their judgement based on their own beliefs and operational requirements. In a similar way, each organization approach to service quality are quite different, while Foreign5 focuses on application of technology and training of service skills, Local5 concentrates on customer service trainings, and Local3 invested on physical enhancement of the property. The point of convergence here is each organization can be identified with it own way of doing things to suit their own organizational aims and objectives.

In term of image building, each of these hotels had taken a different approach according to their existing reputation and market niche. Local3, which caters mainly for a local market concentrates on its image building effort through active involvement in community development that is more suited their association with the government agency that own the property. On the contrary, Foreign5 and Local5 focus their image on international circle, manifested in their active involvement in many international events. Besides, both organizations actively involved in community services locally as part of their goodwill efforts.

The essence of the findings is that each organization has its own uniqueness. For example, Foreign5's cultural strength is on it own Esprit and Equilibrium; a crossroad approach aims at balancing both employees and organizational needs. Notably, Local5 through its HRM practices introduce a buddy system in its' induction programme which is unique in it own way. On the other hand, Local3 is practising on the spot programme appraisal system. Generally, basic practices and in particular the human resources practices are quite similar in between the three organizations, but their emphasis are quite different. Each organization has it own

way of doing things in relation to recruitment, outsourcing, training, recognition/ awards and incentives, points that have been highlighted previously.

Having discussed the similarities and differences found across the organizations, the focus now shifts to more practical contributions of this thesis, beginning with some key trends drawn from the cases under examination.

In order to relate the research objectives with the research findings, it is necessary to revisit the research objectives:

- **To identify and assess the different ways of doing things in each of the three organizations by pointing out the distinctive character of each organization, for example human resources practices.**
- **To identify and assess internal service quality in each organization by assessing their employees' satisfaction and dissatisfaction towards each other which translated into ISQ positive and negative dimensions.**
- **To identify and assess how far the organizational culture has impacted on the internal service quality based on the respondent's own experiences and perceptions.**

Culturally, organizations can be identified in the way the management and employee do things in their organizations. In relation to this point this thesis suggests several assumptions on the linkages between organizational cultures and ISQ across the cases:

- **Each organization has its own way of doing things. Although similarities existed between them, the focus and emphasis of each organization varies based on the organizations needs, objectives and visions.**

- The study identifies teamwork, consideration, rewards, enjoyable working environment and communications as the most important positive dimensions of ISQ performance.
- The study identifies employee attitude problem and management problem as the significant negative dimensions in ISQ performance.
- The organization with the strong cultures, did not necessarily have a better ISQ performance when compared to the organizations with weaker cultures.
- Organization identified with weaker culture still display positive ISQ performance to a certain extent.
- The ISQ performance may reflect underlying problems in the organizations of which managers should be made aware. These problems may impact on employee morale, staff dedication, commitment, hard work and professionalism of the employee and in a long term ultimately affect external customers.
- In sum, although organizational culture does not impact on ISQ in a consistent manner or pattern, organization cultures influence the positive and negative aspects of the internal service quality.

8.4 Methodological contributions

This section focuses on the methodological contributions of the thesis, and in particular foregrounds the innovative use of PAT. Whilst qualitative interviewing is a well-used aspect of research on organizational culture, an important methodological contribution of the thesis is the use of PAT to further examine the nature of ISQ, which in turn is related to organizational culture. The PAT survey provided respondents freedom to express themselves; evidence suggests that employee was using this avenue to express him or herself fully, which was not possible with other techniques.

In relation to the above, PAT is the best tool to uncover satisfaction/dissatisfaction amongst employees during their working relationship using the same principles and techniques that were used in the creation and measurement of external service quality suggested by Auty and Long, (1997). In line with Johns and Lee-Ross (1995) it is suggested that PAT is appropriate for all types of service which are characterised as providing an experience, for example tourist events and attractions, as well as hospitality units. In addition, comments from PAT can be used directly to provide operational feedback for managers or used for training purposes, while positive comments could be used as a reference point to motivate and encourage staff and the negative comments could provide avenues for corrective action that will benefit the organization. On top of that, PAT, unlike many other survey tools, is an easy tool to administer and analyse by managers. This study, for example, was able to reveal a lot of employee dissatisfaction over their interpersonal relationships during working, complaints over treatment of each other, complaints over abuse of power by supervisors, slow to act on requests, working under pressure, including some criticism to the management over certain practices in the organizations which are normally hard to uncover by using conventional questionnaires. Hence, PAT is particularly suitable for the task of uncovering the reality of interpersonal relationship in the organization especially when it allows respondents the freedom to use whatever language comes into their mind.

The complementary use of both interviews and PAT techniques has never been done before in any studies, thus the attempt to uncover the research questions by linking organizational culture and internal service quality in this study is particularly innovative. The methodology employed in this research therefore contributes to the body of knowledge especially in terms of opening new way of inquiry and establishing the foundation for future research.

8.5 Importance of the study

There is relatively little research that has sought to study the link organizational culture in the hospitality industry to employee performance, job satisfaction and organizational commitment (Guerrier and Deery, 1998). Consequently, this study attempted to address this paucity of theorising on the relationship between organizational culture and performance. In doing so it significantly adds strength to the existing organizational culture literature and contributes to the body of knowledge. Ultimately, the framework developed will assist in the identification of better ways to understand organizational culture and establish its potential usefulness in addressing the issue of performance in hospitality organizations. This is by no means an overly prescriptive and managerialist piece of research as this study of organizational culture and internal service quality uses a pragmatic approach of interpreting both sets of data, offering direct and applied findings aimed at resolving the long standing disagreements between scholars and practitioners on the relevancy and applicability of the research findings. Thus evidence is provided to give a clearer picture of the problem so that practitioners would find them useful and the findings could be used as training materials. This study hopes to contribute to an initial understanding of the linkages between organizational culture and ISQ from an internal customers perspective. The findings provided further evidence to reaffirm the importance of organizational culture in driving organizations in the right direction as it has been found that employee behaviours in most cases are 'recurrent pattern of behaviour are feature of organizational life' (Kemp and Dwyer, 2001: 80) and this could influence their performance. Consequently, due caution has been exercised in the reporting of results so that the interpretation reflected the earlier identification of the utility of the realist perspective, which allows an examination of organizational culture that considers both the possibilities and limitations of managing culture-in-practice.

Besides providing a basic understanding between organizational culture and internal service quality interplay, the findings could be useful for managers in the industry where they can learn from these organizations from their exemplary HRM strategies

and practices, potentially to replicate or benchmark them in ensuring better service provider and service receiver relationships can be established in other organizations.

Both the OCP and ISQP can be a significant benchmark and point of reference for other similar organizations to follow. The study is, then, aiming to verify the existence of linkages between organizational culture and internal service quality, and the exact nature of these relationship in the hope that the findings may lead to improvements in organizational performance, increased customer satisfaction, more repeat business, improved turnover and increased profits.

It appears that the key categorical dimensions of organizational culture which emerged from the research focused on nine emerging themes such as guiding principle, recruitment and socialization, human resource development, communication, shared values and beliefs, leadership, conflict and turnover, handling crisis and service quality. The PAT analysis also yielded nine distinct dimensions each for both positive and negative aspects. Positive aspects were reliability, responsiveness, professional, consideration, communication, teamwork, enjoyable, rewards, socialise for positive profile. While the negative profile covers areas such as lack of teamwork, miscommunication, no consideration, not professional, lack of responsiveness, no reliability, management problem, attitude problem and lack of skills. The gaps between positive and negative dimensions are then analysed to identify positive or negative outcomes.

Although the study did not intend to replicate any previous studies, some of the dimensions in the findings of organizational culture found that the emergent profiles are similar to Dywer et al. (2000) and Kemp and Dwyer (2001). The ISQ dimensions also bear resemblance to some of the dimensions found by many authors such Caruana and Pitt (1997), Parasuraman (1988), Paraskevas (2001), Reynoso and Moores (1995), Vandermerwe and Gilbert (1991) and White and Rudall (1999). The study did not aim to investigate the causal relationship between organizational culture and ISQ, but merely to outline interesting insights in the ways that things are carried

out (Deal and Kennedy, 1982) at each hotel which results in a set of behavioural patterns which was reflected in the ISQ profiles.

In many ways, this study attempted to understand the linkages between organizational culture and internal service quality wherein a more pragmatic approach was adopted in hope that the findings would benefit both scholars and practitioners. Some of the exemplary HRM practices cited in the cases could be used by other organizations, especially in better understanding the interdepartmental relationships in an organization in its own cultural environment.

Since the findings merely provide a framework of basic understanding of the interplay between organizational culture and internal service quality in the setting of hotel organizations, it is suggested that future research should be carried out in a similar setting but focusing on other areas in the hospitality sector such as restaurants, catering institutions and leisure organizations. Finally, the common understanding emanating from this work is that in order to perform effectively in any organization, interdependent individuals and groups within organizations must have an environment that encourages healthy working relationships across internal organizational boundaries where each individual or section within an organization could be servicing other individuals and sections within the organization much better. The concept of internal service quality, which is manifested in the hotels organizational culture is exemplified in the case studies promote teamwork, consideration and communication. The framework for managing organizational culture in relation to internal service quality provides a useful guideline in assessing the performance of hospitality organizations, which may lead to further improvements in organizational performance.

8.6 Limitations

Although the methodological choices and research design employed are congruent with the aims and objectives of this research, there is no research without any weakness. It is the aim of this section to acknowledge several limitations of this

research, in particular related to sampling: the selection of organization for the case study, sampling of respondents and data analysis.

Although purposive sampling was indicated in Chapter 3, the researcher did not have control over the selection of the three organizations, this was because the researcher has gained access to these organizations through MAH. Although initially five hotels were picked by MAH for the case study, only three gave their full cooperation. These three organizations may not be a true representation of the actual population of hotels in Klang Valley. The inclusion of another hotel representing a four star hotel might have added value to the research, thus enhancing the validity and reliability of the research. Furthermore the hotels selected are not representative of the Malaysian hotel sector in general because the selected hotels are located within Klang Valley. Hotels located in different parts of Malaysia may experience different cultural phenomena and workplaces may differ due different cultural backgrounds.

Another issue regarding sampling of respondents for the interviews is the researcher did not have total control over the respondents selected as indicated earlier in Chapter 3. Respondents were selected and recommended by the human resource directors/managers. For example, in the case of Foreign5 access was not granted to the leaders of the hotel's union, access was only given to the members of the union. Although many attempts were made to interview the leaders of the union, they were unavailable without any proper reason given to the researcher. Coincidentally, opinions expressed by the respondents on matters relating to the union were mostly against the union especially when these expressions were mainly from the managers' perspective. Even responses from the operative group can be considered as a 'reserved' response, meaning the respondents 'play safe' by not being too critical of the either the management or the union. At this point, the researcher was unable to ascertain whether the accessibility to the union leaders could be regarded as an impediment to uncover 'the truth' in organizational research. As a result, the findings to an extent appear to be dominated by a managerial discourse. Hence, it should be recognised that there is some ad-hocism in the sampling process.

However, it also important to acknowledge that some of the deficiencies were unavoidable especially in case study research carried out in hotels, because of the busy nature of the business.

On a related issue, the generalisability of findings from a positivistic perspective is not possible although some statistical evidence was presented in the findings. Clearly, it is not possible to generalise from the three cases on the links between organizations and internal service quality because of various reasons, for example many of the unique conditions in Klang Valley (Kuala Lumpur), may not be applied elsewhere because of differences in the local environment. Evidence from the case study research is only appropriate for theoretical generalisation. From the positivistic perspectives, this study is lacking in objectivity, thus is considered as biased and nonscientific (Waugh and Waugh, 2004) and therefore cannot be generalised. Some would regard the phenomenological approach used in this study as being too subjective. Despite the use of a structured approach to ensure rigour and reliability of the case study results, any replication of the study may not result in the exact similar findings because none of the statistical tests were carried out to check, for example, internal validity.

In addition the findings of this thesis are based on research conducted at a particular point in time. Although, ideally a longitudinal study may be more appropriate for this kind of study, this was not possible for doctoral research. Moreover, ideally the PAT survey should be conducted at least two times to ensure consistency of data collected and further enhance the validity and reliability of the findings. However, repeating the PAT survey was not possible as there was only one opportunity per respondent to gather data because of limited access given to the organizations. For this research the time allocated for fieldwork was only for three months. Any extension was not possible as there was a constraint in the budget for fieldwork and furthermore the researcher was unable to secure any kind of financial support for this purpose.

8.7 Implications for future research

Suggestions for further research should include employing similar tools to explore other similar phenomena. As indicated in the previous chapters, interviews and PAT survey are applicable in a situation where certain phenomenon, which is social or cultural in nature, required an in-depth investigation and emergent evidence. In particular, PAT is suitable to explore ISQ. Another suggestion for future research would mean assessing organizational culture with other aspects of performance, such as service quality from an external customers perspective.

Research in different setting using similar methodology could validate the findings of this study. These should also include other areas in the hospitality organizations such as food services, airlines, amusement or theme parks and perhaps small business entity, which relates to tourism and hospitality. An immediate research challenge would be to replicate this study in different location within Malaysia or other South East Asian countries where the cultural norms and values are identical. These could reveal the result that could challenge or confirm the findings, or perhaps make constructive suggestions to the existing methodology. This is in relation to Guerrier and Deery's (1998) suggestion that although the amount of work exploring issues in organizational studies has been increasing, most of them are predominantly focused on Anglo-Saxon countries. Hence work such as that by D'Annunzio-Green (2002) and Mwaura et al. (1998) should be encouraged using the above methodology.

A better way of comparing would be to contrast the organizational cultures in between two or more successful hospitality organizations, as this would provide a fair basis of comparison. Similarly, research could also focus on organizations which are poor performers as an attempt to find whether the tools used in this study could provide diagnosis for any future improvement. Ideally, in diagnosing the relationship between organizational culture performances in organizations, a longitudinal study is very much preferable where the findings of high performing organizations could be used as a benchmark by other organizations. In this respect,

PAT survey can be used to uncover the intrinsic values manifested by organizational cultures, which is simply not possible to reveal by other methods.

Future researchers considering the use of PAT should remember that data from PAT can be used as an alternative to a focus group as a first step in the development of questionnaire for quantitative research in organizational culture and internal service quality. Hence, a study using quantitative surveys is able to cover a larger population, this enables proper statistical analysis such as factor analysis, to be carried out and findings from this kind of study can be better generalised according to the positivistic perspective.

This research has presented an innovative research design. Equally, the research has contributed in terms of methodological approach and towards providing an important first step in determining the direction of future research in this area. Roper et al. (1997) suggest that in order to be successful the organization must be culturally sensitive, and it up to researchers to address the issue of how to develop such sensitivity in organizations. This thesis is an initial attempt to recognise the importance of organization culture and in particular its relationships with ISQ. It marks an innovative and ambitious attempt to understand this relationship, especially in addressing the question of whether the strong organizational culture contributed to satisfying internal customers, whilst at the same time offering much scope for future research to build on this work.

References

- Aigbedo, H. and Parameswaran, R. (2004) 'Importance-performance analysis for improving quality of campus food service', *International Journal of Quality & Reliability Management*, 21, 8, 876-896.
- Alvesson, M. (2002) *Understanding Organizational Culture*, London: Sage Publications.
- APO Report (1994) *Corporate Culture and Productivity: Case Studies in Asia and Pacific*, Tokyo: Asian Productivity Organization.
- Applebaum, S., Bartolomucci, N., Beaumier, E., Boulanger, J., Corrigan, R., Dore, I., Girard, C. and Serroni, C. (2004) 'Organizational citizenship behaviour: a case study of culture, leadership and trust', *Management Decision*, 42, 1, 13-40.
- Armstrong, R., Mok, C., Go, F. and Chan, A. (1997) 'The importance of cross-cultural expectations in the measurement of service quality perceptions industry', *International Journal of Hospitality Management*, 16, 2, 181-190.
- Ashness, D. and Lashley, C. (1995) 'Empowering service workers at Harvester Restaurants', *Personnel Review*, 27, 1, 57-77.
- Auty, S. and Long, G. (1999) "'Tribal warfare' and gaps affecting internal service quality", *International Journal of Service Industry Management*, 10, 1, 7-22.
- Bienstock, C., DeMoranville, C. and Smith, R. (2003) 'Organizational citizenship behavior and service quality', *Journal of Services Marketing*, 17, 4, 357-378.
- Bitner, M. and Hubbart, A. (1994) 'Encounter satisfaction versus overall satisfaction versus quality: The customer's voice', in R. Rust and R. Oliver (eds.) *Service*

Quality-New Directions in Theory and Practice, Thousand Oaks, California: Sage publication, 72-95.

Bitner, M., Booms, B. and Mohr, L. (1994) 'Critical service encounters: The employee's viewpoint', *Journal of Marketing*, 58, 4, 95-106.

Bitner, M., Booms, B. and Tetreault, M. (1990) 'The service encounter: diagnosing favourable and unfavourable incidents', *Journal of Marketing*, 54, 71-84.

Bolton, R., and Drew, J. (1994) 'Linking customer satisfaction to service operations and outcomes' in R. Ruth and R. Oliver (eds.), *Service Quality: New dimensions in Theory and Practice*, Thousand Oaks, California: Sage Publication, 173-200.

Brown, A. (1998) *Organizational Culture*, 2nd Edition, London: Financial Times/Pitman Publishing.

Buttle, F. (1996) 'SERVQUAL: review, critique, research agenda', *European Journal of Marketing*, 30, 1, 8-32.

Cannon, D. (2002) 'Expanding paradigms in providing internal service', *Managing Service Quality*, 12, 2, 87-99.

Caruana, A. and Pitt, L. (1997) 'INTQUAL - an internal measure of service quality and the link between quality and business performance', *European Journal of Marketing*, 31, 8, 604-616.

Chatman, J. and Jehn, K. (1994) 'Assessing the relationship between industry characteristics and organizational culture: how different can you be?' *Academy of Management Journal*, 37, 3, 522-553.

- Christensen, G. (1988) 'Managing workforce diversity: changing culture at South Seas plantation', *Cornell Hotel and Restaurant Administration Quarterly*, 29, 2, 30-34.
- Clark, M., Riley, M., Wilkie, E. and Wood, R. (1998) *Researching and Writing Dissertations in Hospitality and Tourism*, London: Thomson.
- Cooke, R. and Rousseau, D. (1988) 'Behavioural norms and expectation: a quantitative approach to the assessment of organizational culture', *Groups and Organization Studies*, 13, 3, 245-273.
- Creswell, J. (2003) *Research Design Qualitative, Quantitative, and Mixed Methods Approaches*, Thousand Oaks: Sage Publications.
- Critchley, B. (1993) 'Managing organizational culture - Is it just an illusion?', *Leadership & Organization Development Journal*, 14, 1, 1-5.
- Cronin, J. and Taylor, S. (1992) 'Measuring service quality: A reexamination and extension', *Journal of Marketing*, 56, 3, 33-55.
- Danaher, P. and Mattsson, J. (1994) 'Customer satisfaction during the service delivery process', *European Journal of Marketing*, 28, 5, 5-16.
- Danaher, P. and Mattsson, J. (1994a) 'Cumulative encounter satisfaction in the hotel conference process', *International Journal of Service Industry Management*, 5, 4, 69-80.
- D'Annunzio-Green, N. (2002) 'An examination of the organizational and cross-cultural challenges facing international hotel managers in Russia', *International Journal of Contemporary Hospitality Management*, 14, 6, 266-273.

- Davidson, M. and Marco, L. (1999) 'Corporate change: education as a catalyst', *International Journal of Contemporary Hospitality Management*, 11, 1, 16-23.
- Deal, T. and Kennedy, A. (1982) *Corporate Cultures*, Cambridge, MA: Perseus Publishing.
- Denison, D. (1990) *Corporate Culture and Organizational Effectiveness*, New York: John Wiley & Sons.
- Denison, D. (1996) 'What is the different between organizational culture and organizational climate? A native's point of view on a decade of paradigm wars', *The Academy of Management Review*, 21, 3, 619-654.
- Dienhart, J., Gregorie, M. and Downey, R. (1990) 'Service orientation of restaurant employees,' *Hospitality Research Journal*, 14, 2, 421-430.
- Dobni, D. (2004) 'A marketing-relevant framework for understanding service worker productivity', *Journal of Services Marketing*, 18, 4, 303-317.
- Dwyer, L., Teal, G., Kemp, S. and Wah, C. (2000) 'Organizational culture and human resource management in an Indonesian resort hotel', *Tourism, Culture & Communication*, 2, 1-11.
- Ennew, C., Reed, G. and Binks, M. (1993) 'Importance-Performance analysis and the measurements of service quality', *European Journal of Marketing*, 27, 2, 59-70.
- Enz, C. (1988) 'The roles of value congruity in intraorganizational power', *Administrative Science Quarterly*, 33, 2, 284-304.
- Farquharson, L. and Baum, T. (2002) 'Enacting organizational change programmes: a centre role for HRM?' *International Journal of Contemporary Hospitality Management*, 14, 5, 243-250.

- Fick, G. and Ritchie, J. (1991) 'Measuring service quality in the travel and tourism industry', *Journal of Travel Research*, 30, 2, 2-9.
- Fintel, J. (1989) 'Restaurant cultures: positive cultures can keep company healthy,' *Restaurant USA*, 9, 10, 12-16.
- Flanagan, J. (1954) 'The critical incident technique', *Psychological Bulletin*, 51, 4, 327-358.
- Goulding, C. (1998) 'Grounded theory: the missing methodology on the interpretivist agenda', *Qualitative Market Research*, 1, 1, 50.
- Gremler, D., Bitner, M. and Evans, K. (1994) 'The internal service encounter', *International Journal of Service Industry Management*, 5, 2, 34-56.
- Grönroos, C. (1991) 'Scandinavian management and the Nordic School of Services - contributions to service management and quality', *International Journal of Service Industry Management*, 2, 3, 17-25.
- Grönroos, C. (1994) 'From scientific management to service management, a management perspective for the age of service competition', *International Journal of Service Industry Management*, 5, 1, 5-20.
- Grönroos, C. (2001) 'The perceived service quality concept - a mistake?', *Managing Service Quality*, 11, 3, 150-152.
- Groves, J., Gregorie, M. and Downey, R. (1995) 'Relationship between the service orientation of employee and operational indicators in multiunit restaurant corporation', *Hospitality Research Journal*, 19, 3, 33-43.
- Grugulis, I. And Wilikinson, A. (2002) 'Managing culture at British Airways; hype, hope and reality', *Long range Planning*, 35,2, 179-194.

- Guba, E. and Lincoln, Y. (1994) 'Competing paradigms in qualitative research', in N. Denzin, and Y. Lincoln, (eds.) *Handbook of Qualitative Research*, Thousand Oaks, California: Sage Publications, 105-117.
- Guerrier, Y. and Deery, M. (1998) 'Research in hospitality human resource management and organizational behaviour', *International Journal of Hospitality Management*, 17, 145-160.
- Guest, D. (1997) 'Human resource management and performance: a review and research agenda', *The International Journal of Human Resource Management*, 8, 3, 264-276.
- Hatch, M. and Schultz, M. (1997) 'Relations between organizational culture, identity and image', *European Journal of Marketing*, 31, 5, 356-365.
- Haynes, P. and Fryer, G. (2000) 'Human resources, service quality and performance: a case study', *International Journal of Contemporary Hospitality Management*, 12, 4, 240-248.
- Hemmington, N. and King, C. (2000) 'Key dimensions of outsourcing hotel food and beverage services', *International Journal of Contemporary Hospitality Management*, 12, 4, 256-261.
- Heskett, J., Jones, T., Loveman, G., Sasser, W. and Schlesinger, L. (1994), 'Putting the service-profit chain to work', *Harvard Business Review*, 72, 2, 164-175.
- Hofstede, G. (1997) *Cultures and Organizations: Software of the Mind*, New York: McGraw-Hill.
- Hofstede, G., Neuijen, B., Ohayv, D. and Sanders, G. (1990), 'Measuring organizational cultures: a qualitative and quantitative study across 20 cases', *Administrative Science Quarterly*, 35, 286-316.

Hughes, J. (1997) 'Sociological paradigms and the use of ethnography in hospitality research', *Journal of Hospitality and Tourism Research*, 21, 1, 14-27.

Jackson, S. and Hinchliffe, S. (1999) 'Improving organizational culture through innovative development programmes', *International Journal of Health care Quality Assurance*, 12, 4, 143-148.

Johns, N. (1993) 'Quality management in the hospitality industry: Part 3. recent development', *International Journal of Contemporary Hospitality Management*, 5, 1, 10-15.

Johns, N. (1996) 'Measuring Hospitality Service Quality' in MCB Electronic/Internet Conference: Hospitality Management: The State of the Art. Sept.-Nov. <http://www.mcb.co.uk/services/conference/apr96/hospitality/johns/service.html> [accessed 22-06-2002].

Johns, N. (1996a) 'The developing role of quality in the hospitality industry', in M. Olsen, R. Teare, and E. Gunmmesson,. (eds.) *Service Quality in Hospitality Organizations*, London, Casell. 9-25.

Johns, N. (1998) 'Profile accumulation technique'
<http://www.pastonroot.co.uk/nickj/pat.html> [accessed 22-06-2002].

Johns, N., (1999) 'What is this thing called service?', *European Journal of Marketing*, 33, 9/10, 958-973.

Johns, N. (2001) 'Importance-performance analysis using the profile accumulation technique', *The Service Industries Journal*, 21, 3, 49-63.

Johns, N. and Lee-Ross, D. (1995) 'Profile accumulation: a quality assessment technique for hospitality SMEs' in R. Teare and C. Armistead, (eds.). *Services Management: New Directions and Perspectives*, London: Cassell.

- Johns, N. and Lee-Ross, D. (1998) *Research Methods for Service Industry Management*, London: Cassell.
- Johns, N., and Howard, A. (1998) Customer expectations versus perceptions of service performance in the foodservice industry', *International Journal of Service Industry Management*, 9, 3, 248-265.
- Johns, N. and Tyas, P. (1996) 'Use of service quality gap theory to differentiate between foodservice outlets', *The Service Industries Journal*, 16, 3, 321-346.
- Johns, N., Lee-Ross, D. and Tyas, P. (2000) 'SERVQUAL and PAT: alternative disconfirmation approaches to the measurement of service quality in the foodservice industry', *Journal of Quality Assurance in Hospitality and Tourism*, 1, 1, 13-29.
- Johnson, G., (1992) Managing strategic change: strategy, cultural and action, *Long Range Planning*, 25, 1, 28-36.
- Johnson, G. and Scholes, K. (1997), *Exploring Corporate Strategy*, Europe: Prentice Hall.
- Johnston, R. and Jones, P. (2004) 'Service productivity- towards understanding the relationship between operational and customer productivity', *International Journal of Productivity and Performance Management*, 53, 3, 201-213.
- Juran, J. (1994) *Quality Control in Service Industries*, Juran Institute.
- Kemp, S. and Dwyer, L. (2001) 'An examination of organisational culture - the Regent Hotel, Sydney', *International Journal of Hospitality Management*, 20, 77-93.
- Kent, W. (1990) 'Putting up the Ritz: using culture to open a hotel', *Cornell Hotel and Restaurant Administration Quarterly*, 31, 3, 16-24.

Keyt, J., Yavas, U. and Riecken, G. 'Importance-Performance analysis- A case study in restaurant positioning', *International Journal of Retailing & Distribution Management*, 22, 5, 35-40.

Kilmann, R. (1985) 'Five steps for closing culture-gaps', in R. Kilmann, M. Saxton, R. Serpa. and associates (eds.) *Gaining Control of Corporate Culture*, San Francisco: Jossey-Bass, 351-369.

Kilmann, R., Saxton, M., Serpa, R. (1985) 'Introduction: Five key issues in understanding and changing culture', in R. Kilmann, M. Saxton, R. Serpa. and associates (eds.) *Gaining Control of Corporate Culture*, San Francisco: Jossey-Bass, 1-16.

Knutson, B., Stevens, P., Patton, M. and Thomson, C. (1992) 'Consumers' expectations for service quality in economy, mid-price and luxury hotels', *Journal of Hospitality and Leisure Marketing*, 1, 2, 27-43.

Knutson, B., Stevens, P., Wullaert, C., Patton, M. and Yokohama, F. (1991) 'LODGSERV: a service quality index for the lodging industry', *Hospitality Research Journal*, 14, 2, 277-284.

Kotter, J. and Heskett, J. (1992) *Corporate Culture and Performance*. New York, NY: Free Press.

Kwortnik, R. (2003) 'Depth interviews and qualitative analysis', *Cornell Hotel and Restaurant Administration Quarterly*, April, 117-129.

Lai, P. and Baum, T. (2005) 'Just-in-time labour supply in the hotel sector', *Employee Relations*, 27, 1, 86-102.

- Lam, T., Wong, A. and Yeung, S. (1997) 'Measuring service quality in clubs: an application of the SERVQUAL instrument', *Australian Journal of Hospitality Management*, 4, 1, 7-14.
- Lashley, C. (1997) *Empowering Service Excellence: Beyond the Quick Fix*, London: Casell.
- Lashley, C. and Lee-Ross, D. (2003) *Organization Behaviour for Leisure Services*, Oxford: Elsevier Butterworth-Heinemann.
- Leblanc, C. and Mills, K. (1995) 'Competitive advantage begins with positive culture', *Nation's Restaurant News*, 29, 39, 22-24.
- Lee, S. and Yu, K. (2004) 'Corporate culture and organizational performance', *Journal of Managerial Psychology*, 19, 4, 340-359.
- Leisen, B., Lilly, B. and Winsor, R. (2002) 'The effect of organizational culture and market orientation on the effectiveness of strategic marketing alliances', *Journal of Services Marketing*, 16, 3, 201-222.
- Levitt, T. (1972) 'Production-Line approach to service', *Harvard Business Review*, 50, 4, 41-52.
- Levitt, T. (1976) 'The Industrialization of service', *Harvard Business Review*, 54, 5, 63-74.
- Lim, B. (1995) 'Examining the organizational culture and organizational performance link', *Leadership & Organizational Development Journal*, 16, 5, 16-21.
- Lincoln, Y. and Guba, E. (1985). *Naturalistic Inquiry*, Beverly Hills, California: Sage Publications.

Lockwood, A. (1994) 'Using service incidents to identify quality improvements points', *International Journal of Contemporary Hospitality Management*, 6, 1, 2, 75-80.

Low, Y. and Lee, K. (1997) 'Quality measurement of the Malaysian rail services using the SERVQUAL scale', *Malaysian Management Review*, 32, 1, 61-71.

Lund, D. (2003) 'Organizational culture and job satisfaction', *Journal of Business & Industrial Marketing*, 18, 3, 219-236.

Malaysian Association of Hotel (2003)

http://www.hotels.org.my/member_kl_index.htm [accessed 14/06/03].

Malaysian Hotel Association (2003a)

http://www.hotels.org.my/member_sel_index.htm [accessed 14/06/03].

Mangold, W. and Babakus, E. (1990) 'Monitoring service quality', *Review of Business*, 11, 4, 21-27.

Martilla, J. and James, J. (1977) 'Importance-Performance analysis', *Journal of Marketing*, 41, 1, 77-79.

Maxwell, G. and Lyle, G. (2002) 'Strategic HRM and business performance in the Hilton Group', *International Journal of Contemporary Hospitality Management*, 14, 5, 251-252.

Maxwell, G. and Steele, G. (2003) 'Organizational commitment: a study of managers in hotels' *International Journal of Contemporary Hospitality Management*, 15, 7, 362-369.

Maxwell, G., Watson, S. and Quail, S. (2004) 'Quality service in the international hotel sector - a catalyst for strategic human resource development?', *Journal of European Industrial Training*, 28, 2/3/4, 159-182.

McColl-Kennedy, J and White, T. (1997) 'Service provider training programs at odds with customer requirements in five-star hotels', *The Journal of Services Marketing*, 2, 4, 249-264.

Mei, A., Dean, A. and White, C. (1999) 'Analysing service quality in the hospitality industry', *Managing Service Quality*, 9, 2, 136-143.

Miles, M. and Huberman, A. (1994) *Qualitative Data Analysis*, Thousand Oaks, California: Sage Publications.

Ministry of Finance Malaysia (2003) *Economic Report 2003/2004*, Kuala Lumpur, PNMB.

Mwaura, G., Sutton, J., Roberts, D. (1998) 'Corporate and national culture- an irreconcilable dilemma for the hospitality manager?', *International Journal of Contemporary Hospitality Management*, 10, 6, 212-220.

National Productivity Corporation. (2003) *Productivity Report 2003*, Kuala Lumpur, NPC.

Nickson, D. (1997) 'Colorful stories' or historical Insight? A review of the auto/biographies of Charles Forte, Conrad Hilton, J.W. Marriott and Kemmons Wilson, *Journal of Hospitality and Tourism Research*, 21, 1, 179-192.

Ogbonna, E. (1992) 'Organisational culture and human resource management', in P. Blyton and P. Turnbull (eds.) *Reassessing Human Resource Management*, London: Sage, 74-96.

- Ogbonna, E. and Harris, L. (1998) 'Managing organisational culture: compliance or genuine change?', *British Journal of Management*, 9, 273-288.
- Ogbonna, E. and Harris, L. (2002) 'Managing organisational culture: insights from the hospitality industry', *Human Resource Management Journal*, 12, 1, 33-53.
- Ogbonna, E. and Wilkinson, B. (1988) 'Corporate strategy and corporate culture: The management of change in the UK supermarket industry', *Personnel Review*, 17, 6, 10-17.
- O'Reilly, C. and Chatman, J. (1994) 'Working smarter and harder: A longitudinal study of managerial success', *Administrative Science Quarterly*, 39, 4, 603-627.
- O'Reilly, C., Chatman, J. and Cadwell, D. (1991) 'People and organizational culture: a profile comparison approach to assessing person-organization fit', *Academy of Management Journal*, 34, 3, 487-516.
- Ouchi, W. (1981) *Theory Z, How American business can meet the Japanese challenge*, New York: Avon.
- Paraskevas, A. (2001) 'Internal service encounters in hotels: an empirical study', *International Journal of Contemporary Hospitality Management*, 13, 6, 285-292.
- Parasuraman, A. (2002) 'Service quality and productivity: a synergistic perspective', *Managing Service Quality*, 12, 1, 6-9.
- Parasuraman, A., Berry, L. Zeithml, V. (1991) 'Perceived service quality as a customer-based performance measure: An empirical examination of organizational barriers using an extended service quality model', *Human Resource Management*, 30, 3, 335-364.

- Parasuraman, A., Zeithml, V. and Berry, L. (1985) 'A Conceptual model of service quality and its implications for future research', *Journal of Marketing*, 49, 4, 41-50.
- Parasuraman, A., Zeithml, V. and Berry, L. (1988) 'SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality', *Journal of Retailing*, 64, 1, 12-40.
- Pedrick, D., Babakus, E. and Richardson, A. (1993) 'The value of qualitative data in quality improvement efforts', *Journal of Services Marketing*, 7, 3, 26-35.
- Peters, T. and Waterman, R. (1982) *In Search of Excellence: Lessons from America's Best-Run Companies*. New York, NY: Harper & Row.
- Peterson, K. (1994) 'Qualitative research methods for the travel and tourism industry' in J. Ritchie and C. Goeldner (eds.) *Travel, Tourism, and Hospitality Management Research: A Handbook for Managers and Researchers*, New York: John Wiley & Sons, 487-491.
- Pine, R. and McKercher, B. (2004) 'The impact of SARs on Hong Kong's tourism industry', *International Journal of Contemporary Hospitality Management*, 16, 2, 139-143.
- Pizam, A. (1993) Managing cross-cultural hospitality enterprises. In P. Jones and A. Pizam (eds.) *The International Hospitality Industry: Organizational and Operational Issues*. London: Pitman Publishing, 205-225.
- Politis, J. (2005) 'QFD, organisational creativity and productivity', *International Journal of Quality & Reliability Management*, 22, 1, 59-71.
- Rashid, M., Sambavisam, M. and Johari, J. (2003) 'The influence of corporate culture and organizational commitment on performance', *Journal of Management Development*, 22, 8, 708-728.

- Rashid, M., Sambavisam, M. and Rahman, A. (2004) 'The influence of organizational culture on attitudes toward organizational change', *The leadership and Organization Development Journal*, 25, 2, 161-179.
- Redman, T. and Mathews, B. (1998) 'Service quality and human resource management: a review and research agenda', *Personnel Review*, 27, 1, 57-77.
- Regan, W. (1963) 'The service revolution', *Journal of Marketing*, July, 57-62.
- Reynoso, J. and Moores, B. (1995) 'Towards the measurement of internal service quality', *International Journal of Service Industry Management*, 6, 3, 64-83.
- Robbins, S. (2005) *Organizational Behaviour*, Eleventh Edition, New Jersey: Prentice Hall.
- Roper, A., Brookes, M. and Hampton, A. (1997) 'The multi-cultural management of international hotel groups', *International Journal of Hospitality Management*, 16, 2, 147-159.
- Rust R. and Oliver, R. (1994) *Service Quality: New Dimensions in Theory and Practice*, Thousand Oaks, California: Sage.
- Sadri, G. and Lees, B. (2001) 'Developing corporate culture as a competitive advantage', *Journal of Management Development*, 20, 10, 853-859.
- Saffold, S. (1988) 'Culture traits, strength, and organizational performance: Moving beyond 'strong' culture', *Academy of Management Review*, 13, 546-558.
- Salleh, F. and Ryan, C. (1991) 'Analysing service quality in the hospitality industry using the servqual model', *The Service Industries Journal*, 11, 3, 324-343.

- Schneider, B. (1994) 'HRM - a service perspective: towards a customer-focused HRM', *International Journal of Service Industry Management*, 5, 1, 64-76.
- Schein, E. (1981) 'Does Japanese management style have a message for American managers?', *Sloan Management Review*, 23, 55-68.
- Schein, E. (1985) 'How culture forms, develops and change', in R. Kilmann, M. Saxton, R. Serpa and associates (eds.), *Gaining Control of Corporate Cultures*, San Francisco, Calif: Jossey Bass, 17-43.
- Schein, E. (1985a) *Organisational Culture and Leadership*, San Francisco: Jossey-Bass.
- Schein, E. (2004) *Organisational Culture and Leadership*, 3rd edition, San Francisco: Jossey-Bass.
- Schermerhorn, J. (1994) 'Intercultural management training: An interview with Asma Abdullah', *Journal of Management Development*, 13, 3, 47-64.
- Schraeder, M. and Self, D. (2003) 'Enhancing the success of mergers and acquisitions: an organizational culture perspective', *Management Decision*, 41, 5, 511-522.
- Shearer, C., Hames, D. and Runge, J. (2001) 'How CEOs influence organizational culture following acquisitions' *Leadership and Organization Development Journal*, 22, 3, 105-113.
- Siehl, C. (1992) 'Cultural Leadership in service organizations' *International Journal of Service Industry Management*, 3, 2, 17-22.
- Silverman, D. (2000) *Doing Qualitative Research*, London: Sage Publications.

- Silverthorne, C. (2004) 'The impact of organizational culture and person-organization fit on organizational commitment and job satisfaction in Taiwan', *The Leadership and Organization Development Journal*, 25, 7, 592-599.
- Simpson, S. and Cacioppe, R. (2001) 'Unwritten ground rules: transforming organization culture to achieve key business objectives and outstanding customer service', *Leadership and Organization Development Journal*, 22, 8, 394-401.
- Smircich, L. (1983) 'Concepts of culture and organizational analysis', *Administrative Science Quarterly*, 28, 339-358.
- Smith, M. (2003) 'Changing an organisation's culture: correlates of success and failure', *Leadership and Organization Development Journal*, 24, 5, 249-261.
- Souza-Poza, A., Nystrom, H. and Wiebe, H. (2001) 'A cross-cultural study of the differing effects of corporate culture on TQM in three countries', *International Journal of Quality and Reliability Management*, 18, 7, 744-761.
- Stamper, L. and Dyne, V. (2003) 'A Comparison between Part-time and full-time Service employees', *Cornell Hotel and Restaurant Administration Quarterly*, February, 33-42.
- Stevens, P., Knutson, B. and Patton, M. (1995) 'DINESERV: A tool for measuring service quality in restaurant', *Cornell Hotel and Restaurant Administration Quarterly*, 36, 2, 56-60.
- Tayeb, M. (1997) 'Islamic revival in Asia and human resource management', *Employee Relations*, 19, 4, 352-364.
- Taylor, S., Sharland, A., Cronin, A. and Bullard, W. (1993) 'Recreational quality in the international setting', *International Journal of Service Industries Management*, 4, 4, 68-88.

Tepecci, M. (2001) *The Effective of Personal Values, Organizational Culture, and Person-Organization Fit on Individual Outcomes in the Restaurant Industry*, Unpublished PhD thesis, Pennsylvania State University.

Tepecci, M. and Bartlett, B. (2002) 'The hospitality industry culture profile: a measure of individual values, organizational culture, and person-organization fit as predictors of job satisfaction and behavioural intentions', *International Journal of Hospitality Management*, 21, 151-170.

Tidball, K. (1988) 'Creating a culture that builds your bottom line', *The Cornell Hotel and Restaurant Administration Quarterly*, 29, 1, 63-69.

Timo, N. and Davidson, M. (2005) 'A survey of employee relations practices and demographics of MNC chain and domestic luxury hotels in Australia', *Employee Relations*, 27, 2, 175-192.

Tourism Malaysia (2005a), Malaysia tourist receipt year 2003,
http://www.tourism.gov.my/statistic/tourist_receipts.asp [accessed 26-04-2005]

Tourism Malaysia (2005b), Hotels and rooms supply year 2003,
http://www.tourism.gov.my/statistic/hotels_rooms_supply.asp
[accessed 26-04-2005]

Tourism Malaysia (2005c), Hotels guests by locality January-March 2003/2002,
http://www.tourism.gov.my/statistic/hotel_guests.asp [accessed 26-04-2005]

Tourism Malaysia (2005d), Average occupancy rates of hotels by locality January-March 2003/2002, http://www.tourism.gov.my/statistic/hotels_occupancy_rates.asp
[accessed 26-04-2005]

- Trice, H. and Beyer, J. (1985) 'Using six organizational rites to change culture' in R. Kilmann, M. Saxton, R. Serpa and associates (eds.), *Gaining Control of Corporate Culture*, San Francisco: Jossey-Bass, 370-399.
- Ueki, H. and Umezawa, T. (1994) Case Studies: Japan in Asian Productivity Organization (eds.) *Corporate Culture and Productivity Case Studies in Asia and the Pacific*. Tokyo: APO, 321-393.
- Valentino, C. and Brunelle, F. (2004) The role of middle managers in the transmission and integration of organizational culture', *Journal of Healthcare Management*, 49, 6, 393-404.
- Vallen, G. (1993) 'Organizational climate and burnout', *The Cornell Hotel and Restaurant Administration Quarterly*, 34, 1, 54-59.
- Van Maanen, J. (1991) 'The smile factory: work at Disneyland', in P. Frost, L. Moore, M. Louis, C. Lundberg and J. Martin (eds.) *Reframing Organizational Culture*, Newbury Park, 58-76.
- Vandermerwe, S. and Gilbert, D. (1991) 'Internal services: Gaps in needs/performance and prescriptions for effectiveness', *International Journal of Service Industry Management*, 2, 1, 50-60.
- Veal, A. (1992) *Research Methods for Leisure and Tourism: A Practical Guide*, London: Longman.
- Walsh, K. (2003) 'Qualitative research: Advancing the science and practice of hospitality', *Cornell Hotel and Restaurant Administration Quarterly*, April, 66-74.
- Watson, S. and D'Annunzio-Green, N. (1996) 'Implementing cultural change through human resource management: the elusive organizational alchemy', *International Journal of Contemporary Hospitality Management*, 8, 2, 25-30.

- Waugh, W. and Waugh, W. (2004) 'Phenomenology and Public administration', *International Journal of Organizational Theory and Behaviour*, 7, 3, 405-431.
- Wheelen, T. and Hunger, D. (2000) *Strategic Management Business Policy*, New York: Prentice Hall.
- White, C. and Rudall, L. (1999) 'Interservqual: an investigation of the dimensions and measurement of internal service quality in the hospitality industry', *Australian Journal of Hospitality Management*, 6, 2, 13-22.
- Whyte, W. (1948) *Human Relations in Restaurant Industry*, McGraw Hill, New York.
- Wilkin, A. and Patterson, K. (1985) 'You can't get there from here: what will make culture-change projects fails' in R. Kilmann, M. Saxton, R. Serpa and associates (eds.), *Gaining Control of Corporate Culture*, San Francisco: Jossey-Bass, 262-291.
- Wilmott, H. (1993) 'Strength is ignorance; slavery is freedom; managing culture in modern organizations', *Journal of Management Studies*, 30, 4, 515-552.
- Wilson, A. (1997) 'The culture of branch team and its impact on service delivery and corporate identity', *International Journal of Bank Marketing*, 15, 5, 163-168.
- Woods, R. (1996) 'The role of organizational culture in service', in M. Olsen, R. Teare, and E. Gunmmesson,. (eds.) *Service Quality in Hospitality Organizations*, London, Casell, 27-39.
- Woods, R. (1989) 'More alike than different: the culture of the restaurant industry.' *Cornell Hotel and Restaurant Administration Quarterly*, 30, 2, 82-98.

Wyckoff, D. and Lovelock, C. (2001) 'A Cornell quarterly classic new tools for achieving service quality', *Cornell Hotel and Restaurant Administration Quarterly*, 42, 4, 25-38.

Yin, R. (1984) *Case Study Research: Design and Methods*, Beverly Hills: Sage Publications.

Yin, R. (1994) *Case Study Research: Design and Methods*, Thousand Oaks, CA: Sage Publishing.

Yin, R. (2003) *Case Study Research: Design and Methods*, Thousand Oaks, CA: Sage Publishing.

APPENDICES

APPENDIX 1. SUPERVISOR LETTER TO MAH'

PRESIDENT

8 August 2003

Mohd Illyas Zainol Abidin
President
Malaysian Hotel Association
C5-3 Wisma MAH Jalan Ampang Utama 1/1
One Ampang Avenue
68000 Ampang
Kuala Lumpur
Malaysia

Dear Mohd Illyas Zainol Abidin

I am currently supervising Mr Mohhidin Othman from the University Putra Malaysia, Serdang, Selangor. Mr Othman is conducting an important doctoral study that is seeking to explore the relationship between organisational culture and internal service quality. A requirement of the PhD is that Mr Othman conducts some fieldwork to offer practical evidence to support his theoretical framework, which he is currently developing for his thesis. To this aim, I would be very grateful if you could support Mr Othman's fieldwork in Malaysia later this year.

Mr Othman is seeking to develop a case study based on four member hotels of the Malaysian Association of Hotels. The aim of the case studies will be to add further understanding as to how to improve internal service quality, and how organisational culture can contribute to this. In particular he aims to determine the linkages between organizational culture and internal service quality, and the exact nature of the relationships such that the findings will lead to improvements in organizational performance, increased customer satisfaction, more repeat business, improved turnover and perhaps increased profits. Hence, the aim of Mr Othman's thesis is to develop a framework for managing organizational culture in relation to internal service quality, which aims to help hospitality organizations to strive for excellence.

I hope you will appreciate the importance of this study, both for Mr Othman and the wider Malaysian hotel industry. In conducting case studies Mr Othman is seeking access to talk to members of the management team in each of the chosen hotels, and, if possible, to conduct a small amount of research with operative level staff. I can guarantee that neither the hotels, nor the interviewees, will be named and will be represented as pseudonyms in the final written thesis. Furthermore Mr Othman is happy to present his research results and produce a written report of his key findings for the individual hotels and the Malaysian Association of Hotels. It is hoped that this

will provide useful evidence to further improve internal service quality with the chosen hotels, and hopefully throughout the Malaysian hotel industry generally.

In sum, I would be most grateful for any support you can provide to Mr Othman to develop this important research and would be happy to discuss this further if you have any questions.

Yours sincerely

Dr Dennis Nickson
Director of Postgraduate Research Students
Scottish Hotel School
University of Strathclyde
Glasgow
United Kingdom

APPENDIX 2. LETTER OF REQUEST FOR PERMISSION

Date: 5 August 2003

Dear Sir/Madam,

RE: REQUEST FOR PERMISSION TO STUDY YOUR ORGANISATION FOR MY RESEARCH AT UNIVERSITY OF STRATHCLYDE, UK.

I am currently pursuing a PhD degree at University of Strathclyde, U.K. I am researching on the impact of organizational culture on the internal service quality performance in hospitality organisations in Malaysia.

For the study, I am particularly interested in selecting your hotel as one of the organizations for my case study. The hotel is being selected to represent one of the international hotels in Malaysia and among others also one of the key players in the Klang Valley.

The study will examine the corporate culture, which consists of the collection of beliefs, expectation, and values learned and shared by the members of the organization that contributes to its success. The study will not attempt to investigate any confidential aspects of the organization such as financial performance. Research methodology will be mostly interviews and a simple survey. The proposed fieldwork will only begin around mid-September 2003.

Generally, this study is significance because it will assist the hospitality organizations in identifying its own corporate culture and access its impact on the performance. Besides, the findings can also be use to foster the positive culture and it can be useful for quality planning and strategy implementation. A part from that, the research will not only served as a reference but also as a platform for any future research in the same area.

The research hopefully will be able to help the hospitality industry in Malaysia to strive for excellence and specifically will be useful for your organization strategic planning. In order to facilitate that, I am more than willing to share with you the executive summary of the research, once it is completed.

We look forward to hearing from you and your cooperation is very much appreciated. If you have any question, please do not hesitate to contact my supervisor, Dr. D.P. Nickson, email: d.p.nickson@strath.ac.uk or me.

Thank you.

Sincerely Yours,

Mohhidin Othman

Lecturer, University Putra Malaysia, Selangor D.E. Malaysia.

and

PhD Research Student

The Scottish Hotel School

University of Strathclyde

Curran Building

94 Cathedral Street

Glasgow G4 0LG

United Kingdom.

Tel: 0141-548 3611

Fax: 0141-552 2870

Email: mohhidin.othman@strath.ac.uk

APPENDIX 3. EMAIL REPLY BY MAH

INBOX: PhD Research by En. Mohiddin
Othman with Universit... (42 of 292)

[Move](#) | [Copy](#)

[Delete](#) | [Reply](#) | [Reply to All](#) | [Forward](#) | [Redirect](#) | [Blacklist](#) |
[Message Source](#) | [Save as](#) | [Print](#)

[Back to INBOX](#)



Date: Wed, 10 Sep 2003 15:09:21 +0800

From: [Malaysian Association of Hotels <mahotel@po.jaring.my>](#)

To: [mohhidin.othman@strath.ac.uk](#)

Cc: "[Sam Cheah, KL International](#)" <[samxieruixi@hotmail.com](#)>, [Shangri-La Richard Riley](#) <[rwr@shangri-la.com](#)>, [Dynasty PK Wong](#) <[pkw@dynasty.com](#)>, "[Maleia Marsden, Cyberview Lodge Resort](#)" <[maleia@cyberview-lodge.com.my](#)>, [Michael Nagel Hilton PJ](#) <[Michael.Nagel@hilton.com](#)>, "[Mohd Ilyas Zainol Abidin, De Palma Hotel Ampang](#)" <[ilyas52@yahoo.com](#)>, "[Sarjit Singh, MAH](#)" <[sarjit@hotels.org.my](#)>

Subject: PhD Research by En. Mohiddin Othman with University of Strathclyde

Part(s): 2 [winmail.dat](#) application/ms-tnef 19.62 KB

Dear En. Mohiddin,

Herewith the list of MAH member hotels that will help you in your PhD research:

Hotel	Star Rate	General Manager	Contact Person
De Palma Hotel, Ampang	3	En. Mohd Ilyas Zainol Abidin	HR Manager: En. Rahmat bin Hashim Contact No: 03-4270 7070 Email: dprahmat@po.jaring.my
Cyberview Lodge Resort & Spa, Cyberjaya	5	Ms. Maleia Marsden	HR Manager: Ms. Uma Iyavoo Contact No: 03-8312 7007 Email: uma@cyberview-lodge.com.my
Hilton Petaling Jaya	5	Mr. Michael Nagel	HR Manager: Ms. Lim Lin Contact No: 03-7955 9122 Email: lin.lim@hilton.com
Dynasty Hotel KL	4	Mr. P.K. Wong	HR Manager: Ms. Ruby Wong Contact No: 03-4049 6100 Email: dynasty1@putra.net.my
Shangri-La Hotel KL	5	Mr. Richard Riley	HR Manager: Mr. Andrew Quay Contact No: 03-2074 3907

Email: andrewq@shangri-la.com

Would appreciate if you could mention MAH and its participating member hotels in your final report. We hope you will also extend a complimentary copy to each of us.

Wishing you all the best of luck.

Yours truly,
MALAYSIAN ASSOCIATION OF HOTELS (MAH)
B. Sarjit Singh
EXECUTIVE DIRECTOR

c.c.	En. Mohd Ilyas Zainol Abidin	President, MAH/GM, De Palma Ampang
	Ms. Maleia Marsden	General Manager, Cyberview Lodge Resort & Spa
	Mr. Michael Nagel	General Manager, Hilton Petaling Jaya
	Mr. P.K. Wong	General Manager, Dynasty Hotel KL
	Mr. Richard Riley	General Manager, Shangri-La Hotel KL
	Mr. Sam Cheah	Secretary General, MAH

APPENDIX 4. LETTER TO GENERAL

MANAGER/HUMAN RESOURCE DIRECTORS

Date: 10 August 2003

Dear General Manager/ Human Resource Director,

I am a PhD research Student at The Scottish Hotel School, University of Strathclyde. For my research, I am investigating the relationship between organizational culture and the internal service quality in hotel.

To help me getting a broad sample of the hotel employees for the case study, I would appreciate the fullest cooperation from all employees. For your information, I am investigating the any significant influence of organizational culture on the internal service quality performance. Hence, the objective of the study is to examine and assess the impact of organizational culture on the internal service quality performance.

There are two main parts of my research:

1. Exploring the organizational culture. (interviews)
2. Exploring the internal service quality performance (employees) (PAT Survey)

In exploring organizational culture, basically I will have to carry out an in depth interviews with top management, operational staffs. I assumed a minimum of 10 staff and managers will be involved in the interviews in each organization.

For PAT survey and individual envelopes are enclosed. Completing the survey should be easy, respondents can write as little or as much as he/she like. The survey can be distributed at the employee meeting or during a change of shift and have them completed during their free time.

Please assure the employees that their participation is voluntary and the survey will have no impact on their employment. I would appreciate if you help by allowing me to collect data from as many as possible. Your support is essential to the success of this study.

I shall be happy to send you a copy of the overall results of the research, but it is important to let employees know that their responses are strictly confidential. To protect the employees' anonymity, please distribute the envelopes together with the survey and have them sealed the envelope before returning them to you. I shall collect the envelopes later.

Again, thank you very much for your help.

Sincerely,

Mohhidin Othman
PhD Research student.

**APPENDIX 5. THANK YOU LETTER TO GENERAL
MANAGERS/HUMAN RESOURCE DIRECTORS**

Date: 20 December 2003

Dear all,

I wish to thank all of you for your cooperation, commitment and enthusiasm in making my research fieldwork possible recently.

My special gratitude and appreciation goes to Mr. Mohd Ilyas Zainal Abidin and Mr. Sarjit Singh of MAH for their dedication and commitment towards 'research culture'. I also like to thank a million to the all GM and all their Human Resource directors of the following hotels for 'opening their door' for me and also for their hospitality:

Petaling Jaya Hilton, Petaling Jaya

Cyberview Lodge Resort and Spa, Cyberjaya

De Palma Hotel, Ampang

Dear GM,

Please extend my appreciation to all the staff for their cooperation, patience and their positive attitude in providing me with quality information. I am very impressed with all the staff for their willingness to participate and contribute to the development new knowledge. I really appreciated your hospitality and enjoyed meeting every one of you.

The truth is that I have learned a great deal from each of you and your organizations. I felt particularly good about the professional manner in which the Directors of Human Resource have welcomed me and I truly believe we should always work together in the future in order to develop better understanding of the dynamic of our organizations, particularly in the Malaysian hospitality sector.

I wish all of you continued success in all of your endeavours.

Sincerely yours,

Mohhidin Othman

PhD researcher Student,

University of Strathclyde, Glasgow, UK

APPENDIX 6. BROWN'S (1998) CASE STUDY QUESTIONS

1. What are the principle metaphors that people use to describe this organization?
2. What physical impression do you think the organization gives?
3. Does the organization hold any ceremonies?
4. What are the main rites here?
5. What stories and legends do people tell here? What messages do you think these stories and legends convey?
6. Are there any corporate heroes in this organization? In what ways are they symbols for the organization?
7. Are there identifiable subcultures here? Where are they located? Are there in conflict or harmony with the dominant culture? What impact do they have?
8. How would you describe the culture of the organization?
9. Do you think this organization has a strong culture? Why?
10. Do you think you fit in with the dominant culture here? Why or why not?
11. How does the organization deal with deviant individuals?
12. What was the last crisis faced by the organization and how did it respond?

APPENDIX 7. KEMP AND DWYER'S (2001) CASE STUDY

QUESTIONS

- 1. Language used in the organization. Is there a special jargon? Are particular metaphors used?**
- 2. Stories or myths that are communicated in the organization. What point(s) do they seem to be making?**
- 3. Behaviour that seems to act as a clear ritual. What beliefs and values are being reinforced?**
- 4. Ceremonies. What is their place in the organization? What beliefs and values are being reinforced?**
- 5. Important activities/interactions within the organization. What norms apply in these situations?**
- 6. Managerial practices in regard to matters such as treatment of subordinates and selection of staff for promotion. What signals do these practices give as to what is valued/rewarded by management?**
- 7. What picture does the physical layout of the organization provide? For example what does the hotel layout and style of furnishing suggest about the organization?**
- 8. What beliefs are held by organizational members in regard to key areas of organizational activity?**

APPENDIX 8. COVER LETTER AND PAT SURVEY FORM

Pat Survey Form/Borang Kajiselidik PAT



Dear Sir/Madam,
Tuan/Puan,

I am researching on the impact of organizational culture on the internal service quality performance in the Malaysian hotels for my Ph.D. Congratulations, you have been selected as one of the respondents to represent your hotel in the case study. The study aims to determine the linkages between organizational culture and internal service quality, and the exact nature of the relationships, the findings hope to add further understanding as how to improve internal service quality amongst employees.

Saya sedang menjalankan kajian mengenai kesan budaya organisasi terhadap hubungan sesama pekerja keatas hotel di Malaysia untuk keperluan ijazah doktor falsafah. Tahniah, anda telah terpilih sebagai responden bagi mewakili hotel anda dalam kajian ini. Kajian ini bertujuan mencari kepentingan hubungan di antara budaya organisasi dengan hubungan di antara pekerja dan hasil kajian ini diharap dapat memberi lebih kefahaman tentang perhubungan di antara sesama pekerja.

If you have to work with other departments' staff in your daily job please give your impressions about the best and least satisfactory aspects of your working relationship with them. Write as much or as little as you want in the form provided on the following page. Please use the back of the form if necessary.

Jika dalam menjalankan tugas harian, anda perlu berurusan dengan mana-mana kakitangan dari jabatan lain, sila berikan pandangan anda ketika bekerja dengan mereka, kedua-dua pengalaman yang menyenangkan dan juga pengalaman yang kurang menyenangkan/pahit semasa bekerja dengan mereka yang pernah anda lalui. Tuliskan pengalaman anda di ruang yang disediakan di muka sebelah dan jika ruangan yang disediakan tidak mencukupi, sila gunakan bahagian belakang borang ini.

Please return the completed form, sealed in the envelope provided to me through the human resource department. Your response is strictly confidential.

Sila masukan borang yang telah lengkap diisi kedalam sampul yang disediakan dan kembalikan kepada saya melalui jabatan sumber manusia hotel anda. Maklumbalas anda adalah sulit.

Thank you very much for your cooperation/Terima kasih di atas kerjasama anda.

Sincerely Yours,
Saya yang benar,

Mohhidin Othman
PhD Research Student
The Scottish Hotel School, University of Strathclyde
Email: mohhidin.othman@strath.ac.uk
Profile Accumulation technique (PAT) Copyright © Nick Johns Norwich UK

Please ✓ where appropriate/ Sila tandakan ✓ di tempat berkenaan.

Male:
Lelaki:

Female:
Perempuan:

Years of service:

Jumlah tahun perkhidmatan:years/tahun.

The department to be evaluated.....

Jabatan yang dinilai.....

Food & Beverage		Front office	
Kitchen		Housekeeping	
Purchasing, Receiving & Store		Maintenance	
Stewarding			

1. The best things about working with them are.....

Apakah pekara-pekerja yang menyebabkan anda seronok bekerja dengan mereka?

2. The reasons why these are best are.....

Sebab-sebab ianya dianggap menyeronokkan anda?

3. The worst/least satisfactory things about working with them are.....

Apakah pekara-pekerja yang kurang memuaskan hati anda ketika bekerja dengan mereka?

4. The reasons why these are unsatisfactory are.....

Sebab-sebab mengapa ianya kurang memuaskan hati anda?

APPENDIX 9. SPSS CONVERSION FORM

PAT: SPSS Conversion Sheet.

Employee NO:
1-320

1. Organization:

1	Hilton	2	Cyber view lodge	3	De Palma
---	--------	---	------------------	---	----------

2. Gender:

0	Missing value	1	Male	2	Female
---	---------------	---	------	---	--------

3. Years of Service:

1	<1	2	>1 - 3	3	>3 - 5	4	>5 - 10	5	>10	0	Missing Value
---	----	---	--------	---	--------	---	---------	---	-----	---	---------------

4. Department Evaluated:

1	F&B	3	Rec. & Store	5	F/Office	7	Maintenance
2	Kitchen	4	Stewarding	6	H/Keeping	0	Missing Value

5. The best things:

6. Reasons positive:

7. The worst things:

8. Reasons negative:

APPENDIX 10. PUBLICATIONS RELATED TO

RESEARCH

Othman, M. and Nickson, D. (2004a) Linking Organizational Culture to Internal Service Quality, in *Proceedings of The International Hospitality and Tourism Virtual Conference*, Univeristy of Strathclyde and Purdue University, <http://www.midc.purdue.edu/ihtvc>, April.

Othman, M. and Nickson, D. (2004b) 'The Impact of Organizational culture on Internal Service Quality: a theoretical framework', in *Proceedings of The Tourism: State of the Art II Conference*, University of Strathclyde, Glasgow, June.

Othman, M. and Hashim, N. (2005) 'Service quality in the hospitality sector: An overview', *Jurnal Produktiviti*, 21, 33-58.

APPENDIX 11. INTERVIEW TRANSCRIPT (MANAGEMENT)

Organization: Foreign 5

Interviewee: Mr. A

Position: Hotel Financial Controller

Q: En. A...Thank you for welcoming me

A: You are welcome

Q: En. Abu Talib is basically a Financial Controller of this hotel, are you taking care of any other hotel?

A: I'm a Financial Controller of Hilton PJ, you can call me Talib, I also covered for the moment KL Hilton, just assisting them, their pre opening, it not much, just basic account, book keeping and I made myself available to the General Manager there, and this is all arranged between the Hilton organization and if I may add on, this is apart of Hilton culture, whereby any sister property opened up and their current work force most them are expatriates, so as a sister property be there for twenty years, we share our experiences, and if we could be assistance to them we try advise them on local needs and off course their own line at the moment.

Q: I understand that now; Hilton has been changed to Mutiara Hotel?

A: Aaa.. Hilton have management agreement with Pernas, under the agreement Pernas will provide all the facilities, Hilton will manage those things, two years back, Hilton and Pernas decided that they will go separate ways, Pernas decided to take KL Hilton, that time, they are managing themselves, the only company have a brand also, which is known Mutiara, so they have continued along that line, when I mentioned KL Hilton is a new Hilton, KL Sentral, but in term of known to the public it will be known as Kuala Lumpur Hilton. This is the brand we are promoting, Kuala Lumpur Hilton, which formerly was Sentral. It is own by the colleague from the Hilton Japan, they have accompany here.

Q: Pernas has nothing to do with this?

A: We do not have any collaboration with Pernas, only between Hilton and a Japanese group.

Q: It interesting!

A: Yes, Hiltons are currently having a partnership with almost four hundred hotels worldwide. So have different people, nationalities, continents, so that culture actually filtered right down to us even in Malaysia and the culture you find in Hilton is actually to a degree is a hybrid of what Hilton worldwide is. And off course certain part of the culture is a local content.

Q: How much is that?

A: Ah.. In percentage I'll will not be able to quantify, but the guiding principle is we will always not in contravene, contravention of any local laws, will always expect compliance all the laws, we try to use Hilton as a universal values, certain local values we find this part of the world observe just like any like Ramadan, festive seasons, holidays are following the local. local standard if you go to Europe or UK it only about Christmas, New Year and you will never find holidays like Chinese New year or Wesak day or anything to that extent.

Q: So how do you describe overall culture of PJ Hilton?

A: Culture of Hilton is actually tell you what Hilton expect of you, it defines very well, and it tell you why that it want that and then in the process it also allows you, that your contributions will actually become the melting point to create it own culture. So we

are encouraged to give feed back, encouraged to be able to communicate to peers, superiors, and we are also encouraged to go down and be interactive with people we are actually managed them or we supervise them, aaa. Because if I would say is a we are more Americanised in that respect and I think we do not find any barrier in bringing in new values and that stuff and I think from that respect I think generally 90% of the work force are very receptive to changes.

Q: No resistance!

A: Off course, the human nature of it, the first act of denial is always there, and we are no exception to that, may be the act of denial in the first act may be the overall percentage could be lower, may if you find you go, generally people more than 50%, the first act is denial, here probably you find the denial aspect at the initial will be 30% may be and as you interact, sell your values, shared their reservations, shared their fears of uncertainty, the thing certainly decreases and we believe that having this act of denial is quite natural aaaa.. Because all of us are always dictated to a degree with a build of emotion, no matter how we culture ourselves through training, through personal behaviour or managerial behaviour, that things will still there, all we can do is to reduce it and our reduction has not taken an abrupt yes and no situation, it never been. Is a process and at every process we relearn ourselves, we will find out in the learning process we believe we actually addressing how to make it from them a reactive, they feel fearing at that change that we bring in, how to make it reassuring them, and may be the process of reassuring takes a longer time but we believe the investment is worth while, because once they feel reassured they will be more committed to our course. Our course also impact on their own personal life and if we succeed, I believe the success will filtered down and the that reasons, the things we are just part of the Hilton culture where we spend almost 3% of our budget on training alone.

Q: Well, you are the right person to ask! I understand that this hotel is unionised hotel?

A: Yes, we have unionised not by our selection but the nature of choice made by. Because of the law state if they go thro the process before they come coming in to the national union there is a process monitored by the ministry of human resources, they went to the process, once that decisions was made, they certified, we respected the decisions, we believe as long they interactive, they unionised or non unionised, we don't feel any discomfort in dealing with different level of organization, for us is we need to sell what we stand for and at the same time, we are passionate of selling what we believe and I think over with a little bit of patient, passionatness is actually translate into them and while it is a on record that we did have some challenging time specially for the last 3 or 4 years we must put in the record that we are mature enough to come very well and at the end of the period both benefited very well.. And I think that is reflection of the maturity of the team, with then interact with, no matter how challenging may there were some occasions in which there was a higher level of display of emotion but I think, if we look in contact of human being I think that was to a degree quite natural and we never felt at any time slighted or anything and at the end of the period we continue explaining the cause, err. Although there is always.you never receive a full what you are. We partly see against as part of a process that process has enable us to remain profit. As long as we are competitive, we always want to sell that culture, as long as we are competitive we will be a winner, as long as we winner all of us be winner. We always stress that point, that is the part of the culture, they cannot be a single loser, everybody lose or everybody win, maybe the degree of winner, the degree of success will vary, but they cannot be a loser and winner in our organization. That is what we are trying to establish,

we may not get 100%, but I think we are relatively there. And because of that culture I think people, for what reasons people decide to pursue their career in another organization, there are well received in the industry, err. We may be to a degree being competitive and we also well managed in term of unit costing, we make no secret of it, we don't actually stingy, but rather spend wisely (coughed)
Excuse me!

Q: Going back to yourself, how long have you been with Hilton?

A: Well, with Hilton, I am going to be twenty years. Actually not exactly twenty, nineteen, next March will be. Actually nineteenth a half.

Q: Again you are the right person to ask about the evolution of Hilton?

A: You seen it grows embryo in 1984, when we were just trying to plant ourselves into the market. I joint PJ Hilton, that was the first time I joined the industry, before that I was with Aviation industry, so industry wise to a degree, same people you looking for, they fly in and stay in hotel.

Q: You was with the Airline or...

A: No, I was not with the Airline, I was with the management company that run the airport. So there was about managing people, managing aircraft, was still people.

Q: So far from your own observations, what are things being emphasizes by Hilton in general and Hilton PJ, for example like if they were to recruit new staff, what are thing that they looking for? Specially, the skills or whatever? What type of people, probably the right one!

A: OK. First of course, we are slowly emphasizing on pre qualification, I means over the twenty years I had been, because looking at the availability of the market, so if the availability of pre qualification improves, we have actually moves forward along that line, what we looking for is people willing to take up challenges, people who are slightly bold, and they do not fear putting extra bit of energy, people who can be open, people who can like to meet people, people and although who do not have the skills initially, we are prepared to give training. What we looking is your outlook of towards working environment, you must be always be positive and I think the rest of the technical skills can be taught of. Trade skills can be taught of as long as you have a desire to acquire it, I think we can put you in. What we will not like to having, people who believe think are always bad because we believe in the worst scenario is actually we turned round is actually an opportunity hidden, every time you see a problem an opportunity is hidden. Even the last SARS problem. While we try to down size ourselves in the process we found thing that we think that those challenging period we found new opportunity that came to us. So as long as we have people who willing to see that opportunities are found and in fact problem and opportunity remain side by side, it for us to pick it up, if you pick it up as an opportunity, our thought process our action our investment will.... but if we see that something is that is going to go against us and we are reactive going to destroyed us, suck our resources, suck our energy at the end of the period, you probably.... you feel the world is really going against you. So to a degree, we emphasize very strongly in our recruitment that.... And those are the attributes that we look for at the initial stage and to the extent that we are willing even to overlook to a certain degree your pre qualification as long as you have the attributes to take challenges.

Q: That is the right attitudes in this industry?

A: Ya.... I that think it not only part of the in this industry but all industry. May be it more relevance here because our product is basically measured basically measured how we treat people. Yes we have a product whether it is served, meals being served, drinks being served, very high components of that product is very service

orientated, eer.... we can served him a coffee, but the way we approach, the way we greet him, the ways we respond to his additional needs, make that product sweeter. More presentable, even having done all the presentations and we spoilt it by because we put it in such a manner it can be offensive so we always emphasize those values.

Q: So again going back to the organization. What are common rituals, that they are doing herein your observations, ceremonies and rituals part and parcel of the ways they do thing around here?

A: OK, First, the latest has been the General Manger sent a memo, just to address him by Michael. I mean as the hotel industry has been because the entry point always the people who pre qualification has been in the lower end apart from the managers it has been far the initial stage that having rigid control over it is was one of the main but I think that values is slightly fading, talking twenty years back that was the normal ways to do it. But today we just have started to feel closer to it before we put you on the job, we actually do an orientation for yourself, we you to know what we are first, then we can ask you what you can deliver, so we spent about five days doing that period you learn about us, PJ Hilton, we also learn where we come from, who own us, what their philosophical, what is their vision, we also have a mission statement and off course it is sub divided and if go to F&B they may have another mission statement, for the hotel we have one, which was last developed about four years back, we are thinking just revising as we moves on, for the last four years we could have catch up with the new development, so we need to improvised. We get our birthday recognised, certain managerial level we have our birthday recognised, we use to have separate birthday for managerial, past six months I think we have combined it, so each month we have all the birthday of the month, everybody together, the managers, everybody is there, no longer... We used to have separate, but part of the things is the, I think is the change in the values, working values shifting and we recognised that we need ourselves to shift according to the change, partly because the entry point again people are more educated, they are exposed to more values, cultural again here, their family culture, may be the regional culture, there are certain things like, we go to Kelantan or Penang, there slightly different the ways they greet, the way they, you go to Malacca people call you in foul language, is a normal ways of greeting. I am you have that experience, you go to Penang the Chinese will greet you the Hokkien, but you come here, the Chinese here will think something wrong with you. But those are the values you....

Q: So, how do you find that the national culture, how much does it interfere to the organizational culture, does it affect the organizational culture?

A: Aaaa... I don't think any of the national culture interferes with the overall company objectives.

Q: Not at all?

A: No.

Q: Once they come here, they were given induction, whatever.. Thus they assimilate to the

...

A: Yeah... may there are certain values that we don't practice that, because as far as hindrance, I cannot find any evidence of hindrance, it just that when we adopt and adapt, some of the values we may have taken says, we have started, may be we have taken says 60% of the Malay culture, may be 20% of Chinese, may be 10% of Indian, and just arbitrary figure, may be if we look at today, after 20 years, may the percentage of Malay culture has been reduced because the Malay culture itself been very courteous and everything is also is changing so if you really correlates to the

Malay culture it may have been to a degree for 20 years may be diluted I would say in that respect. And I am basing that because of what over the twenty years we went through but I am not discounting the changes in the Malay culture itself. So to what degree.... yeah, Indian culture has changed, Chinese culture has changed there is no exception for the western culture too, their has been changed, so in case of PJ Hilton we has always higher content of local culture there are actually two reasons, the hotel in the group that actually almost 50% of the our history has been under local General Manager, who were trained in Hilton culture but who actually managed this hotel with what you called local 'Midas touch' (laughed) so and I would say without really able to point but that actually filtered to it, and off course it quite natural that over ten years period then we have again another say Michael from Germany again we have slightly different culture coming in err... which Malaysian like concern to a degree could be 'liase faire' in a German culture sometimes people use term like 'can be machine' so I mean there is no right or wrong thing about it , all organization requires you to you to work in a 'methodical ways' is only a degree of methodology use (pause) and I think second reason is our guest, we have already high percentage especially in food and beverage local support for restaurant see most people presumed the guest inside a five star restaurant will always be a room guest, in our case no. In our case Paya Serai is always packed with local people, Ramadan is actually everybody else is thrown out because they actually...(suggestion: dominated) dominated is miles away. I would say ...I would say they captured it so, but to a degree that could have to me I think influence the fact that we need to take care of this source as you say from the beginning our internal guest and external, those are real external guest so they could actually have influence us. And off course like meal period like breakfast even fine dining Malaysian walking in here being 32 Ringgit or (suggestions: nasi lemak at warung) RM3.50 although we have all the ...but the fact that at least one meal period in which the guest say, I'm staying in a five star hotel... why it is surrounded with all local people, at there is a period in which, I would say 90% of the guest is all room guest, breakfast.

Q: What about the existence of sub culture within this organization? For example division based on races or departments?

A: I would say to be honest sub culture will exist and will exist here and still exist here.

Q: It is critical?

A: I don't think it is critical. I am sure the US has been 200 years. And you still have sub culture there. The only thing is we have to honest and recognized it existed. The only thing we do is we do not encourage and make it developed la! Because it could be very unhealthy and to stop people totally from having sub culture may be counter productive, I guess way is the sub culture will play a role in a long run as long as we will be able to emphasize and we add and direct and reward people within the main culture the sub culture will not threaten the main culture.

Q: Any deviants in this organization?

A: We actually put that back on the our main culture of the hotel which is common values, sub culture are actually you cannot remove it, like for instance you want to celebrate Hari Raya, we will not any attempt to stop anybody. You want to celebrate Deepavali, we never make an attempt, aaa... what actually will not allowed is sub culture to penetrate and make it as a working environment, we always want to recognised we want to have Chinese New Year any way is part of something in comfort. This is something you probably you grew with you 1000 years. How could we just change this within one generation? It is not possible and

the country that have tempted and organization that have tempted, organization off course they fold and close. Country did not close, country it is able to linger the lower. Organization will close. For them you can't survive, unless you can get a product that totally dedicated to that sub culture. In our case the product that we have are utilised by all cultural groups. May be relative to some other hotels, they have a stronger local content, in term of product our product our buffet, Paya Serai we are slightly up, because there is always this ceiling with external guest, Oh I don't have this, so sometimes you have to do balancing act, and also sometimes we moves from here to point B we also have to move them and say what changes we have seen, if you prepare a new restaurant and you get the same value, it looks the same product, people are not going to be appreciate.

Q: How do you describe the leadership style here?

A: OK, We went thro' a few leadership, currently I think, as I indicated Michael come a slightly a from older school, so his value is slightly different from the earlier managers but however I think, there are been two team building time and we actually have moved in which there have been some changes and specially for us at once time was extremely difficult because before that we have two local general managers. Style was slightly different and when Michael came there was a bit a change over. That change over, we did have some turn over!

Q: Any drastic change?

A: In some departments, Yes, we did went thro' a process. Some people have difficulties in adopting, so they need to moves on, we get new members to come in, because you are shifting a bit, the culture, the culture shift there, where she shifting there was always a time to balance it out, I mean 'stabilisation' because if you moves, you disengaged from this, suddenly people Okay, now where you going, so and I think for the two years back now, they moving towards stability.

Q: Are becoming stronger than before?

A: Aaaa... It instilled some slightly some new values, some new values as seen coming in, some other values need to moves on, has given ways.

Q: So, in term of the desired culture and the culture in practice, is there any gap in between?

A: We still have the gap because the day we do not have the gap, the training department can close down! (laughs).

Q: But it is not a 'huge' one?

A: I mean the fact that, to measure the gap between the potential and what you are.. Potential or desired whichever, I think in this case are identical and what you are which actually that gap measure with the level of training we required so in the early first two years, Michael has to invest more on team building, now is an investment ... because you created new team, you need to make that team after that how to work as a team because if you get a team as existing as a continuous team you need to reinvent the team than you need to go to a period in which you have to keep that time for that team to work on a new base, new values and the new pace so that I think we are in the stabilizing pace. We went thro' a change.

Q: In term of the policy from the headquarters, normally how much does it influence the day-to-day management here? What is your comment on this?

A: Yes, I think for twenty years that fixed values coming from says regional level, I think it is on a decreasing scale. I personally belief having to.... their less involved with the day-to-day, getting less and lesser, that also reflected on the organization structure at the end, I believe that is the model that they actually is promoting, that you are getting more accountable locally than decision. That if I am looking over the twenty

years span. In which a lot of decisions were actually made, Singaporean we implement and the changes if we go back like say four years back there were changes we have to change this and that we have to send for clearance, now we make it here.

Q: Is it getting better now?

A: Yes! Maybe in a layman it is getting better but talking from accountability and responsibility I believe it shifted. Accountability and responsibility has shifted. The fact that this has to be done is still there.

Q: I see yes, that is the objective!

A: The objective has not changed; in that respect it does not effect the organization, it only in term it is faster.

Q: So basically we have PERNAS and at the other end, we have Hilton, how does these two being 'blended'? I mean in term of policy, normally how much influence does PERNAS have over the property operations.

A: OK, actually your question come very right, it coming right time, after what I have just said, Hilton have reduced the direct, similarly.... actually the reverse what has happened PERNAS has involved more directly, if you measured that thing, the reduction of involvement from the area and the increase of PERNAS, I would says the reduction is ten, increase is six times more. So ...

Q: Are they more confidence of the local capabilities, nowadays, is it?

A: Hilton yes, but PERNAS they need to know more, PERNAS they want to be more involved with time, with finer details, which you say fifteen years back, they are more concerned to let you run and look at the end results and decide whether this is the best we can received from them, now they will requires, that degree for the past two years I think would had gone very much details, so much so specially in term of reporting, at times it can be quite alluminous for PERNAS and in fact, as I said six times around that range more than what reduction what we got from Hilton, so if you really take an impact point, you actually if doing hundred with a reduction of ten in clear sixty, so your net is 150, so you got in term of control the way you managed, the way you work control has coming more, but not from Hilton from owning company.

Q: What about the turn over. Actually what you went through over twenty years? The turn over now as compared to the last time? The staff turnover?

A: Aaa...

Q: Towards the better or otherwise?

A: Turn over for staff, you see the managerial to a degree will be dependent on changes in management or leadership styles, but the ninety percent of the employees turn over more determine by opportunity and ability to grow because there was a period when people work as a kitchen helper for three month, somebody offered them a cook number one somewhere, one guy I know in 1996, he worked in the kitchen, he started fresh from school, six month worked as kitchen helper in our kitchen, somebody hired him as number one, mid-cook in Seri Malaysia in Temerloh.

Q: Oh, Seri Malaysia! Especially, when you coming from Hilton?

A: What you are saying is what motivation is there for this guy is to remain here? This is Hilton he didn't ask you, what you would think as. So for this guy, may he has a basic pay of say here plus point, he may get around 800 Ringgit, they give him 2,500 and give him a title, Main Chef or whatever they can it. So him the recognition will be there, so these people will moves on. So aaa.. The other thing is because the labour market for the last 10 years our unemployment is always been below four (percent), it is hovering 3.2, 2.8, 2.4 at one stage went to 1.9 aa. And with 2 or 3 people with full employment, because there are always some people who want to

change, they change because they changed house, they changed because they changed boyfriend. They changed sometimes, or may suddenly the boyfriend is working nearer and she want to be closer, sometimes they changed hotel! For managerial there is slightly different, as I indicated at the beginning, we went through for the past two years quite substantial transformation of managerial, that more because of leadership styles, so that has been in control to a degree some of that is by design because we want to introduce some new changes, relatively apart from that managerial changes, I think the rest turnover has been, a discount opportunity on our side, economic things, I think has been between the range of 3 to 4 percent.

Q: Is that quite normal things here?

A: Every month twenty-five, twenty people, off course in December we will have a lot, because they collect their last bonus, because in order to collect your last bonus, you must be working on 31st. So if decide to leave in November, you are actually forgoing your bonus lah! So you find in December exceptionally more people will says, no cannot, I got, there is nothing left for me to collect, I'll go there I'll changed boat.

Q: So instead of paying in December, pay in January then?

A: I guess if we pay in January, people will make decision in February! Actually the point you made is absolutely right, companies that actually have a very strong Chinese culture, like he is the owner, they pay you Chinese New Year, and they don't pay Christmas time. I mean you said if we paying in December is basically it is Christmas culture, because you need money for Christmas, so you get paid or normally you bonus come early one week before Christmas, you around eighteen or twenty, do your shopping. That is if you take paying of the bonus here is basically what you called part of western culture, I mean most of us may not be a parent, but you really go it, it is part of that culture to give you the some additional resources and also a local content to that is for January the school opening, just nice so that has actually remained between that.

Q: OK, let get into the conflict, any recent conflict and normally how do you handle that?

A: Conflict handling, first you say, what are the component of that conflict, once you know the component of the conflict, how that it happened, whether that component avoidable. If it is avoidable then we probably have to think in line how to avoid it. If it is something unavoidable, then you have to think of it what you need to support that it doesn't happened. So by having certain things, probably people didn't have information, and they make judgement, so the answer here will be probably give the information, so the conflict will not come. So. Well if the things was, off course in any conflict depending on the culture of the organization, that why come again if the culture of an organization, if the culture is very professional, people tent to think along that line. If the culture is comes with the belief there is a prejudice the analytic part of it will be slightly different so personally I think one of the question will be asked, what could be done better. What could has been done differently, after analysing probably, you may call the person, ask him, this is the scenario you actually can tell what you belief, and get a person a chance, I think this is the way. That person will have the right to explain himself/herself. Here I think the ability of other party to explain, the chance is there, whether that person utilizes that opportunity will be reflected whether he believes that he has been wrongly perceived then he will try to explain, but if he preconceived that no I cannot be done anything then it will be slightly different. But the approach will be analysed, options, talk about it, come out with the define solutions mutually agreed. And then, once mutually agreed at least the

two people who in conflict, forget about the rest, at least you have two people agree to that situation. (Laughs)

Q: How did you handle crisis, for example the SARS crisis recently? How normally the management approached this?

A: OK, for the SARS, one of the things that were done was to a degree brainstorming.

Q: Any layoff?

A: We did layoff. We did definitely layoff.

Q: Is it because of SARS or because something else?

A: Aaaa... Layoff, actually we didn't layoff. We didn't. We went on the LIFO principle, the last in first out. So if you. We didn't confirmed people. We already know you going to be surplus, so we didn't confirmed you and then off course, because the thing happened quite fast, actually when the thing happened, I was on vacation. I was trying to clear my leave, so I was actually on one months leave. I have a lot. Somewhere accumulated, some of the thing that they did is to a degree is the crisis management. We already have early just before. A year back was 9/11, Iraq War, actually SARS and Iraq War quite close. We have the Afghans War.

Q: But, the worse one is SARS, is it?

A: Relatively SARS, which I think if you don't understand the economic linkages, you would find the war in Iraq should be more, what wrong with 110 people getting this one. But, you SARS was all about what is in the mind, 'fear', war is destruction, you don't have the capacity already. You destroyed already, once you destroyed I think I can measure you but I can't measure what is in you brain. So when people always have a fear you know, I don't want to go there, the neighbouring country got two SARS cases already. So your innocent neighbour also got, the level of problem in Malaysia was much –much more than Singapore, because we are closer to Singapore, and a lot of people have a tendency to map Malaysia on the world besides Singapore, they have a tendency to describe in that ways we suffer too. And because we were part of this region, South East Asia, Hong Kong was very close to South East Asia, so a lot of association came in, that is, this is people who don't deal with this region, didn't want to come, on top of that our economic linkage was strong with China, Japan, Taiwan, Korea. Korea didn't have any, but then exception people don't remember, people only know the normal thing, so normal thing Korea was not even in, so I believe our trade with China is almost 18 percent so we image how many people didn't want to go to China. And how many people couldn't come here. So that affected, and the Japanese says we are transiting into the unknown, so don't go. So the Japanese also cutout, Japan take another 20-25 percent, I think. Japan and US fluctuated, between Japan and US being more, so they fluctuated. Between these three, they makeup almost about 60 percent of our trade already. These three countries.

Q: I understand that some hotels were experiencing single digit occupancy?

A: So it is more of a fear, and I think the biggest problem arising, is because you are competing against unknown. Mind, people mind, you see WHO has to come up to say this place is cleared already. Somewhere is coming, so people you know, although they knew this it is the same place that happened, in June we find it strong recovering, we were quite shock, we thought we under estimated ourselves, the recovering was so fast.

Q: How was the staff react to this? Are they sympathized, do the really understand the situation or are they angry?

A: No, we make a lot of effort because why we also have to do some salary cuts.

Q: How do they react to this?

A: Off course, reactions was, reactions was, I mean off course to a degree I would say, initial anger, frustrations, but then when you sell the point that you know, it is a question of we want to feel the pinch or we want to feel the cut. And again this where culture plays apart in the organization, everybody felt that no. Let us have feel a pinch all of us. Share, you know why, we don't really know how long this going to be. Because if tomorrow we going to look for the force, the force won't be there already. So in this situation, let us tighten ourselves, don't cut any of us out. So.. Apart from people who were actually in the position whether to make them confirmed or not confirmed, we didn't want to continue the direction. Because, we felt that, we have them not only it will be burdened to the company but it also going to share the point of employees, who already getting low point and if they have to share with more people and off course we do recognise these people when they leave they will have zero but we believe they will be able to go into the market find alternative. Somewhere a long the line you have to set your priority lah. Our priority will be to people who have been loyal to you. In the process you will be. To a degree says a bit cruel to people, but then is about deciding so when you decide some people fall on the wrong line. So.

Q: You can't satisfy everybody?

A: Ya! Definitely not.

Q: So I think it has been a very rich interview. I would like to thank you very much.

A: You are most welcome. If there thing in which you need to clarify, you need to verify, I didn't come in a structured manner, I didn't prepare for it.

Q: No, It fine, it just this is the kind of questions that I interested in.

A: I hope, I had been assistance, which will be able to help you. In fact I feel honoured to have an opportunity to develop question line you put through, it will be an opportunity for me to learn the process we went through. So I hope you benefited the same way, I benefited personally.

Q: We rarely get kind this opportunity, especially from a person with more than 20 years experienced behind. Thank you very much.

THE END.

APPENDIX 12. INTERVIEW TRANSCRIPT (OPERATIVE STAFF)

Organization: Local5

Interviewee: Mr. AA

Position: Food and Beverage Supervisor.

Q: Mr. A* A*** from F&B department, an Italian Restaurant. What is your designation?**

A: F&B Supervisor.

Q: How long you have been here?

A: One and the half years.

Q: Before this?

A: Quite some places, Holiday Villa Subang, MAS Flight Steward.

Q: Oh Yes, I was wondering by looking at your attire, my first impression you must have been coming from somewhere!

A: Five years contract as MAS Flight Steward.

Q: It really interesting because you can always compare between here and your former work place, any significance different?

A: Here more of a resort, staff working like family. Unlike city hotels, people tend to be individualistic. Every department is on it own. If you have problem very rare the problem can be solved amongst yourself. You have to wait until meeting or morning briefing. Normally, what happened like F&B bang Housekeeping, F&B banged sales.

Q: They are trying to blame each other?

A: Yes, you can't solve it amongst yourself.

Q: Is it because the staff population is too large?

A: Yes, MAS for example is international more American style.

Q: But here you have an American GM, so what do you think?

A: She is an American but she has been here about 6-8 years. So she is used to our culture here.

Q: Do you think she is enforcing something from US or does she consider the cultural background of the people?

A: Yes, work wise certain thing, which America did 'good', we implemented here, but she started a culture of working like a family. She improves everything. She started coordination meeting among the staff, direct from GM to the staff. Like other hotel, it needs to go through level, like manager to supervisor, supervisor to staff. Here she will deal with staff problems directly. So, basically much of the problem can be solved at this stage, like attitude problem. Here the benefits are good, amongst the hotels that I have worked, this is the best one.

Q: A part from the best working environment, is the salary good?

A: Salary wise, more or less the same with other hotel, MAS off course they pay high but they took away your family life, you have to be away. It is totally different over there.

Q: If you a single then it is a different thing, right?

A: Single is OK.

Q: Basically, do you like the way thing being run here?

A: So far so good. So far I have been working here one year plus. Certain place, you want to go to work you feel tense.

Q: You wake up in the morning you didn't feel like going to work?

A: Here you feel good, every time, no problem going to work, you can perform.

Q: The way I see here, the way people work is less hectic?

A: City hotel is different the culture is like that. Even like Shang RI La, staff from French Restaurant 'La Fite' carries their nose very high. They don't mix around with other department staff. They have to maintain standard and quality, image. But here different, I'm in fine dining but still keep a gap between staff, but the relationship is there. Mix around.

Q: There is no such thing as sub-culture here?

A: No, we still mingle around during mealtime. All staff from all department mix around. Not like city hotel, no.

Q: What about relationship between races amongst staff over here?

A: I don't see any problem with that. May Be the Chinese restaurant, they are located at another part of the hotel, but they still come here and mingle around. Even the Chinese restaurant staff, sometimes they come here working in the banquet, there they mixed around.

Q: What are the other things that the management did to keep the staff together?

A: Very seldom I have a GM who like our GM, once a year she will take all the staff for outing, especially during Ramadan, go for breaking fast and then go to cinema, she will do that every year. Recently we won a football match, 'Piala Tan Sri', we were the champs. So she brought everybody to the Palm Garden Hotel,

Q: So somewhere else, not here?

A: Not here! And then a family day, which is very rare in the city hotel.

Q: What is the staff population here?

A: About 260 something.

Q: What about room?

A: Room about 70 over. More of a 'Boutique Resort'. Our cheapest room rate is RM700 over and close to 4000 over Ringgit. It more like classy boutique resort here. It not like normal resort, not much room, here we don't go for quantity, we go for more quality.

Q: What is the other thing that the management did to recognize employee performance?

A: We have super software, super software is the best employee of the month, there is manager of the quarter and then right now they having hotel exhibition at the Mines, FHM, so they will select and sent all outlets, service side, kitchen staff, everybody will participate.

Q: What kind of participation?

A: Culinary, the service competition, table setting and all that. Then the bosses will select, like this year I already went, next year other people. Everybody will have the chance. Opportunity is a lot.

Q: What about promotion wise?

A: Promotion is good. Promotion is like if you really good and then there will be no two ways about it. If you really good you will get it.

Q: What are the criteria that they are looking in order to promote?

A: Number one is disciple, your leadership off course, punctuality, off course for some staff punctuality is not good but majority got promoted based on that.

Q: Do they have training towards promotions thing like that?

A: Yes, recently the hotel sent me and there other staff to MATEC, the Malaysian hotel Organization, they got me some up selling skills programme, with that training we got certificate. So they will choose, in two or here month, there will be somebody chosen to attend the programme, and then they will choose two or three staff for the management level, they will sent them for a Diploma course every year.

Q: That really good.

A: Now, I'm waiting for that as well. May be next year I will get the chance. Everybody will have a chance. But this one, they will see your work performance like loyalty.

Q: Going back to the other hotel that you have worked before, do they have all these?

A: basically, all the basic things, they have but the family working environment, I don't think so they have.

Q: So they are promoting working in a family environment, instead of treating everybody like as employees?

A: Here, one thing is that we are free to talk, free to give suggestions in a proper way, but one session that GM have with staff is that once a month, early of the month, it is an on going thing. All the outlets will have the representative, any problem, anything, from the small matter.

Q: Is it one by one or all together?

A: Everybody will be in the same room, but again she will go through one by one.

GM, Director of Human Resource will be there and the secretary will take the minutes. Everything is in a proper way, the minutes will come out and everybody will know. The minutes will come out for all departments, so they know what is happening in the meeting. Staff gathering is once a month also, birthday celebrations, like once a month there will be a party for the staff, staff party or annual dinner is off course once a year. But the staff gathering, where we will have buffet, that the day we will choose the employee of the month, the birthday celebrations for that month.

Q: So going back to like award, if somebody got an award, do they promote him like a role model or what?

A: Not to say like a role model but they will do something about it, so that everybody knows about it. For example, you found the wallet and return it to the security.

However, some prefer to be low profile. May be there is no grand party about it, but the GM will make sure everybody will know about it, she will announced it. This fellow found this and that.

Q: Personally, how do you feel working here? Do you feel proud?

A: Much better, because now we are like climbing up, last time nobody knows this hotel, Cyber view hotel is like in another part of the world. Now, the standard of service is being recognised. In fact, Putrajaya is also coming up, people get to know about this hotel, and furthermore our PM (Mahathir) used to come here. Bistro is one of his favourite restaurant'. He will come once n a few month and our Atap Lounge, if he feel he wanted to relax.

Q: What is his favourite at Bistro?

A: A Veal Shank, Osco Buco! Every time he will order that. In term of safety, we really work hard on the safety wise, especially the director of safety and health. He is working closely with fire brigade, police and all that.

Q: Any untoward incidents happened before?

A: Major thing none, small thing happens in the kitchen.

Q: What are the others activities to foster better relationship amongst staff and management, does management and staff how did one perceived one another?

A: Management, basically there are a few level of management, one, two, three. Level one is below GM, GM is the highest, but normally all the management is like 'parent' to the staff, they are playing a father and mother role, so the staff is really feel being appreciated. And then, recently in October we just launched the Gourmet indulgence is a food festival, so our director of food and beverage, Mr. Shahim, he organized a tour, a food tour from Cyberview, there are twenty Mercedes, to bring the guest to

Shang, from Shang to De Fisherman restaurant of Taman Botani in Putra Jaya, so next year they will go to Marriot, Palm Garden etc. From there the guest get to know more.

Q: What do you think of the physical aspect of this hotel?

A: Landscape is very good, in fact we won the best resort landscape two or three years back. Have you got a chance to go around the hotel yet? The waterfall side especially the Spa. Is very resort, is very green, that why the logo and the motto is 'a where paradise and high tech met'.

Q: So it really reflect the image of the hotel?

A: It is really a paradise. If you really want to run from the city KL jam, this is the place. Because you want to come here no jam, nothing very convenience, relax. In ten years time, may be.

Q: But still I think can be controlled as compared to KL. So basically we can sum up, what are the things that being emphasized here a lot?

A: The quality and the quiet of this place because the main reason people came here, they can relax, free of everything, especially in the Spa. And the green because here you want to do function for 2000 people, not to say they don't take but we will see on how the thing goes because we really concern on that. We can do thousand and so but we are concern about quality of service, that why we are really choosy. The place and the landscape are good and the quality of the staff also.

Q: So, basically how fast did you adopt from your previous culture into this culture?

From Holiday Villa culture to Cyberview culture?

A: Not to say very long, or take long time because for me to mix around with another culture is quite fast, I'm used to other culture. I have been flying for 5 years, and I have been all around the world. So very fast.

Q: So for you it is quite flexible because the nature of your previous job? Any crisis happened here before? How does management handle these?

A: I don't think so because of the super software meeting, like say the staff got problem, normally that will brought it up in the super software meeting with the GM. So if today is the super software meeting, one or two weeks from today the GM will solve it. If the thing cannot be solved, there will be a decision for that. So to talk about major crisis from the staff like a late payment of the salary, I don't think so.

Q: What about Union, here?

A: I don't think we need union here. If they can maintained the system here how they managed the system, the family style, there shouldn't be any problem.

Q: rather than any other place, the way they treated staff is like a family member?

A: Sometimes it not so much like compliments you see but that the way it goes.

Q: So basically the staff feel that their' service are being recognised, these are among the important thing. So, any transport provided for the staff?

A: Yes, in fact hostel is there for the staff. It is not the hostel anyway, more or less like an apartment. They took about two blocks of the apartments.

Q: So they converted that into a hostel?

A: Yes, very comfortable.

Q: If you are single you can always stay there?

A: Yes, air-conditioned was provided, freeze, kitchen.

Q: Any activities that are carried out?

A: the only that they did like once a month is the staff party, a family day once a year. Outing with the GM is once a year, once a month is staff gathering. Staff sports events, like volley ball tournament. Inter hotel, inter department games. But inter hotel is a lot because every year there are a lot of activities like carom, darts, chef cooking, ice carving, so every hotel is like positive fighting spirit, you won that

department got a point. At the end of the day, the department that got the highest point will have a trophy, a big trophy. The hostel also, got 'takraw' court, badminton court for the staff for them to play.

Q: No problem for sportsman, you can always enjoy work and enjoy playing at the same here.

A: The only problem is this month and last month was really busy, so everybody tight up.

Q: Normally, which time of the year is quite busy?

A: Busy during early of the year and towards the end of the year, middle of the year quite slow, especially with SARS going on the last time.

Q: It really affected?

A: Oh Yes, but now, we catching up.

Q: What is the occupancy like right now?

A: Today is 60 over percent. For next week is fully booked. Because of the BMW coming in, one big group coming in plus our regular guest. The only thing it little bit low during SARS time.

Q: How bad was the situation here?

A: Very bad, but we still survived. It is bad.

Q: What about restaurant at that time?

A: Restaurant doesn't really affect! Restaurant we are doing quite well also at that time. Only rooms.

Q: Basically that about it. Thank you very much for your time.

APPENDIX 13. RESEARCHER CURRICULUM VITAE

MOHHIDDIN BIN OTHMAN

Office:

Department of Food Service and Management, Faculty of Food Science and Technology, University Putra Malaysia,
43400 UPM Serdang , Selangor, Malaysia
Tel No: 03- 89468363,
e-mail: mohhidin@putra.upm.edu.my

Date of Birth: 13 June 1959.

Marital Status: Married with two children.

WORK EXPERIENCE

August 1997 to Present

Lecturer, Department of Food Service and Management, Faculty of Food Science and Technology, Universiti Putra Malaysia.

Lecturing Food Service Management , Introduction to Commercial Food Production, Restaurant Management, Food Service Design & Layouts and Purchasing and Menu Planning. Coordinate Industrial Training for Food Service undergraduates.

Coordinating the Bakery Unit, organized short courses related to Baking and Cake Making and Restaurant Management. Lab manager for Food Studies program. Member of MIFT(Malaysia Institute of Food Technology).

Curriculum development expert (food management) ISIS Consultancy project for Ministry of Education 2000.

March 1997 to July 1997.

Consultant, Hotel and Tourism Academy- ITTAR Petaling Jaya .

Lecturing at Hotel and Tourism Academy- ITTAR Petaling Jaya formerly known as NPC Institute of Hotel Management. Taught Practical Cooking, Food and Beverage Management, Food and Beverage Control, Theory of Foods, Kitchen Management, Methods of Cooking, Purchasing and Storing.

November 1991 to February 1997.

Consultant, National Productivity Corporation, Institute of Hotel Management.

Lecturing at NPC Institute of Hotel Management. Taught Practical Cooking, Food and Beverage Management, Food and Beverage Control, Theory of Foods, Kitchen Management, Methods of Cooking, Purchasing Management and other Hotel Management courses.

Also research and developed curriculum for Institute's programmes.

Provide consultancy services to hospitality related organizations, such as hotel, restaurants, cafeterias.

Provide Bumiputras entrepreneurial training, such as Restaurant Management in collaboration with MARA, KEDA and MRSM. Quality Improvement program in Food Service for Harris Advance Technology and PLUS (Projek Lebuhraya Utara Selatan).

Students Administration: Act as Diploma in Hotel Management program's coordinator.

Provide students counseling, career guidance counseling and students admissions and records.

February 1989 to October 1991.

Training and Teaching: As an **Advisor** to the vocational school's program implemented by MRCS for VBP in SBTC in the area of Food Service/Catering.

As **Acting Orientation Coordinator** for the Resettlement Programme (REP), one year prevocational and English as a Second Language programme for Vietnamese Boat People implemented by Malaysian Red Crescent Society. In addition, conducted training with individuals from Western and Middle Eastern cultures.

As **Senior Vocational Instructor** for REP, taught up to twenty hours a week of Food Service, a two hours a week of Cultural Orientation classes; developed and wrote/compiled the REP Food Service Curriculum Guide; consulted with other Food Service instructor on activity trainings and all areas of curriculum content.

November 1983 to October 1984.

Catering Supervisor.

As Catering Supervisor for Din's Trading's Off Shore Division, was responsible for purchasing, inventory control, three meals a day menu and food preparation for over 200 pax, maintaining health standards, as well as the supervision and evaluation of twenty employees.

August 1983 to October 1983.

Assistant Cook.

As an Assistant Cook for the FIMA Rantei Restaurant , prepared Japanese Cuisine under the supervision of a Japanese Chef; assisted with purchase orders, inventory control, and the maintenance of hygiene standards.

EDUCATION.

Ph.D

University of Strathclyde, Glasgow, United Kingdom

2001-2005

Thesis: The impact of organizational culture on internal service quality: A case study of three hotels in Malaysia.

Certificate in Research Methodology

School of Business, University of Strathclyde, Glasgow, United Kingdom.

2003

Master of Science in Hotel and Food Service Management

Florida International University, Miami, Florida 33199 USA.

1987 to 1988.

Thesis: Tourism Development in Malaysia: The Roles of the Hospitality Industry in Developing Incentive Destination Markets.

Bachelor of Science (Hotel and Restaurant Management

New Hampshire College, Manchester, NH 03102, USA.

1985 to 1986.

Diploma in Chef Training.

MARA Institute of Technology, 40450 Shah Alam, Selangor D.E.
1980 to 1983.

A three year course combining professional and academic training with internships at various international hotels in Malaysia. Curriculum emphasized Food Service Administration.

Certificate in Hotel and Restaurant Services.

MARA Institute of Technology, 40450 Shah Alam, Selangor D.E. 1977.
Major emphasis was placed on Front Office Administration.

INTERNSHIPS

Rasa Sayang Hotel, Batu Feringhi, Penang, Malaysia.

December 1981 to December 1982. As an intern, gained practical working experience in the following departments: Kitchen, Food and Beverage Control, Store and Purchasing.

Holiday Inn Hotel, Batu Feringhi, Penang, Malaysia.

December 1980 to May 1981. As an intern acquired practical working experience in the following departments: Kitchen, Food and Beverage Control, Store and Purchasing.

Merlin Hotel, Kuala Lumpur.

April 1977 to May 1977.

Worked Front Office Reception.

EMPLOYMENT EXPERIENCE

*Department of Food Service and Management, Faculty of Food Science and Technology, Universiti Putra Malaysia.

*Hotel & Tourism Academy ITTAR Petaling Jaya. (formerly known as Institute of Hotel Management, NPC.)

*National Productivity Corporation, Institute of Hotel Management.
P.O. Box 64, Jalan Sultan, 46904 Petaling Jaya, Selangor D.E.

*Malaysian Red Crescent Society.

32, Jalan Nipah, Off Jalan Ampang , 55000 Kuala Lumpur.

*Din's Trading Sdn. Bhd. Catering Division, 145B Jalan Tengku Badar,
Port Kelang, Selangor D.E.

*Fima Rantei Restaurant Sdn. Bhd.
Jalan Raja Chulan, Kuala Lumpur.

PERSONAL

Scholastic Awards: New Hampshire College: Dean's List, Fall 1985;
President's List,
Fall 1986.

Bachelor of Science Cum Laude 1986.

Language Proficiency:

Bahasa Malaysia (Oral and Written); Excellent.

English (Oral and Written); Excellent.

Computer Literacy: Word, Excel and PowerPoint.