

# **TOWARDS EFFECTIVE HOSPITALITY MANAGEMENT**

## **A PROPOSED METHODOLOGY AIMED AT IMPROVING THE PROCESS OF STRATEGY IMPLEMENTATION WITHIN THE IRISH HOTEL SECTOR.**

A Dissertation Submitted by

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**I hereby certify that this material, which I now submit for assessment on the programme of study leading to the award of M.B.S., is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.**

**Signed:\_\_\_\_\_ Date:\_\_\_\_\_**

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**TOWARDS EFFECTIVE HOSPITALITY MANAGEMENT.**  
**A Proposed Methodology Aimed at Improving The Process of Strategy Implementation**  
**Within The Irish Hotel Sector.**

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**Abstract**

This study explores the field of strategic management and in particular, strategy implementation. The central aim of this study is to develop a methodology to both improve and manage the process of strategy implementation within the Irish hotel sector.

This study reveals the positive contribution that an integrated strategic management process can make to the effective management of a hotel organisation. This study argues that the management of hotel organisations is similar to the management of other service organisations. There is a need for hospitality managers to apply effective management techniques to improve the strategic success of their organisations.

This study reviews current literature in the field of strategic management. A comprehensive survey of the Irish hotel sector was undertaken. In addition, a qualitative study based on an in-depth case-study of an Irish hotel company, Jurys Hotel Group plc, was completed. From this research, a proposed methodology for strategy implementation was developed and subsequently tested. This practical application extended further, the qualitative research undertaken within this organisation, and in doing so refined the proposed methodology.

The study identifies strategy formulation and implementation as two key stages of the strategic management process. The study concludes that formulation and implementation are often treated in isolation of each other. This has led to disjunctive and ineffective implementation in many cases. Organisational climate emerges as the most significant factor for successful strategy implementation. This study recommends that an effective strategic management process will be achieved through greater integration of formulation and implementation in a single process. This concept of integration reflects the underlying basis of the proposed methodology, where organisational climate represents a key integrating mechanism.

## **Introduction**

This study explores the process of strategic management and in particular, strategy implementation within the Irish hotel sector. The hotel sector, now part of a highly competitive, dynamic and global hospitality industry enjoys a level of economic significance and prominence comparable to traditional manufacturing organisations. The hospitality industry is also exposed to similar political, social and economic constraints where managers face continual challenges and ceaseless innovations. This requires a professional approach to the management of hospitality organisations to ensure sustainable competitiveness and strategic success.

This study was undertaken as a result of previous research conducted (at undergraduate level), which explored the practice of strategic management within U.S. and Irish hotel organisations. The undergraduate research concluded that strategy implementation is a significant weak link within the strategic management process and that further research was required in particular, aimed at improving the process of implementation within the Irish hotel sector.

Research studies to date clearly indicate that gaps exist in almost all areas of hospitality research. Strategy formulation and implementation are rarely discussed in journals applied to the hospitality industry. (Gilbert & Kapur 1990, Athyamin 1995). Digman (1990) argues that it is difficult to question the value of effective strategic planning, but if equal (or greater) attention is not given to implementing strategy, failure is likely. This study will explore whether Irish hotel organisations are managed strategically and, whether a process of formulating, implementing and evaluating strategy is practiced.

The rationale presented in this study argues for an integrated process to manage strategy implementation. Phillips (1996) advocates a direct relationship between strategy and performance. In addition, research indicates that creating a process to manage implementation will serve to enhance organisational performance.

This study aims to achieve the following objectives:

1. To review the strategic management process and identify alternative theoretical models, frameworks and traditional approaches to strategy implementation.
2. To improve our understanding of strategy implementation and contribute to the research base in this area.
3. To explore the current use and practice of strategy processes and implementation techniques within the Irish hotel sector.
4. To develop a proposed methodology aimed at improving the process of strategy implementation within the Irish hotel sector.
5. To promote a continuous learning approach to strategy implementation for managers of Irish hotels.

This dissertation is structured within six chapters. Each chapter represents a key component of the research process. The first chapter will review published research material in the field of strategic management and in particular, in the area of strategy implementation. This literary review provides the underpinning and basis for future chapters. Chapter two will review the various research methodologies used in this study and evaluate their importance to achieving the objectives of the study.

Chapter three will provide the first phase of primary research. A comprehensive review of the Irish hotel sector was undertaken. This chapter will explore the current use and practice of strategy processes and implementation techniques within the Irish hotel sector. Chapter four will investigate the practice of strategic management and in particular, strategy implementation through an in-depth case-study within Jurys Plc. This chapter will further develop the initial findings from previous chapters, highlighting by example and practical application how strategy is approached within a particular Irish hotel organisation. Both chapters three and four combine to form the foundations of a proposed methodology to manage strategy implementation. The application of this methodology was tested at a hotel site within Jurys Plc. Chapter five proposes a methodology from previous chapters aimed at improving the process of strategy implementation. This chapter represents a key element of the research process; the practical application and evaluation of the study. This chapter will also promote a continuous learning approach to strategy implementation for managers of Irish hotels. To conclude, chapter six will draw upon the research findings and conclusions of previous chapters to determine the overall conclusions of this study and highlight recommendations for further research and study.

## **Chapter One**

### **A Literature Review**

## 1.1 Introduction

*"Fundamental changes are taking place ....lowered prospects for growth, an accelerating rate of sophisticated technology, increasing global competition, new emerging geographical trading blocs, and innovative new marketing and distribution strategies are altering the business environment.....Organisations world-wide appear to recognise that strategic management is a key to providing long-term growth and profitability..... to improve their competitive position and strength, leverage their resources, and strengthen their management's strategic skills and capabilities."*

(Pekar & Abraham 1995, p.43).

Profitability and long-term growth have dominated key strategic objectives of organisations for many years. However, consultants, theorists and practitioners alike cannot agree on such fundamental questions as what is strategy? As a definition of this process implies, creating strategy is *"a contingent process that takes place in a complex and dynamic context"* (Olsen 1996). The extensive number of variables to be studied, and the interdependencies among them, makes conducting research in this field challenging. This challenge is further confounded by the very fragmented nature of the hospitality industry which is made up of many individual and family owned hotels. This fragmentation, coupled with a wide variety of brands and segments makes it very difficult to conduct large scales studies that are designed to contribute to important theoretical frameworks to enhance our understanding of this industry.

This chapter provides an overview of the strategic management process. This process consists of three stages: strategy formulation, strategy implementation and strategy evaluation (David 1997). Figure 1-1 below provides a clear illustration of that process.

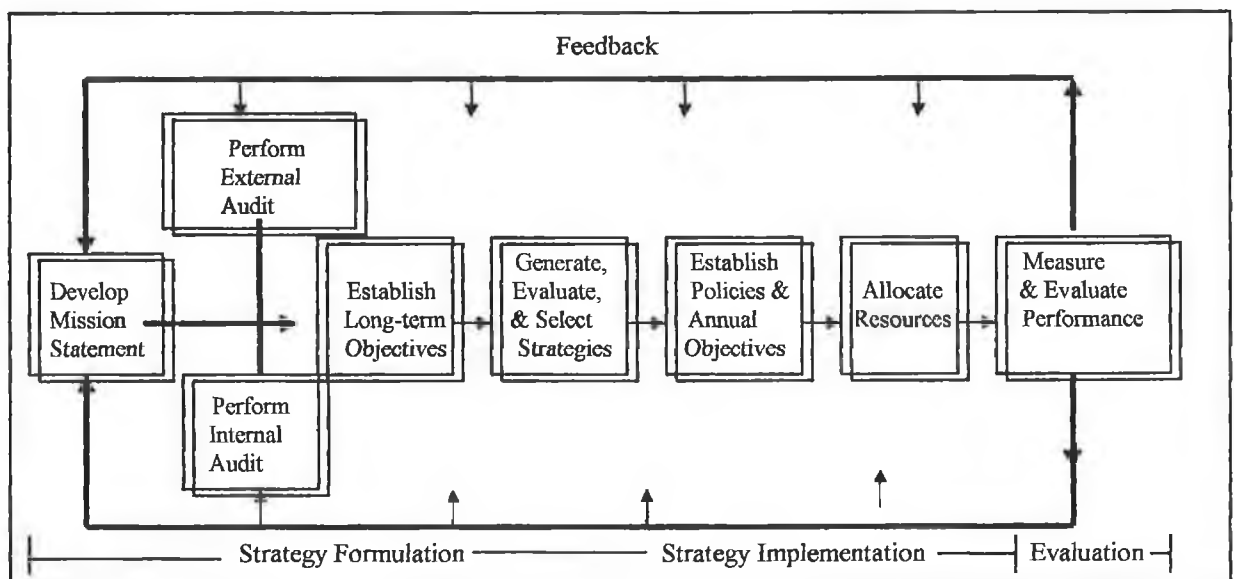


Figure 1-1 The Strategic Management Process ,  
From David, F., *Strategic Management* 1997.

The origins of strategic management date back to the late 1960s/early 1970s when strategic planning techniques were being developed. Much has been written on the rise and fall of strategic planning and its re-emergence as a management tool (Mintzberg 1994). It has come through many phases and levels of popularity. Casey (1996) argues that in the early years it was numbers-driven. From that, it has evolved into an executive-driven management style, based on a balance of quantitative and qualitative objectives and measures of performance. Figure 1-2 illustrates the growth of strategic management since its inception. This illustration is taken from Casey's (1996) review of the strategic maturity of five banks operating Ireland.

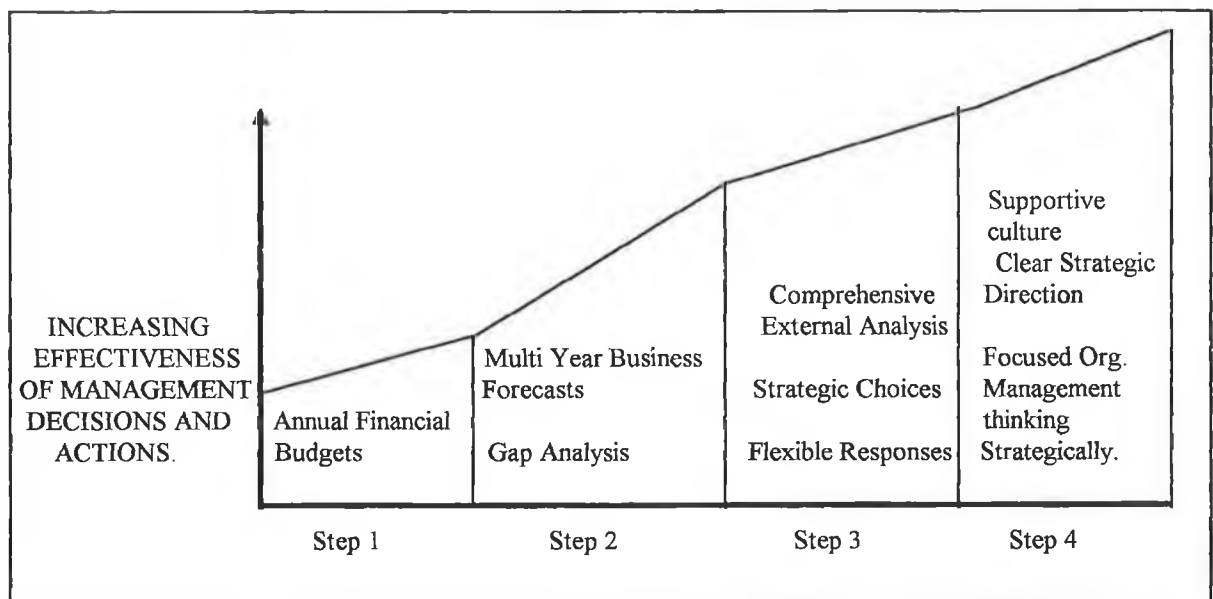


Figure 1-2 The Growth of Strategic Management.  
From Casey, Strategic Management in Irish Banking 1996.

This chapter will focus in particular on strategy implementation as part of that process. This chapter has evolved from the need to bring clarity to the subversion of meaning, the need for definition and an overall understanding of an inherently complex process. This chapter will also lay the foundations for, and provide a theoretical underpinning for future chapters.

Although strategy implementation is viewed by many as an integral part of the strategic management process (Jauch & Gleuck 1988), very little empirical research exists in the area (Alexander 1985), particularly within Hospitality research (Olsen 1996).



Today's managerial challenge is translating strategic intent (planned strategy) into operational reality, quickly and effectively to meet market and customer needs (Meekings & Goddard, 1994). However, in practice, many organisations struggle to translate their strategic intent into reality (Dransfield 1994). Research to date clearly indicates that weak implementation of strategy is the main cause of planning failure (O'Brien 1996), resulting in under-performance, demotivated management and dissatisfied stakeholders.

There is a need for organisations to achieve effective implementation of strategy. This chapter will explore various organisational components which impact on the successful implementation of strategy. Phillips, (1996), advocates a direct relationship between strategy and performance. A process to manage implementation can only serve to enhance organisational performance. This chapter initiates the following themes which permeate all chapters of this study:

1. Strategic Management & The Hospitality Manager.
2. Strategy formulation - An Overview
3. The process of strategy implementation.
4. Strategy implementation research & the hospitality industry.
5. The need to manage strategy implementation.

## **1.2 Strategic Management & The Hospitality Manager**

The rapidly increasing complexity and sophistication of the hospitality industry requires a level of professionalism and skill by managers to sustain competitiveness and profitability.

The literature on leadership argues that managers have visionary capacity, are good at team building and team playing, are self-analytical and good at self-learning, have mental agility and "*constructive restlessness*" while also being able to concentrate for long periods, are also self-directed and self-confident (Garfield 1996, Leavy & Wilson 1994).

Peters and Waterman (1992) argue that the successful manager of strategy and strategic change is a "*Masters of two ends of the spectrum*". By this they mean that the manager is simultaneously able to cope with potentially conflicting ways of managing.

To understand the role of the hospitality manager within the strategic management process, Johnson & Scholes (1997) have provided an effective summary:

1. In strategy formulation, managers have an ability to undertake or understand detailed analysis, and at the same time to be visionary about the future.
2. In achieving organisational credibility for a strategy, they need to be seen as insightful about the future, and yet action-oriented about making things happen.
3. In challenging the status quo in an organisation, managers need an ability to maintain credibility and carry people with the change, while attacking the taken-for-granted and current practices.
4. In communicating a chosen strategy, managers need an ability to encapsulate often complex issues of strategy in ordinary ways which people can understand.
5. In the formulation and implementation of strategy, managers need an ability to maintain performance of the organisation while breaking down old assumptions and old ways of doing things, which potentially could jeopardise the efficiency of the organisation.

Having the skills as a manager to manage strategy and strategic change also requires an understanding of the various stages of the strategic management process. The following section will explore both the formulation and in particular, the implementation of strategy.

### **1.3 Strategy Formulation - An Overview**

#### **1.3.1 Introduction**

Perlitz (1993) contends that organisations are placing a greater demand on the knowledge of the employees to be integrated into the process of strategy formulation at a very early stage. This supports the view held by Sokol (1992) that many of those participating in the implementation phase will have reached a consensus already during the formulation phase. Perlitz further contends that *“only those who succeed to deviate from the norm and formulate innovative and consistent strategies will enjoy a long-term success”*.

This view promotes Mintzberg's theory of integrating formulation and implementation as a single process. The choice of implementation used within organisations is often determined by the dimension of strategy formulation (Bailey & Johnson 1995).

It is beneficial at this stage to consider the various dimensions of strategy formulation, and their relationship with strategy implementation, as key components of the strategic management process.

### **1.3.2 Content vs. Process**

Research in the field of strategic management has typically been divided between the investigation of content or process. Much of the research in this field has concentrated on issues relating to the content of strategy (Porter 1980, Hamel & Prahalad 1989).

While strategy content research is important for the investigation of strategic management, the process by which strategy is formulated and subsequently implemented is of equal importance. If the process of strategy formulation is to be effectively managed, e.g. to effect strategic change, then the process aspects of strategic management are especially important (Rummler - Brache 1996). Rummler & Brache (1996) suggest the following definitions help to distinguish content research from process research:

*Content:* It addresses the scope of the firm i.e. the combination of markets in which an organisation competes, ie. the number of Strategic Business Units (SBUs) in an organisation, and the ways of competing within individual markets, i.e. (Porter's generic strategies).

*Process:* Understanding how an organisation's administrative systems and decision processes influence strategic position and overall strategic success. In other words, it focuses on how the general manager can continuously influence the quality of the organisation's strategic position through the use of appropriate decision processes and administrative systems (organisational structure, planning control, incentives and human resources).

### **1.3.3 Methods of Formulation**

Early management theorists and the textbooks of the 1970s, in particular on corporate planning, emphasised the importance of strategy and have guided thinking in this multi-faceted area, thinking which has been dominated by the view that strategies are formulated through a particularly analytical and intentional process. (Ansoff 1965 & Andrews 1980). This rational view suggests that through the application of appropriate analytical and systematic techniques and check-lists, organisations are able to ensure their success. Such an approach allows assumptions to be made about the future, assists in the reduction of uncertainty and facilitates the systematic formulation of strategy. This view and its associated frameworks, (of which will be detailed at a later stage in this chapter), have become deeply entrenched within strategic thinking, while prescriptive methods have significantly influenced the approach to strategy formulation and implementation in practice, in education and in research (Johnson & 1997).

To view strategy formulation in this logical and rational manner is appealing and it is not surprising that this view has enjoyed such prominence. In management education, strategic texts have traditionally emphasised the rationality of analysis, planning and implementation as a step-by-step process (Mintzberg 1994). Jauch & Gleuck's flow chart illustrated in figure 1-4 is an example of a step-by-step process of strategy implementation. This sequential step-by-step process versus a continuous process will be considered later in the chapter.

Within organisations this school of thought suggests that formal strategic planning processes and mechanisms can operate in a rational and objective manner to allow the comprehensive analysis of the internal and external environments, the formulation of alternative strategies, the selection of an optimum strategy and the production of objectives, goals, budgets and targets to guide effective implementation (Johnson & Scholes 1997). In short, this rational planning approach is often what is regarded as "good practice".

However, the processes of strategy formulation which currently exist in organisations cannot typically be explained in such ways. Organisations are open to an array of influences both internally and externally when formulating and especially implementing strategy. Consequently, the strategy formulation process of an organisation is likely to reflect the mix of influences which come together to direct how strategy emerges. The work of Allison (1971), demonstrates that the process of strategy formulation could be accounted for, not only in terms of a rational framework of understanding but also in terms of both political and organisational frameworks. Allison concludes that the strategy formulation process may then result from, and be influenced by, the broad social, political and cultural aspects of the organisation or from external pressures as well as from a planned approach of the organisation to its environment.

### 1.3.4 The Emergence of Strategies

The manner in which strategies emerge and are subsequently implemented further contends whether strategy formulation and implementation should represent an integrated process. Figure 1-3 below offers an explanation of how strategies emerge and are implemented.

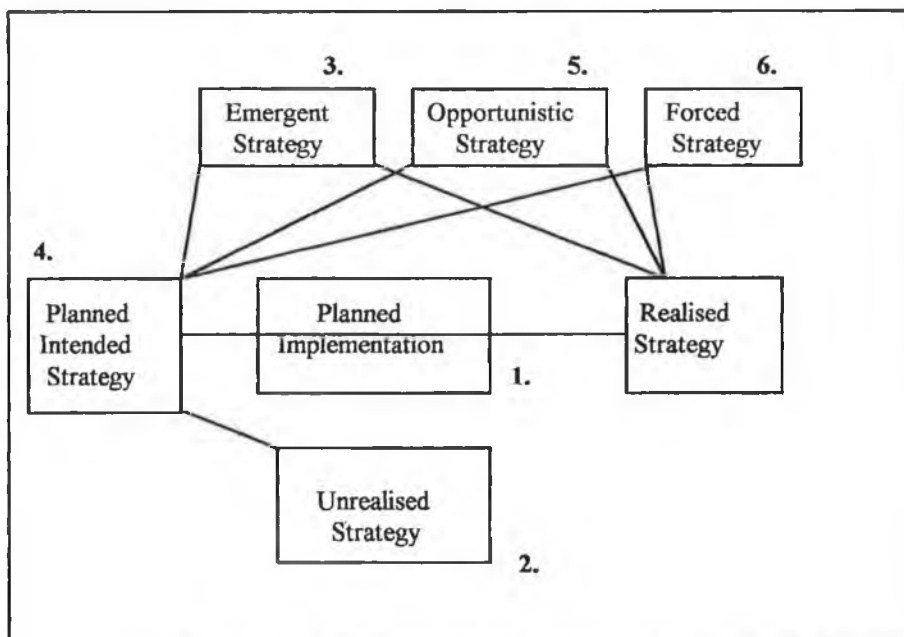


Figure 1-3 . The Emergence of Strategies - Six Routes To Follow.

Bailey & Johnson (1995), assumes that within the rational planned view of strategic management, strategies are formulated and implemented in a linear manner and that an organisation's planned strategy will be implemented in its entirety to become realised as actual strategy. The strategy is formulated through a planning process, resulting in a clear expression of strategic direction. The implementation of which is also planned in terms of resource allocation, structure etc. (*Route 1*). However, this may not always be the case. Unexpected shifts in the environment, unforeseen problems in implementation or limitations in the planning process can operate to restrict the efficiency of strategy formulation and its realisation. The result of this may be that an organisation's planned strategy is not realised as actual strategy (Mintzberg 1978; Mintzberg & Waters 1985). In effect, much of what is planned becomes unrealised (*Route 2*).

The fact that a planned, intended strategy is not realised does not mean that an organisation has no strategy. Strategy can be seen as the direction an organisation actually pursues over time, planned or not. As such, strategy formulation can be seen as an emergent process (*Route 3*).

The distinction between what is planned and what is realised may not be clearly defined and the two may interact. A strategy which starts as planned may alter and become more emergent as it is implemented. While an emergent strategy may become formalised and more deliberate as it enters the accepted wisdom of the organisation and incorporated within its longer-term strategy. For example, the planning process may perform the role of monitoring the progress or efficiency of an emerging strategy. On the other hand, it may do little than pull together the views and wisdom of management or industry experts which has been built over time (*Route 4*).

Strategies are also formulated in opportunistic ways (*Route 5*). Changes may occur in the operating environment which may be taken advantage of in an opportunistic manner and as such, lead to changes in the realised strategy. Finally, strategy may be imposed (*Route 6*). For example, government legislation may force an organisation to alter its operations.

## 1.4 Strategy Implementation

### 1.4.1 Introduction - A History

*"Doing more efficiently the incorrect thing, causes damage more effectively and makes the wrong policy more difficult to change. Better logistics for wrong wars, improved programming for projects which should not be undertaken at all, and sophisticated gravity analysis for urban services location when the basic structure of the city and of the services should be changed - these are some illustrations of improving, through management sciences, decisions which implement a policy which first should be reformulated"*

(Dror 1971, P. 45).

*"There began in the late 1960s and 1970s the search for the causes of planning failure"* (Mintzberg 1984). Analysts immediately knew where to look - implementation. Analysts - particularly operations research analysts - have long explained away "their" problems as ones of implementation. For example, Churchman after finding that *"In no case was there sufficient evidence that the recommendations had been accepted"* (Churchman 1964). The need to learn more about the "implementation" of these recommendations was further identified. Schumacher and Smith found that of the 49 fortune 500 companies they surveyed 46 years ago, *"only two organisations reported no major problems in the implementation of activities"*, (Schumacher & Smith 1965).

Likewise, Radnor, Rubinstein and Tansik (1970), in a study of 52 business and 28 government operations 35 years ago, found that 86% of each, reported having implementation problems. They support Bennis's interpretation of a Churchman & Schainblatt article, that *"implementation is the problem; and the relationship between researcher and user is its pivotal element"*. (Churchman & Schainblatt 1965).

The above trends of implementation problems continue into the 1990s with many observers noting that implementation is a significant weak link in the strategic management process (Thompson & Strickland 1995), and the main cause of planning failure (O'Brien 1996).

#### 1.4.2 Strategy Implementation - Definition

*"Just being able to conceive bold new strategies is not enough. The general manager must also be able to translate his or her strategic vision into concrete steps that get things done"* (Hammermesh 1986).

Implementation defines precisely how the strategic choice selected will be applied within the organisation (Koontz 1986). The purpose of implementation is to ensure that the planned results of the chosen strategic decisions are realised (Digman 1990).

Implementing strategy is an action-oriented task, that tests a manager's ability to lead and direct organisational change, create or reinvent business processes, manage people and achieve performance targets (Thompson & Strickland 1995).

Implementation is often ignored in studies of decision-making, quantitative methods, economic analysis, behavioural techniques and organisational changes. The way a decision is implemented, determines its ultimate effectiveness (Olsen 1996) As King & Cleland have observed, *"....the greatest difficulties in instituting change...do not lie in the design and development of these changes themselves. Rather, the greatest obstructions to positive change lie in the processes that are used to implement them"* (King & Cleland 1978).

Tichy & Devanna (1986) suggest that *"implementable"* strategies have, as a minimum, three characteristics:

1. They are linked to the appropriate control system within the organisation.
2. They are "owned" by operating management.
3. They are perceived as being achievable by those responsible for implementation.



### 1.4.3 Strategy Implementation - A Process

This chapter earlier proposed that the strategic management process consists of three stages: formulation, implementation and evaluation. As implementation remains the focus of this study, it is useful to consider the process of strategy implementation and its various components. Jauch & Gleuck among others, provide the following flow diagram, figure 1-4 below, identifying the process of implementation.

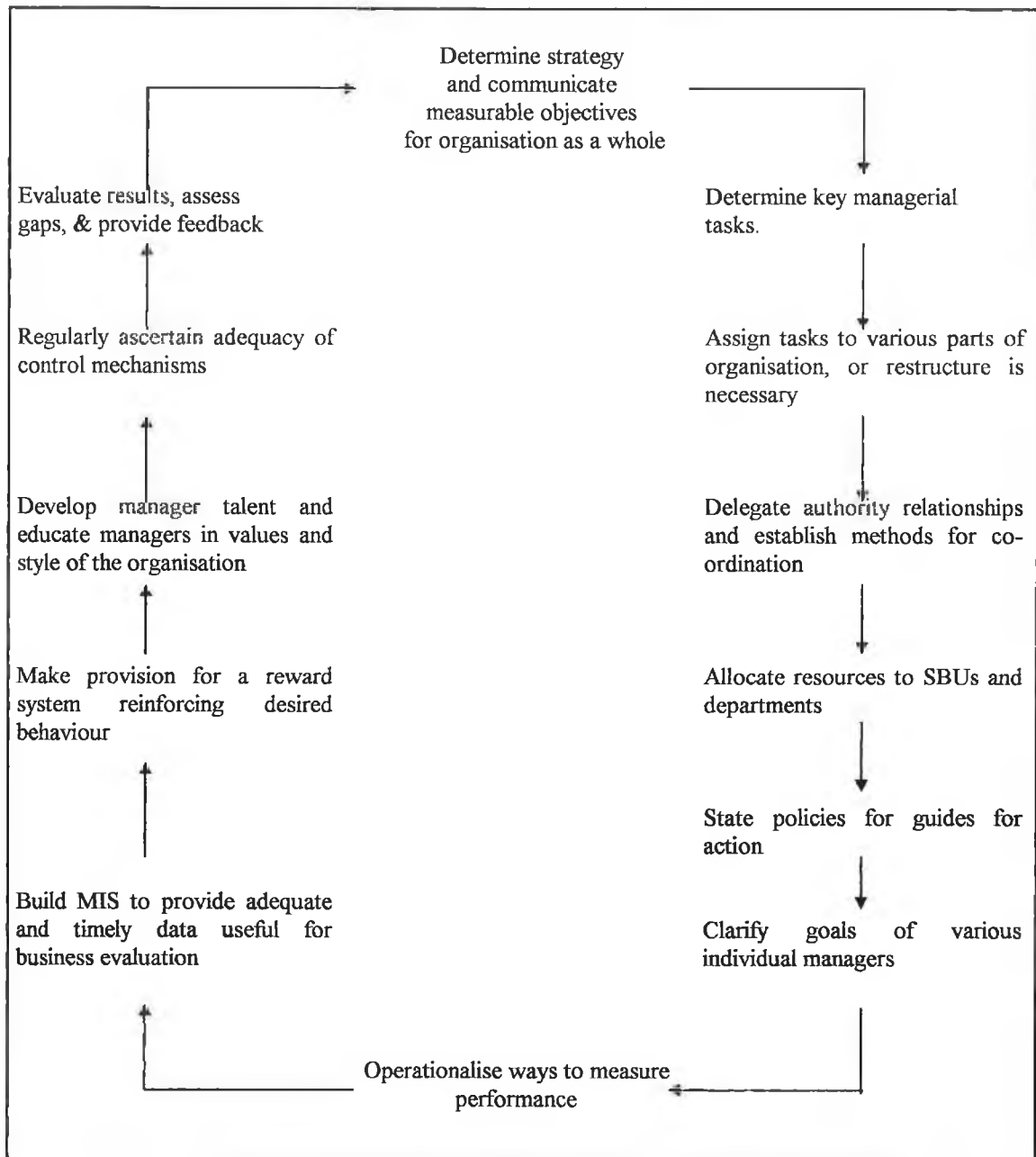


Figure 1-4. Implementation Process - Flow Diagram, Jauch & Gleuck 1988.

### 1.5 Strategy Implementation - A Continuous Process

Due to a relatively high level of uncertainty and change within competitive environments, Mintzberg reports that both strategy formulation and implementation should represent a continuous process (Mintzberg 1990, Porter 1991, Mintzberg 1994).

*“So many organisations are failing strategically due to the separation of planning and implementation behaviour. Integrating planning on a continuous basis with the responsibilities of management concerned with implementation is vital, so that strategic planning can be successfully used”*

(Ansoff 1977 P.13).

According to Feurer and Mintzberg, strategy formulation and implementation should be treated as part of individual responsibilities throughout the organisation as opposed to a central function. By transferring the ownership of strategy in this way, the quality of knowledge used for formulation will be substantially improved. More importantly, while potential conflicts and the time-frame for strategy implementation will be dramatically reduced. (Feurer 1995, Mintzberg 1994).

As a result, this simultaneous approach reports three major benefits to organisations when compared with the sequential approach:

1. It reduces the time - window between opportunity identification and exploitation which is one of the most important considerations when operating in a highly dynamic environment (Patterson, 1993).
2. It reduces risk. This is because the sequential approach requires committing at a very early stage. Investments in terms of capital, people and time, whereas the simultaneous approach continually evaluates and dynamically adjusts resource commitments.
3. The simultaneous process continually adjusts strategies according to the changes in the competitive environment (Distel, Chaharbaghi & Feurer 1995).

A sterile planning process fails to result in any meaningful change in the behaviour of organisations. This is especially true where the task of strategic planning is exclusively delegated to professional planners. It is important to keep decision-making relatively close to the action. Poor decisions, strategic or otherwise, often stem from a failure to harness and involve business unit and line managers (Ford 1978).

However, the application of a simultaneous, decentralised approach, can potentially entail several shortcomings, which are important to consider with regard to implementation in multi-business organisations:

1. Strategies which are formulated in a decentralised fashion will lack an overall direction if not co-ordinated.
2. The level of detail in evaluating strategic options tends to be lower than if carried on centrally by a team of dedicated people.
3. It is difficult to assess opportunity costs and benefits in the sense that alternative investment opportunities which might exist for the organisation are not incorporated in evaluating business opportunities.
4. There is an inherent danger of diluting the organisation's resources and loss of focus. Synergetic effects are limited and there exists a high level of redundancy in the process of opportunity scanning, identification and evaluation (Hammermesh 1986).

### **1.6 Strategy Implementation & The Hospitality Industry**

Athiyaman (1995) argues that gaps exist in almost all areas of hospitality research. Athiyaman's analysis provides evidence for what Gilbert & Kapur (1992), observed five years ago;

*"....Strategy formulation and implementation are rarely discussed in journals applied to the hospitality industry. It is difficult to know whether hospitality organisations are managed strategically and indeed whether a formalised process of developing, implementing and evaluating strategy is operated".*

(Gilbert & Kapur, 1992 P. 34)

Again, another study by Rovelstad & Blazer, as far back as 1983 reported that if hospitality organisations are to succeed in this rapidly changing environment, it is time they understood the best strategic management practices suitable for hospitality organisations and disseminated the results widely for the benefit of other organisations.

However, authors such as Olsen & Schmelzer (1994) still contend that the fragmented nature of the industry and the number of individually owned properties, especially in Ireland, makes it difficult to conduct large scale studies which can contribute to useful frameworks and enhance our understanding of the industry.

Consequently, research to date has been largely conceptual (Canas 1982, Reichel 1982 & 1986, DeNoble & Olsen 1981 & '82, Olsen & Bellas 1980, Reid & Olsen 1981, Zhao & Merna 1992, Nebel & Schaffer 1992, Tse & West 1992, Webster & Hudson 1991, and Slattery & Boar 1991). The application of strategy related models developed in other areas, namely manufacturing, have been applied to hospitality without any empirical investigation.

Further research has been conducted using survey methods (Elwood-Williams & Tse 1995, Olsen, & Murthy 1994). These have only brought marginal success to organisations and little to the body of knowledge already available.

Schmelzer & Olsen have conducted some further research on implementation (1994). Their data-based implementation framework which was based on three U.S. restaurant firms identified the need to further develop additional methodologies and to create more effective processes to explain the interrelationships between various components of strategy implementation.

### **1.7 Strategy Implementation - Models & Frameworks**

Having brought clarity to both definition and process, it is now important to consider traditional approaches to, and models / frameworks of strategy implementation. Several concepts and solutions have been put forward by various proponents of strategy. The following represents some of the main contributors:

1. Andrews / Chandler / Ansoff - The Design School.
2. McKinsey's 7s' Framework.
3. Hrebiniak & Joyce's Implementation Programme (Triads).
4. Bourgeois & Brodwin's Five Approaches.
5. Porter & Mintzberg's Continuous Process.
6. Finnie's Four-Cycle Process.
7. Mauborgne & Kim's Due Process.

This study has explored and considered each of the above approaches in detail. Four approaches are reviewed in this chapter which are considered representative of the development of strategic management over three decades.

### **1.7.1 The Design School**

Kenneth Andrews of Harvard Business School has been given credit as a primary architect of the Design school model of strategic management, along with Chandler (1962) and Ansoff (1965). They emphasise the leader's role as that of the primary planner of the medium to long-term development of the organisation. The design school planner designs strategic developments by formulating strategy in a controlled and conscious process of thought. The design planner is an expert at anticipating, with the help of strategic planning's analytical techniques, what future business environments are to be like, and at devising appropriate product-market strategies which fit with the environmental opportunities and threats facing the organisation and its resources strengths and weaknesses. Having planned strategy, the design school planner then uses the techniques of the former "Classical School of Management" to plan its implementation by subordinates who are expected to work to a blueprint of key tasks and budget-controlled activities.

Mintzberg (1973) challenged the models of the classical and design theorists on the basis of their being unrealistic representations of how leadership and organisation development actually occurs. Mintzberg conducted out empirical research into the "real" nature of management (Mintzberg 1973). Mintzberg was therefore an early advocate of the need to prescribe through description - to actually observe the reality of strategy in action.

### **1.7.2 McKinsey's 7s' Framework**

McKinsey views the organisation as a web of integrated elements each connecting to each other and centring on the shared values of the organisation. This shows the relationship between each organisational element and particularly, "shared values". Chapter three will also refer to this framework as an example of how organisational climate impacts on to success of strategy implementation.

McKinsey also argues that *".....implementation involves a number of interrelated choices and activities"*. The identification of *"interrelated choices"* strengthens the need to highlight the relationships existing between each component of an integrated process to manage implementation.

In other words, create an increased awareness for hospitality managers of a system rather than individual components. This model is illustrated in Appendix A.

### **1.7.3 Hrebiniak & Joyce's Implementation Programme - Triads**

This model proposes that the level of implementation success is greatly determined by the style of implementation, which consists of choice, action and timing. The conduct and content of implementation activities also depends upon the styles of implementation. Hrebiniak & Joyce have identified a sub-set of components within the strategic management process. These are illustrated in Appendix A. This model consists of three implementation triads:

1. The Upper Planning Triad.
2. The Design Triad.
3. The Lower Planning Triad.

The objective of this model determines whether each component of the model supports one another in furthering the strategic aims of the organisation. If one component in one triad needs to be changed, then it is possible that a second will also have to be changed. Again, this model shows the importance of identifying relationships between components of the strategic management process, a conclusion also identified by Olsen & Schmelzer in their research (1994).

### **1.7.4 Bourgeois & Brodwin's Five Approaches Framework**

Bourgeois and Brodwin identify five approaches to implementation:

1. Commander model.
2. Change model.
3. Collaborative model.
4. The Cultural model.
5. Crescive model.

The four models within this framework represent an increasing attempt to bring implementation forward in the strategic management process. The first three assume implementation as after-the-fact. The number of formulators are few, the rest of the organisation is somehow manipulated into the implementation phase. The cultural and the crecive models demonstrate that "*the large amounts of time invested in consensual decision - making pays off with almost instant implementation*" (Bourgeois & Brodwin 1984).

The crecive model in particular proposes that by the time the strategic choice has been selected and resources allocated to it, most of the energy in the formulation phase has been expended and then the strategy is practically in its implementation.

To summarise, the models/frameworks listed above have been largely designed for manufacturing industry with little empirical investigation. It will be discussed later in the chapter how and why the Irish hotel sector cannot fully embrace and adopt many of these models. Despite inflexibility and rigidity, identification of component relationships dominates many of the models proposed. This also further supports the need to create an effective process for the Irish hotel sector.

### **1.8 The Failure of Strategies**

Successful strategy implementation and the use of strategic management techniques require that organisations are fully aware of the problems and pitfalls associated with such techniques (Digman 1990). Secondary research suggests that implementation is the weak link in the overall strategic management process. However, the following proponents of strategy and strategy research have identified several problems which occur within each stage of the strategic management process.

Within the formulation phase, strategic planning is often considered as something separate from the entire management process. It also emerges that the planning process is cumbersome, complex and lengthy with no review mechanism. (Eisenstat 1993, Hamel & Prahalad 1989, & Sokol 1992).

Within the implementation stage, the above authors suggest that insufficient time is given to implementation by senior management, and that the process is often discredited by other managers and staff. Research also suggests that injecting so much formality into implementation promotes inflexibility and results in a complex process which restrains creativity. The above authors also argue that failure to create a climate that is congenial to, and not resistant to implementation of change contributes to strategy failure. (Giles 1991, Thompson & Strickland 1995, & Brodwin & Bourgeois 1984).

The third stage of the strategic management process, strategy evaluation also contributes to strategy failure. Information available for evaluating the implementation effort in many cases is not adequate. (Korey 1995 & Mintzberg 1994).

Finally, the structure in which all management processes operate within also impacts upon strategy failure (Rummler & Brache 1996). Implementation of the chosen strategy cuts across traditional organisational units and boundaries. Within a vertically structured organisation, strong departmental barriers inhibit the implementation effort. (Cockman, Evans, & Reynolds 1992).

### 1.9 The Need to Manage Strategy Implementation

An effective business strategy needs to be matched by an effective delivery mechanism, if the potential of any organisation is to be exploited fully (Brodwin 1984). Figure 1-5 below illustrates this point:

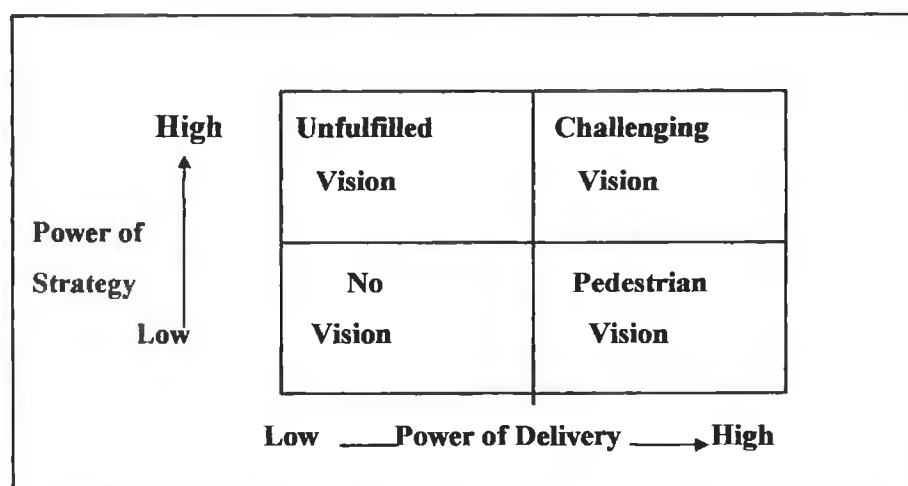


Figure 1-5. Turning Vision Into Reality, Brodwin 1984.



Frederick Gleuck of McKinsey & Co. stated that *"...planning without equal emphasis on what must be done to make strategies work, is in trouble"*. (The Planner 1983). Digman (1990) argues that it is difficult to question the value of good planning, but many organisations have learned that if equal (or greater) attention is not given to executing strategy, failure is likely. Owen, as far back as 1982 reported that *"the value of strategic planning, and the positions of those who use it, will be called into grave question unless more effective approaches are developed to ensure the success of strategies"*. Hrebiniak & Joyce (1984) argue that, once having decided what to do in implementing strategy, one must also decide how to achieve it. However, March (1981) reports that in many cases the result has been uncoordinated and disjunctive implementation, incurring unnecessary and excessive costs and occasionally resulting in the failure of the entire implementation effort.

In summary, secondary research highlights both the historic and current development of strategy implementation research and clearly identifies the need for an effective process to manage strategy implementation. The remainder of this chapter will explore various issues affecting implementation effectiveness as possible components of a methodology to manage implementation.

*"While the approaches managers take to implement strategy should be tailored to the organisation's unique structure and position, certain criteria are common to ensuring strategic success in any organisation"*.

(Korey 1995, P. 12).

## **1.10 The Management of Implementation**

### **1.10.1 Organisational Structure**

Handy (1994) argues that in order for organisations to remain competitive internationally, they must re-think their basic structures. *"Fewer people, paid very well, producing far more value"*. Bartlett & Ghoshal (1995) prescribe that strategy is implemented through the structure and that inflexible and bureaucratic structures will inhibit successful implementation of strategy. Thompson (1995) argues that the structure must be capable of implementing strategies. It is the means by which an organisation seeks to achieve its strategic objectives. It must be capable of both formulating as well as implementing strategy. Figure 1-6 illustrates this point.

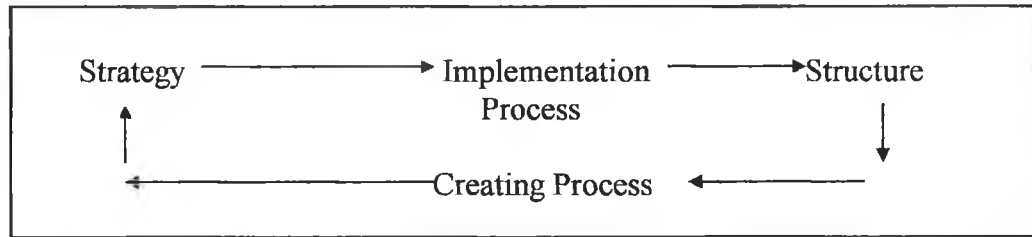


Figure 1-6. Strategy In Action, Thompson 1995.

### 1.10.2 The Budgeting Process

From the 1960s, the process of budgeting and resource allocation has been a dominant force in the strategic management process (Casey 1996), and in particular, a key activity and tool of strategy implementation (Phillips 1996). Organisations need enough resources to carry out their part of the strategy. *"This includes having enough of the right kinds of people and sufficient operating funds for them to do their work successfully"* (E.U. Report 340 TER 1995). How well managers link budget allocations to the needs of strategy implementation activities will either progress or impede the ability of managers to implement their part of the strategy proficiently. Too much funding wastes organisational resources and reduces financial performance. Both outcomes argue for managers to be deeply involved in the budgeting process. Closely reviewing the programmes and budget proposals of strategy critical units.

### 1.10.3 Communication

Allocating resources, tasks and activities to members of the organisation requires the careful selection of media to communicate the strategy and the elements of strategic change involved (Lengel & Daft 1988). Johnson & Scholes (1997) argue that managers faced with the responsibility for strategy and its implementation underestimate substantially the extent to which members of the organisation understand the strategy, what is to be achieved, or what is involved. A review of literature suggests the following choices of communication.

Lengel & Daft (1988) argue that it may be important to clarify and simply further the priorities of the strategy by emphasising a limited number of key aspects of the strategy, rather than expecting to be able to communicate overall complexity and ramifications. They offer a number of choices of media which vary from face-to-face, one-to-one communication through to routine bulletins on notice boards and circulars distributed to the organisation. Figure 1-7 summarises some of these choices and their effectiveness in different circumstances.

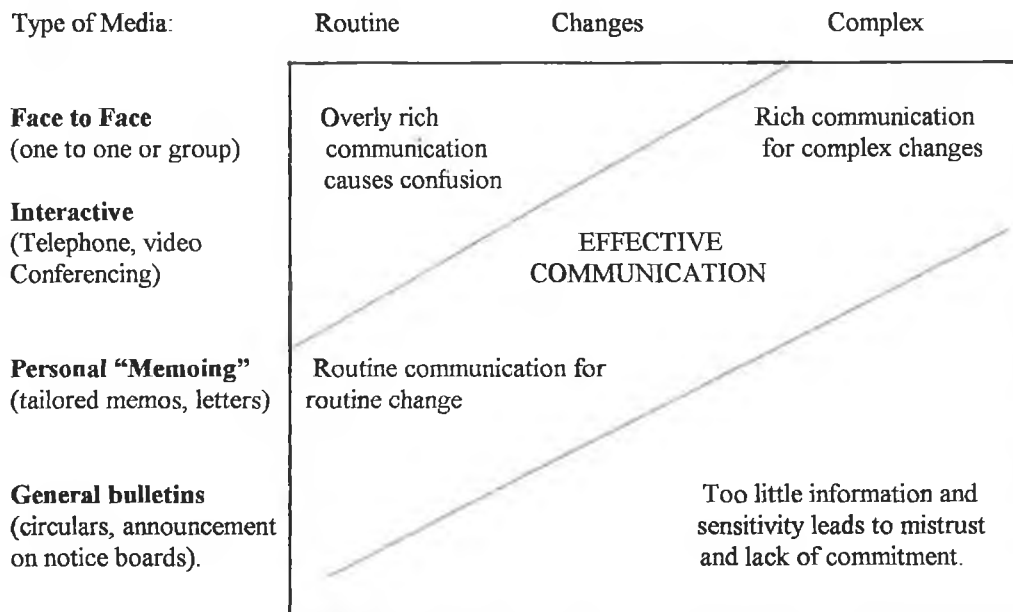


Figure 1-7 Effective and non-effective communication strategy and strategic change.  
Based on Lengel & Daft (1988).

The testing of a proposed methodology within Jurys plc in chapter five will highlight by example the involvement of members of the organisation in the strategy formulation phase. Johnson & Scholes (1997) argue that this involvement in itself as a means of communication can be very effective. Those who are involved might be used to cascade information about the implementation plan into the organisation, in effect becoming part of the implementation phase themselves. This creates a greater sense of ownership of the strategy by organisation members.

There is, however, another reason why communication is very important. Isabella (1985) and Johnson (1990) both suggest that communication occurs in organisations not simply because managers trying to implement strategy and strategic change wish to communicate, but because members of the organisation need to make sense of what is happening for themselves. They communicate with each other. This takes the form of rumours, gossip and story telling. The above authors also note that at times of threat and change, such story telling increases in importance. In managing strategy implementation, Johnson & Scholes (1997) argue that the task is not only to communicate strategy, but to do it significantly to overcome the inevitable counter-communication which is likely to take place. It will emerge further on in this study that understanding the climate within the organisation influences the media choice selected to communicate strategy.

#### **1.10.4 Organisational Climate**

Climate research has been dominated by quantitative studies. Climate is concerned with the impact that organisational systems have on groups and individuals (Denison 1996). O'Reilly (1995) argues that climate refers to the values, assumptions, beliefs and attitudes (V.A.B.A.) of employees within the organisation. Cranfield research (1995) promotes a *cultural web* within the organisation, with the paradigm, "*The beliefs and assumptions held in common and taken for granted in an organisation*", representing the centre of the web. It would be a mistake to conceive the paradigm as merely a set of beliefs and assumptions as O'Reilly prescribes, removed from organisational action. They lie within a cultural web which bonds them to the day to day action of organisation life. This paradigm is mirrored by McKinsey's 7s' framework, where the "*shared values*" of the organisation represent the climate and the centre of the framework. It also emerges that the V.A.B.A. of employees change over time, and do not remain constant.

### 1.10.5 Performance Recognition

Several studies have shown that McKinsey's "shared values" or O'Reilly's "VABA" influence the behaviour of individuals within the organisation. An effective way of changing employee's behaviour is to give them recognition when "*they do what you want them to do*" (Steele, 1995). The successful application of rewards, monetary or otherwise is a great issue for debate for many hospitality managers.

Stewart (1993) emphasises that motivated techniques and rewards should be used "*creatively*" and linked tightly to the factors necessary for effective strategy implementation. Steele (Cranfield 1995) argues that recognition is most effective when it has become an in-built part of the social interaction as a manager. The following forms of recognition are suggested:

1. Knowing someone's name.
2. Financial reward.
3. An encouraging word.
4. Promotion.
5. Peer group recognition.
6. Entrusted with a "bigger" job.
7. Training.
8. Access to information.

The above studies suggest that hospitality managers need to become more conscious of the interpersonal relationships and behavioural aspects of individuals. Chapters three, four and five explore through empirical investigation and practical application, the possible implications for managers to be equipped with these skills.

### 1.10.6 Support & Control Systems

The control system is the process which allows senior management to determine whether an organisation is performing satisfactorily and which provides motivation for managers to see that it continues to do so (Goold & Quinn 1990). Previous literature on strategic management clearly advocates the establishment of some system of strategic control to monitor strategic progress and ensure effective implementation of strategic plans (Govindarajain & Gupta 1985). Yet in practice, there are very few organisations that identify formal and explicit strategic control measures and build them into their support & control systems. "*A strategy that cannot be evaluated in terms of whether or not it is being achieved is simply not a viable or even a useful strategy*" (Roush & Ball 1980).

There are, according to Roush & Ball, three reasons for establishing a control system:

1. To co-ordinate and control the efforts of all those within the organisation.
2. To control and co-ordinate the divergence of individual organisations and corporate goals.
3. To act as a prompter to management intervention; to alter goals or new strategies.

Controlling the outcome of the implementation effort allows early detection of the need to adjust either the strategy or how it is being implemented and provides some assurance that things are moving ahead as planned (Goold & Quinn 1990). Lorange (1991) argues that to ensure sufficient attention is given to strategic issues, there should be separate strategic and operational support systems which are controlled separately.

#### **1.10.7 Reporting of Information**

Effectively supporting and controlling the implementation of strategy requires accurate and meaningful information. Accurate information is an essential guide to action. Every organisation needs systems for gathering and reporting information critical to strategy and for tracking key performance measures over time.

E.U. Research (project RA340 TER 1995) indicates that traditional management reports are not sensitive enough to monitor the implementation of strategies. Such reports are designed to help manage operations, working through the organisation's structures as mentioned previously. The above research concludes that these reports should reflect the detail of all planning, but often do not and therefore, cannot be used to monitor individual strategies. Bowman & Asch (1996) argue that often implementation will cover several cycles of traditional reporting, whose mechanisms contain far too much detail and swamp the key measures required to monitor particular strategies. Finally, secondary research clearly advocates that management information needs to be meaningful, clear, accurate and timely, to ensure an effective evaluation.

### 1.10.8 Evaluation of Strategy

Evaluating the success of the implementation effort is presented in many ways. Two broad categories are quantitative (objective) and qualitative (subjective) evaluations. Early studies of strategic management merely examined links between the degree of formality of planning and the organisation's financial performance - a complex link at best (Digman 1990). Donaldson (1995) reports that the most important requirement for the "*...data used in the strategy evaluation process is that they are objective*". In addition, the criteria "*Should be familiar, well-understood and accepted measures of performance*". Thompson (1995) identifies four important measures:

1. Efficacy - The chosen strategy is capable of fulfilling the purpose for which it is intended.
2. Economy - which means *doing things cost effectively*. Resources should be managed at the lowest possible cost consistent with achieving quantity and quality targets.
3. Efficiency - which implies *doing things right*. Resources should be deployed and utilised to maximise the returns from them. For measuring economies & efficiencies, quantifiable objectives and targets will be set and agreed with managers. Progress can be measured and relative success evaluated. Economy and efficiency measures are essentially objective.
4. Effectiveness - *doing the right things*. Resources should be allocated to those activities which satisfy the needs, expectations and priorities of the various stakeholders in the organisation.

Effectiveness invariably involves subjectivity, as the measures concern perceptions of outcomes, and the variables being measured are mostly external rather than internal to the organisation. For these reasons, it is generally more difficult to measure effectiveness and consequently some organisations will need to rely on indicators rather than formal measures. Some organisations will concentrate on resource efficiencies simply because they are easier to deal with. In this latter case the real interest of stakeholders may be overlooked.

Kaplan & Norton (1993) use the term “*Balanced Scoreboard*” to describe a framework of four groups of measures, and argue that organisations should select critical measures for each one of these areas. The four groups, and examples of possible measures are:

- |                                     |   |
|-------------------------------------|---|
| 1. <b>Financial:</b>                | Return on Investment<br>Cash Flow                         |
| 2. <b>Customer:</b>                 | Perceived value for money<br>Competitive prices           |
| 3. <b>Internal Processes:</b>       | Enquiry response time<br>Enquiry - order conversion rate  |
| 4. <b>Growth &amp; Improvement:</b> | Number of new services<br>Extent of employee empowerment. |

It can be seen that those measures encapsulate both efficiency and effectiveness.

#### **1.10.9 Strategic Leadership**

Successful strategy implementation requires support and guidance from the management team a key component of the organisation’s structure. Mergers, acquisitions, over-building, and an increasingly diverse work-force have resulted in considerable industry turbulence (Dobyns & Crawford-Mason 1991). The demands placed on leaders in the hospitality industry have increased as the operating environment is now less predictable. It is in this type of environment that effective leadership is most needed, with the challenge to “*both find and create a vision that is in some way better than the old one to encourage others to share that dream*”.(Tichy & Devanna 1986).

The leadership process occurs in one of two ways - either transactionally or transformationally. Transformational leadership has been associated with the effective implementation of strategies in a variety of settings (Bass 1985 Vaolie & Bass 1987, Hater & Bass 1988, Roberts 1984). Hinkin & Tracey, (1994) believe that this type of leadership - the ability to create and communicate a vision and adapt the organisation to a rapidly changing environment - may be the most crucial leadership skill in the years to come. They conclude by adding that further research is needed to determine the extent to which transformational leadership influences successful implementation under different environmental conditions.



### **1.11 Summary**

This chapter has reviewed the process of strategic management and in particular, strategy implementation as a key element of that process. This chapter has also clearly identified the need for further research in the area of strategy implementation. Overall, the following key issues have emerged:

An effective strategic management process will be achieved through greater integration of formulation and implementation of strategy as a single process. A direct relationship is advocated between strategy and performance. Therefore, a process to manage implementation can only serve to enhance the performance of the hospitality organisation.

Strategy implementation as a weak link within the strategic management process is not a recent phenomenon. The identification of implementation as the main cause of planning failure began in the early 1960s (the inception of strategic management), with many cited examples. Strategy implementation still remains ignored in many studies of decision-making, quantitative methods, economic analysis, behavioural techniques and organisational changes.

Many of the models and frameworks developed to implement strategy effectively have largely been designed for manufacturing industry without any empirical investigation. These models and research methods created to date have only brought marginal success to hospitality organisations and little to the body of knowledge already available. However, despite their inherent inflexibility and rigidity, identification of component relationships dominates many of the models proposed.

The fragmented nature of the Irish hotel sector and the number of individually owned properties, makes it difficult to conduct large-scale studies which can contribute to useful frameworks and enhance our understanding of the industry.

The need to create an integrated process to manage strategy implementation, primarily for the Irish hotel industry is very clear. Organisation structure and climate represent two key integrating mechanisms.

To conclude, the issues presented in this chapter identify the need to explore, through primary research, the current use and practice of strategy processes and implementation techniques within the Irish hotel sector. Chapters three and four will discuss the primary research findings of this study. The following chapter will clearly document the research process and methodologies used throughout this study.

## **Chapter Two**

### **Research Methodology**

## **2.1 Introduction**

This chapter reviews the research methodologies used throughout this study and evaluates their importance to achieving the objectives of the study as outlined in the previous introduction. Suitable selection and clear documentation of the research process contributed to a valid and meaningful study. Identification of the research issue, the depth of the research process, and the time-frame of the study were initially explored to establish a clear focus of direction for the study. The study itself consists of both secondary and primary research.

## **2.2 Secondary Research**

A comprehensive review of published literature in the field of strategic management was undertaken to familiarise the researcher with the current state of strategy research and the body of knowledge already available particularly within the hospitality industry. This consisted of leading academic & trade journals and recently published textbooks. A number of relevant conferences, seminars and workshops were attended in Ireland, the U.K. and the U.S.A. to identify the latest research developments in the above field. This gave the researcher the opportunity to discuss these developments with those responsible for strategy within leading worldwide organisations and corporations, hospitality and otherwise.

## **2.3 Primary Research - A Qualitative Study**

The objectives presented in this study's introduction, its purpose and the depth of the research process, reflect the need for a qualitative study (Easterby, Smith, Thorpe & Lowe 1991), including a comprehensive review of the Irish hotel sector. An extensive postal questionnaire was used to provide an industry - wide perspective and formed a database of knowledge to conduct further qualitative in-depth analysis. Chapters three and four are based on the results of the postal questionnaires.

Historical review, group discussion and case studies are examples of qualitative research methods (Jankowicz 1991). A case-study method was also adopted for the following reasons:

1. To further develop emerging issues from the initial questionnaire analysis.
2. To explore a theory and its application to a suitable organisation.
3. To study an organisation which has rarely been studied and is unique in its nature (Yin 1994). Jurys Hotel Group was chosen as a single unit case-study.

Initial in-depth discussions took place with leading *strategy research* academics, consultants and industry leaders within Ireland, Europe and the United States which represented an invaluable contribution to the research definition and the process to be followed. As the study progressed, interim findings and analyses of this study were continually presented to these individuals for feedback and direction. Academic presentations were also required on a three-monthly basis which facilitated important feedback and further refinement of the research process. A research paper in the above field was also presented for the 1996/97 Young Business Writers Awards (Dublin City University). This proved a very useful exercise in initial data collection of secondary research.

### **2.3.1 Irish Hotel Sector Survey**

Stratified random sampling was proposed to survey the Irish hotel sector. The unit of analysis was one hotel. The use of simple random sampling may not have been representative of each grade. The result may have been quite misleading, assuming that grades were of comparable size. To be truly representative, it was important that the sample be spread throughout the whole population (Ghauri Gronhaug & Kristenslund 1995).

A stratified random sample was obtained by taking a simple random sample from each stratum or grade. A stratum (grade) is simply a part or subdivision of the population. The grades of hotels are strata. In stratified random sampling, strata are selected on the basis of minimum variation within strata and maximum variation between strata. Hence, a two-dimensional stratification by both grade and region was proposed. This is further supported by Bord Failte's similar stratification techniques.

### 2.3.1.1 Advantages of Sampling Technique Used

Stratified random sampling can give higher precision with the same size, or alternatively, the same precision with a smaller sample. Stratified sampling can also give separate results for each stratum. Stratified sampling may also simplify data collection.

### 2.3.1.2 Methodology

Previous samples of the Irish hotel sector centred on census type coverage of hotels typically by Bord Failte. (1994 Hotel Survey). Response rates from the census dipped in recent years and in order to achieve more effective coverage, samples are now chosen which are representative of the Irish hotel sector. (Bord Failte 1996).

### 2.3.1.3 Sample Determination & Size:

Bord Failte is clearly recognised with considerable experience for compiling detailed statistical information for the Irish hotel sector. Due to the need to obtain accurate statistical information for this research, and in consultation with the statistical department of Bord Failte, it was decided to use an already established and meaningful sample size representative of the Irish hotel sector.

The sample size surveyed was some 160 hotels. The target population was 703 hotels, at the time of survey. This sample, quoted by Bord Failte, (1996), was constructed to be as representative as possible of the hotel sector by grade and region. The units in each stratum were proportionally allocated. Table 2-1 below clearly illustrates the above points.

**Table 2-1. Questionnaire - Sample Size Determination**

<b>Grade</b>	<b>Population Hotels</b>	<b>Population % Total</b>	<b>Sample Hotels</b>
5	15	2.1	3
4	40	5.6	9
3	189	27.8	45
2	224	31.7	51
1	180	25.0	40
Other	55	7.8	12
<b>Total</b>	<b>703</b>	<b>100.0</b>	<b>160</b>

*Note: Sample hotels were calculated on a sample size of 160 hotels.*

Bord Failte also indicated that such a sample size may associate minor margins of error with survey results, but this should not interfere with the interpretation of the results, where a 95% confidence level was achieved.

#### 2.3.1.4 Definition of Terms

The following terms were referred to for the purpose of this study.

- A Hotel:** A premises with a minimum of ten bedrooms registered in the register of hotels kept by Bord Failte in accordance with the Tourist Traffic Acts 1935 - 1977.
- Market Area:** This relates to the country where the hotel properties exist.
- Grading:** The new grading system was introduced in 1993 with a five-star rating scale to replace the old A\*, A, B\* and C rating scales. This new grading system replaced the old grading system with new criteria. Hotels with five star rating will not be comparable with the former grade A\* hotels, nor will four star hotels be comparable with grade A hotels etc. Also included are three, two and one star hotels. The remainder of hotels fall into the following three groups:  
*U*= premises opt to remain unclassified but meet requirements for registration.  
*N*= hotels awaiting assessment for grading.  
*R*= hotels undergoing refurbishment.  
 For the purposes of analysis, these hotels were treated as one group and are known as "Other".
- Regions:** Regions were determined by boundaries as defined for the administration of the first Operational Programme for Tourism 1989-1993 and these correspond to the Regional Tourism Organisation for that area, as listed in figure 2-1 below.

**Figure 2-1 Regions in the Market Area**

<b><u>Dublin</u></b>	<b><u>Southwest</u></b>
Dublin City	Cork
Dublin County	Kerry (South)
<b><u>Midlands/East</u></b>	<b><u>Mid-West</u></b>
Kildare	Clare
Laois	Limerick
Longford	Tipperary (North)
Louth	Offaly (West)
Meath	Kerry (North)
Wicklow	
Offaly (East)	<b><u>West</u></b>
Westmeath	Galway
	Mayo
<b><u>South East</u></b>	Roscommon
Carlow	
Kilkenny	<b><u>North-west</u></b>
S. Tipperary	Cavan
Waterford	Donegal
Wexford	Leitrim
	Monaghan

*Bord Failte 1996.*

Tables 2-2 and 2-3 below clearly summarise the sample chosen by both grade and region.

**Table 2-2. Sample Chosen By Grade.**

<b>Grade</b>	<b>5 Star</b>	<b>4 Star</b>	<b>3 Star</b>	<b>2 Star</b>	<b>1 Star</b>	<b>Other</b>	<b>Total</b>
<b>Population</b>	15	40	189	224	180	55	703
<b>Hotels</b>							
<b>Sample Hotels</b>	3 *	9	45	51	40	12	160

*\* Note: Results show little variation in the implementation of strategy among five star hotels.*

**Table 2-3. Sample Chosen By Region.**

<b>Region</b>	<b>Dublin</b>	<b>South East</b>	<b>South West</b>	<b>Mid West</b>	<b>West</b>	<b>North West</b>	<b>East Midlands</b>	<b>Total</b>
<b>Population</b>	87	79	134	89	117	108	89	703
<b>Hotels</b>								
<b>Sample Hotels</b>	21	18	31	20	27	24	19	160

### **2.3.1.5 Questionnaire Design**

The initial exploration of the subject area as documented in chapter one, and frequent discussions with leading experts as mentioned earlier in this chapter, established a meaningful structure for the questionnaire design. This structure provided consistency, ease of data collection and data analysis. Questions were largely closed for ease of completion by respondents, with some open-ended to encourage a richness of data and to support the overall qualitative nature of this study. In the absence of a model and also the lack of surveys conducted in this field, a suitable structure was adopted. The following three categories of information were sought throughout this study.

1. Strategy Formulation
2. Strategy Implementation
3. The Management of Implementation

Secondary research in chapter one contended that strategy formulation represents one of the key elements of the strategic management process. Questions one to nine of the questionnaire determined whether Irish hotel organisations are managed strategically.



Those questions investigated the types and style of planning used by hotel organisations, whether or not they evaluate their plans and whether they use dedicated teams of people to manage their plans and overall strategies. Question six in particular identified whether employees have a role in the overall planning process.

Questions ten to fourteen examined the planning process itself. The questions centred on the structure of the plan, i.e. The current mission of the organisation and its future vision and whether Irish hotel organisations employ outside consultants to assist them in the planning process.

Secondary research in chapter one also revealed that few organisations engage in implementation as a structured activity within the organisation. To promote strategic success, the activities of formulation and implementation should be seamless. Questions fifteen to twenty-four explored the level of understanding of strategy implementation and the current role and practice of implementation within the Irish hotel sector. In particular, questions twenty to twenty-two investigated the difficulties of instituting change within the organisation, the key components which promote effective strategy implementation and the barriers that inhibit effective implementation.

Finally, previous studies in chapter one indicated that today's managerial challenge is translating strategic intent into operational reality quickly and effectively to meet market and customer needs. This chapter also identified several organisational components that impact on successful strategy implementation. Questions twenty-five to fifty-five of the questionnaire sought to determine whether any of these components or others influence the implementation effort within the Irish hotel sector. These questions addressed such issues as budgeting for strategy, developing policies and procedures to support strategy implementation, benchmarking the success of Irish hotel organisations to other organisations and indeed to other industries and service sectors. Questions thirty-nine to forty-three addressed the control and evaluation of strategies with questions forty-four to forty-six exploring the reward structure or systems that may exist to enhance successful implementation of strategy. Questions forty-seven and forty-eight examined the role of leadership as a key component of successful implementation along with the empowerment of individuals within organisations which were addressed in questions fifty-two to fifty five.

An initial draft of this questionnaire was administered to a number of selected industry participants and academic specialists who advised any refinements. After the researcher randomly selected the sample from each stratum, the designed questionnaire was administered (April 28, 1996). A copy of this questionnaire is contained in Appendix B.

Initially, a response rate of 26% was achieved (June 1996). Following a reminder letter and subsequent telephone calls, this response rate increased to 31.25% (July 1996). This percentage equates to 50/160 hotel properties. Tables 2-4 and 2-5 below clearly illustrate the responses received by both grade and region.

**Table 2-4. Responses Received By Grade.**

Grade	5 Star	4 Star	3 Star	2 Star	1 Star	Other	Total
Population Hotels	15	40	189	224	180	55	703
Sample Hotels	3	9	45	51	40	12	160
Responded Hotels	2	5	14	14	11	4	50
Responded %	67	56	31	27	28	33	31.25

**Table 2-5. Responses Received By Region**

Region	Dublin	South East	South West	Mid West	West	North West	East Midlands	Total
Population Hotels	87	79	134	89	117	108	89	703
Sample Hotels	21	18	31	20	27	24	19	160
Responded Hotels	9	5	11	6	10	4	5	50
Responded %	43	28	30	35	37	17	26	31.25

The Overall response rate of 31.25% was considered meaningful given the following factors:

1. The length and detail of the questionnaire.
2. The time of year (seasonally of Industry).
3. The volume of questionnaires received by Irish hoteliers and their ability to respond individually to each one.

#### **2.3.1.6 Data Analysis**

It was considered adequate to use Microsoft Excel 5 to analyse the data for the following reasons:

1. The nature of the questions posed.
2. The number of responses received.
3. The type of information sought from the analysis.
4. The time-frame of the study.

Analysis of data was grouped by again grade and region for ease of analysis and presentation. Summary analysis sheets are provided in Appendix C. As previously mentioned, this knowledge was further explored through a case study approach to gain a greater in-depth understanding of strategy implementation within a specific hotel organisation.

#### **2.3.2 Case-Study: Jurys Hotel Group Plc. (Jurys Plc.)**

A single-unit case study of Jurys Plc. was selected for the following reasons:

Jurys Hotel Group Plc is Ireland's largest hotel group and represents Ireland's only second public hotel company. Currently the group has nine properties in Ireland from budget accommodation to four and five star luxury accommodation. Jurys also occupies a strong presence in the U.K. hotel market with eight properties in Bristol, Cardiff, Glasgow, Manchester, & London. The organisation is continuously expanding through acquisition and developing considerable expertise in hospitality management. The organisation provided a unique case-study for the study. The organisation's Chief Executive, Mr. Peter Malone gave considerable co-operation personally to this study and instructed his colleagues at group level as well as individual hotel level to do so also. This generous effort on their behalf ensured the success of the researcher's study.

The main focus of the approach adopted, was on developing an understanding and seeking insight; rather than of testing existing hypotheses. A second feature of this approach was the intensity of the study of the organisation. This is a preferred method when "How" or "Why" questions are to be answered (Ghuari, Gronhaug & Kristianslund 1995).

### 2.3.2.1 Data Collection

To increase the validity of the research, data was collected through triangulation. It is quite logical to collect information through different methods and angles, to ensure correctness and precision. (Easterby, Smith, Thorpe & Lowe 1991). Where such techniques support the conclusions of researcher based judgements, there is assurance that findings are not driven by researcher judgement (Kitchen & Shook 1996). The use of multiple sources, as seen in figure 2-2 below, has led to a better understanding of the research topic within Jurys Plc., and has promoted further research questions. Data gathering took place between February 1996 and October 1996.

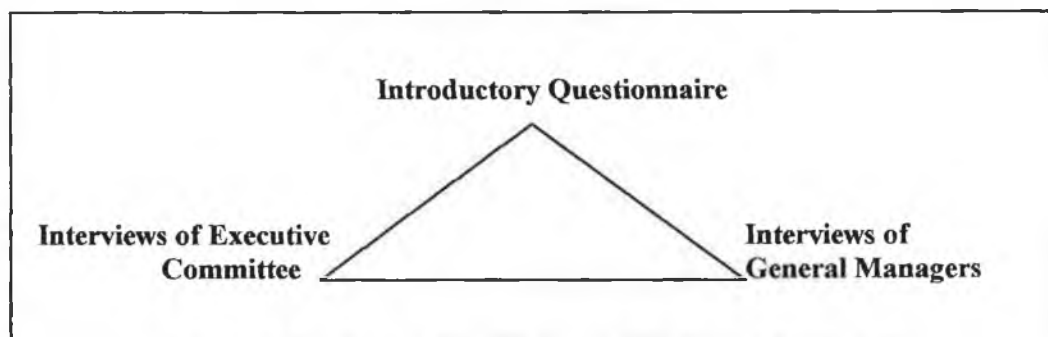


Figure 2-2. Triangulation; Easterby, Thorpe & Lowe 1991.

### 2.3.2.2 Introductory Questionnaire

Members of the executive committee were issued with a brief introductory questionnaire which is contained in appendix D. This questionnaire introduced the researcher and the research topic to the organisation and its members. It provided the opportunity to pilot test subject areas and methods of questioning for relevance and consistency. Analysis of this data enabled the refinement and initial evaluation of the subject areas, and provided a structure for in-depth interviews which were to follow.

### 2.3.2.3 In-depth Interviews

A panel of eighteen managers were then interviewed. Interviews were classified as "Semi-structured". This panel included each member of the Executive Committee and each general manager of individual properties. Table 2-6 lists the job titles of the informants at the time of interview within Jurys Plc.

Each interview conducted by the researcher, lasted for 1-2 hours. All but two of the interviews were conducted on site. The interview with the general manager of Jurys Customs House Inn was conducted at Head Office (Dublin), prior to the opening of the Customs House Inn. The Interview with the general manager of Jurys Kensington hotel UK, was also conducted at Head Office (Dublin), as there was a change in general management position at the time of interview. All but two interviews within Jurys Plc were taped and transcribed with permission. Though an interview protocol ensured that the same material was covered, the interviews themselves were open-ended. As key events, issues and people were identified later in the study, interviews were further refined. Sources of archival data included company annual reports, promotional material, trade journals and general business press which were collected throughout the course of the research.

The same structure for data collection and subsequent data analysis was used as per the previous industry questionnaire. The collected data provided a comparable data-base of information that served as the foundation for analysis within the case-study approach and exploration of Jurys Plc.

**Table 2-6. Listing of Informants**

NAME	TITLE	DATE OF INTERVIEW
<b>Executive Committee:</b>		
Mr. Peter Malone	Managing Director	May 16 1996
Mr. Simon Murphy	Group Personnel & Development Manager	May 15 1996
Mr. Niall Geoghegan	Director of Marketing & Sales	May 30 1996
Mr. Patrick McCann	Director of Operations	May 24 1996
Mr. F.M. Sheehan	Director of Finance & Corporate Affairs	May 16 1996
Mr. Stan Cooney	Strategic Planning Executive	May 14 1996
<b>General Managers</b>		
Mr. Richard Bourke	Jurys Hotel Dublin	August 15 1996
Mr. Stephen Johnston	Jurys Customs House Inn	August 16 1996
Mr. Conal O'Neill	Jurys Hotel Cork	August 19 1996
Ms. Monica Friel	Jurys Christchurch Inn Dublin	August 20 1996
Mr. Jim O'Brien	Jurys Hotel Limerick	August 21 1996
Mr. Barry Rafferty	Jurys Hotel Waterford	August 22 1996
Mr. Joseph Quinn	Jurys Hotel Cork	August 23 1996
Mr. Edward Stephenson	Jurys Galway Inn	August 26 1996
Mr. Cormac O'Keefe	Jurys Hotel Cardiff UK	September 18 1996
Mr. Stephen McNally	Jurys Hotel Bristol UK	September 18 1996
Mr. Con Ring	Jurys Hotel Glasgow UK	September 19 1996
Mr. Frederick Schaefer	Jurys Hotel Kensington London UK	October 02 1996

*Note: The above informants held the above positions at the time of interview.*

#### **2.3.2.4 Data Analysis**

Grounded theory was the process used for analysing the transcripts of all interviews. This theory provided an open approach, recognising the large amounts of non-standard data produced by qualitative studies. There were seven stages to this analysis.

##### **1. Familiarisation**

Both recorded and unrecorded information were explored. Relationships between the researcher and the informants were established. Some initial ideas were identified.

##### **2. Reflection**

Critical issues were identified by looking at previous research and academic texts. Important questions were then asked: (1) Does it support existing knowledge? (2) Does it challenge it, (3) Does it answer previously unanswered questions? Initial ideas and evaluations were relayed with other researchers and supervisors to test emerging patterns or ideas. These ideas were very much instinctive, and a lot more thinking was needed before they were rigorously tested.

##### **3. Conceptualisation**

Some concepts or variables emerged at this stage. The original concepts or ideas were now articulated as explanatory variables. These variables needed to be tested for consistency and misinterpretations. The transcripts were re-visited to identify these variables present in the text and eliminate any misinterpretations. Additional variables were identified and were added to the list.

##### **4. Cataloguing Concepts:**

When the concepts were identified from the informants' explanations they were then recorded. They were indexed with reference given to its source in the transcripts. Details of interview no., page, line and short descriptions etc. Turner 1981 argues that using a computer database tends to mechanise "*what ought to be an intuitive process, thus damaging the power of explanation*". Turner further argues that this intuitive approach can produce "*brilliant material*".

##### **5. Recoding:**

When all the references to particular concepts were known, it was possible to return quickly and easily to those places in the data to see what was actually said. The following was then noticed:

- (a) Concepts used in different contexts to explain different phenomena.
- (b) An informant's meaning of a concept was understood differently by the researcher.
- (c) Different people within the organisation defined differently what appeared at face value to be similar concepts.

As a result, some recoding was necessary. Some codes were regrouped to be more meaningful. This was achieved through a process called laddering. This process helped to enlarge some codes and collapse others.

#### **6. *Linking***

The variables which were identified earlier as being important were linked together to examine the relationship between them. This took the form of tracking backwards and forwards between the literature and the evidence collected in practice. This stage produced a first draft which was used to explore with others, exposing the argument and data to scrutiny.

#### **7. *Re-evaluation***

In the light of comments of others, the analysis was re-written, taking into account these considerations. This stage was undertaken several times.

An interim report of analysis from both the review of the Irish hotel sector and the case-study was presented to the Executive Committee of Jurys Plc., (January 1997) for initial feedback through in-depth discussion and to further the participative nature and quality of the research process. A proposed methodology [to manage strategy implementation] was proposed by the researcher. This presentation gave the researcher an opportunity to test the proposed methodology at a hotel property within Jurys Plc.

### **2.4 Research Evaluation & Test Application**

A distinction is made between an evaluation of the research as a study and an evaluation (test application) of the proposed methodology. It should be noted that the implementation of an entire strategy would exceed the time-frame of this particular study. However, the project chosen has the following strategic characteristics suitable for an effective evaluation.

#### **2.4.1 Strategic Characteristics of Chosen Project**

1. The chosen project is part of a 5 year development strategy for the organisation.
2. Significant capital investment was required.
3. A structured approach was adopted by management from the initial idea generation to the project's implementation.
4. The project will contribute significantly to the organisation's profitability as a whole.
5. The scope of this project addresses an issue of great concern to hospitality organisations everywhere. i.e. the declining nature of food & beverage business within Irish hotels.

#### **2.4.2 Reasons for Testing Proposed Methodology**

The initial methodology developed in chapter five was tested for the following reasons:

1. Develop an understanding of how the project is currently implemented.
2. Test the application of this methodology to the implementation of the current project.
3. Improve the original methodology with *post-testing* refinements.
4. Highlight the limitations of this methodology, promoting recommendations for further research and study.

#### **2.4.3 Research Methodology Used**

Participative action research was chosen as the most suitable methodology to test the working model. The output of this test application stemmed from a qualitative study involving the practical involvement of the management team responsible for the project's implementation. The researcher emphasised the organisational rather than the individual. The central principle of this approach was that some of the organisation's members being studied, would actively participate in the research process, rather than just be the subjects of it - "*there should be an intent to take action*". (Whyte 1991).

This type of participation formed a two-way relationship. Subsequently, the researcher's involvement contributed to the practitioners' world, and the practitioners contributed directly to the research output.



#### **2.4.4 Research Evaluation Process**

The process of evaluating this study consisted of four strategy meetings over six months (January-May 1997) with the project team responsible for the project's implementation.

The first meeting (January 1997) established a relationship between the researcher and the project team members. The research topic and the contribution of the project to the overall study were introduced. This meeting facilitated an understanding by the researcher of how the project was developed and how it was to be implemented.

The proposed methodology was presented to the project team at the second meeting (March 1997). The implementation constancy of the project was evaluated against the proposed methodology. In other words, did the reality of implementing the project follow or deviate from the proposed methodology. Two further Strategy meetings were held in April and May, to monitor the remainder of the project's implementation.

#### **2.4.5 Proposed Methodology Evaluation [Test Application]**

Promoting a continuous learning approach to strategy implementation represents a key objective of this study. The testing of this methodology required the researcher to return to both the literature and primary research findings, particularly the review of the Irish hotel sector in chapter three, where comparisons of analysis were made by both grade and region. This highlighted any refinements to the proposed methodology. Future applications of this methodology will see the hotel manager returning to a valuable base of knowledge to implement strategy more successfully, thus promoting a continuous learning approach to implementation and a greater sense of ownership of the strategic management process.

## **2.5 Limitations of this Study**

This study reviewed the Irish Hotel Sector and explored in greater detail through in-depth analysis, the theory and practice of one key hotel organisation. It should be noted that there were a number of limitations to this study.

1. A lack of previous research and published literature in this field to provide an initial base for this study.
2. Significant family ownership of small hotels in Ireland resulted in a lack of understanding of strategic management among a number of operators.
3. The results of the case-study highlights one organisation, and cannot be representative of an entire sector or industry.
4. A short period of time and limited resources prevented the testing for replication of the proposed methodology with other operators within the Irish hotel sector. This limitation of this study promotes a recommendation further research into the replication and application of the proposed methodology within a larger international hotel chain.

## **2.6 Summary**

This chapter has reviewed the research methodologies and techniques used in conducting this study. A largely qualitative study has generated immense knowledge of the subject area, great depth of information for analysis, and an invaluable benefit to the participant organisations involved. The diverse approaches of survey, case-study and testing combine to provide unique feedback in the following chapters. These chapters will seek to apply the methodologies now identified as the research process, to achieve the objectives of the study.

## **Chapter Three**

### **A Review of the Irish Hotel Sector**

### **3.1 Introduction**

Chapter three provides an overview of the overall hotel sector in Ireland. In particular, this chapter explores the current use and practice of strategy processes and implementation techniques within the Irish hotel sector. Chapter one explored secondary research in the field of strategic management. This chapter will provide the first phase of primary research. This will focus on research from industry questionnaires as previously outlined in chapter two. A review of literature in chapter one clearly identified the lack of research specific to the hospitality industry. This chapter will identify the real problems / issues of strategy implementation through empirical investigation, and contribute to the research base in this area. As chapter one revealed, these problems and issues stem from outside the specific implementation phase of the strategic management process. This chapter will further initiate the themes developed in chapter one.

#### **3.1.1 The Irish Hotel Sector**

The Irish hotel sector represents one of the strongest industry sectors in Ireland in terms of economic growth and job creation. Currently there are over 100,000 people employed directly in this sector. The hotel sector is part of the overall Irish tourism industry. Bord Failte (Irish Tourism Board) grades hotels within this sector as 5 star, 4 star, 3 star, 2 star, 1 star or as ungraded. 70% of Irish hotels are family owned. However, a number of large hotel groups operate within this sector. They include Jurys Hotel Group Plc., Ryan's Hotels Group Plc., The Doyle Hotel Group, Forte Le Meridian, Stakis U.K. etc. These chain organisations provide a significant source of revenue generation for themselves and the overall economy. This year, the Irish hotel sector has enjoyed yet another year of unprecedented growth with an increase of 40 new hotels, bringing the overall total to 750 hotel properties within the Irish Hotel Sector.

A representative sample of Irish hotels from each grade/category of hotel and geographical/tourism region in Ireland were chosen. Chapter two clearly illustrates the sample selection procedure and methodology used. A copy of the questionnaire distributed to the sample is contained in appendix B.

## 3.2 Section One: Strategy Formulation

### 3.2.1 Introduction

The process and dimensions of strategy formulation greatly impact on the success of the strategy's implementation (Bailey 1995). In order to deepen our understanding of strategy implementation and its role within the strategic management process, it is appropriate to examine the processes and styles of strategy formulation used within the Irish hotel sector.

### 3.2.2 Understanding of Strategy

For clarity of purpose and definition, respondent organisations expressed their understanding of strategy as follows:

1. A structured approach to **achieving long-term objectives**. This is a continuous learning **process**. Management understand why objectives should be met and the need to have the support of all those involved to ensure success.
2. Formulating a **concept**, through a process of **discussion** with relevant experts and staff.
3. Giving **direction** and scope to strategy over the long-term with implementation and control procedures.
4. Adopting an intelligent outlook for **future trends** concerning one's business.

In summary, strategy is viewed by respondents as a process of discussion and learning to achieve long-term objectives; to give direction and assess future trends for the organisation.

### 3.2.3 Planning Processes & Styles

Methods of formulating strategy and the extent of strategic planning processes were considered in chapter one. The practice of planning processes and the consistency of planning styles were further explored to gain an understanding of the extent of strategic planning within the Irish hotel sector. Each respondent clearly identified that they "*plan*" for their organisation. 24% of respondents have a formal planning process. From table 3-1 below, 4 star hotels engage in formal planning the most with 40% of hotels within that category adopting such a process. However, 78% of respondents clearly have an informal planning process.

Hotel Category	Formal Planning %	Informal Planning %	Total %
5	0	100	100
4	40	60	100
3	21	79	100
2	21	79	100
1	27	73	100
Other	25	75	100
<b>Total</b>	<b>24</b>	<b>76</b>	<b>100</b>

Table 3-1. Hotel Planning Processes

Respondents were asked to characterise their style of planning. 4% of respondents revealed a formalised and well-documented strategic planning style - *a very detailed and lengthy strategic plan*. The most popular style of planning is characterised by an entrepreneurial planning style. 60% of respondents have - *a semi-structured flexible, innovative and less formal approach to planning*. All hotels within the category classified as “Other” engage in this style of planning. This entrepreneurial and informal approach to strategy formulation is consistent with the view expressed in chapter one that strategy formulation can no longer fully operate in a rational and objective manner.

36% of respondents reported that their planning is informal and action-oriented. Further examination revealed that this is attributed to a lack of resources and the small size of operation. This is largely a characteristic of 3 star hotels with 64% of these hotels engaged in this style of planning. Table 3-2 clearly illustrates the above points per category of hotel.

Hotel Category	Formalised %	Entrepren. %	Informal - Action %	No Planning Activity %	Total %
5	0	50	50	0	100
4	40	40	20	0	100
3	0	36	64	0	100
2	0	57	43	0	100
1	0	55	45	0	100
Other	0	100	0	0	100
<b>Total</b>	<b>4</b>	<b>60</b>	<b>36</b>	<b>0</b>	<b>100</b>

Table 3-2. Style of Hotel Planning

### **3.2.4 Employee Contribution to the Planning Process**

56% of respondents identify that the role of employees within their organisation has changed in the last 5 years. These changes have occurred in particular within 1 star hotels and "Other" category hotels, where 82% and 100% of these hotels respectively, have experienced such changes. Respondents have experienced the following changes:

1. Management now consult with employees a lot more and provide more information on proposed strategic plans.
2. Employees are more involved with operational planning and decision-making.
3. Employees are more aware of operational problems, through their communication with heads of departments.

### **3.2.5 Project Teams**

Secondary research contained in chapter one raised the issue of the use of project teams for the effective formulation and implementation of strategy. *"What roles do these teams perform with regard to individual strategies?"* (Q.4, Section 1 - questionnaire). 60% of respondents reported the use of project teams within their organisation. Table 3-3 below illustrates the use of such teams per hotel category. Each category, particularly four star hotels, clearly advocates the use of such teams. These teams perform the following roles with regard to individual strategies:

1. Plan, co-ordinate and implement special events and projects effectively.
2. Stimulate more effective decision-making.
3. Provide regular discussion groups to collect ideas together, discuss proposals and negotiate strategy.
4. Carry out planned activities and improve customer service.
5. Increase average spend per customer and increase liquor sales.
6. Achieve greater consensus among the management team.

The following chapter will examine in more detail the use and practice of such teams within Jurys Hotel Group Plc.

Hotel Category	Use of Project Teams %	No Use of Project Teams	%	Total %
5	50	50		100
4	100	0		100
3	50	50		100
2	57	43		100
1	55	45		100
Other	75	25		100
<b>Total</b>	<b>60</b>	<b>40</b>		<b>100</b>

Table 3-3. The Use of Project Teams

### 3.2.6 Organisation Structure

Chapter one prescribes that strategy is implemented through the structure and that inflexible and bureaucratic structures will inhibit successful implementation of strategy. This chapter reveals that 52% of respondents indicate that the structure of their organisation has changed within the last 5-7 years. Table 3-4 below highlights in particular, that 80% of four star hotels have experienced such changing conditions.

The following chapter will clearly demonstrate the importance of a flexible structure in practice.

Hotel Category	Change %	No Change %	Total %
5	50	50	100
4	80	20	100
3	29	71	100
2	57	43	100
1	55	45	100
Other	25	75	100
<b>Total</b>	<b>52</b>	<b>48</b>	<b>100</b>

Table 3-4. Changes in Organisation Structure

*Note: A small number of respondents were new hotels, therefore not experiencing many organisational changes yet.*

### 3.2.7 An Effective Strategic Management Process

Chapter one in summary highlighted the need for an integrated strategic management process to improve business performance and the overall strategic success of the organisation. This chapter has further revealed the following challenges facing Irish hotel managers to achieve a successful strategic management process:



External Challenges		Internal Challenges	
1.	Changing market conditions	76%	Management Skills / Commitment 80%
2.	Competition	62%	Operational Problems 74%
3.	Economic factors/restructuring	60%	Innovation problems 50%

Note: Listed in order of expressed importance by respondents, with 1 being the most important.

Respondent organisations also perceived the following attributes to be important for the strategic success of their organisation.

1.	A clear sense of vision	94%
2.	Improved Understanding of the Changing business environment	78%
3.	A Heightened willingness to change	58%

Note: Listed in order of expressed importance by respondents, with 1 being the most important.

Further examination revealed that hotel general managers believe that the above strategic attributes are important for the following reasons:

1. *"The ability to improve and adapt to changing customer needs is vital to remain competitive".*
2. *"Everything in business is determined by the vision. A clear focus into the future and the ability to predict changes is required".*
3. *"Environmental conditions and trends in the hospitality industry are constantly changing".*
4. *"It is very difficult for small hotels to remain viable in very difficult circumstances. Very few will be left unless they are run by larger companies with larger resources".*
5. *"Understanding the business environment is critical to attracting any particular segment, which constantly fluctuates. Long and short-term goals should be integrated and balanced to give our organisation more of a goal, both long and short-term"..*
6. *"To achieve a profit in a small country within a very competitive industry.*

*(Various General Managers).*

### **3.3 Section Two: Strategy Implementation**

#### **3.3.1 Introduction**

Having developed an understanding of “Strategy” from respondent organisations in section one, respondents were further required to indicate their understanding of strategy implementation. The following observations were made:

1. To deliver on committed tasks and accomplish objectives on time.
2. To realise an intended strategy.
3. To put in place an action or policy which is essential to achieve an even larger goal.
4. To ensure that the planned responses of any strategic decisions are realised.
5. Develop actions to accomplish the plan and each activity successfully.
6. To implement decisions taken.
7. Get the job done, achieve results and get everyone motivated.

Respondents also identified the following three most important factors with which strategy implementation is most concerned with.

- |  |     |
|--|-----|
| 1. Define precisely how the strategic choice selected will be applied within the organisation.   | 70% |
| 2. Ensuring that the planned results of the chosen strategic decisions are realised              | 52% |
| 3. Creating or reinventing business processes, managing people and achieving performance targets | 20% |

*Note: listed in order of expressed importance by respondents. 1 being the most important.*

The above observations are broadly reflective of the theoretical propositions contained in chapter one; that the purpose of implementation is to ensure that the planned results of the chosen strategic decisions are realised.

#### **3.3.2 The failure of Strategy**

A review of secondary research material in chapter one suggested that many problems exist in a number of areas which inhibit successful implementation of strategy. 90% of respondents support this view that poor implementation of strategy is not the sole cause of strategy failure.

This chapter has identified the following as factors which do contribute to the failure of strategy:

1. A flawed concept, poor research and unexpected changes during the implementation phase.
2. Not being aware of the need to change.
3. Ineffective management team with an unrealistic vision.
4. A lack of control and support for the strategy.
5. A lack of interest and motivation by employees to achieve objectives.
6. Insufficient time allocated to strategy formulation.
7. Government policies, financial constraints and ineffective use of technology.
8. Staffing difficulties and changes in ownership.

Many of these factors are similar to those found in chapter one. However, poor research, an unrealistic vision and changes in ownership (1, 3 & 8 above), emerge as key factors particularly among the Irish hotel sector.

### **3.3.3 Strategy Implementation - A Challenge**

This chapter reveals that strategy implementation is a very demanding, time-consuming management challenge for the following reasons.

1. The wide sweep of managerial activities involved.....60%
2. Different options for accomplishing each activity.....52%
3. The perseverance needed to get a variety of initiatives launched and moving.....20%.

*Note: listed in order of expressed importance by respondents. 1 being the most important.*

The literature presented in chapter one explored the emergence of strategies. From the “six routes” presented, this chapter has revealed that within the Irish hotel sector, 76% of respondents clearly indicate that implemented strategies are a direct result of a combination of the intended strategy and a series of unplanned actions which form an emergent strategy. Only 22% of respondents report that it is a direct result of the intended strategy only.

70% of respondents identify the greatest difficulty in instituting change as the design and development of those changes as opposed to the processes that are used to implement them, which was identified by the remaining respondents (30%).

### **3.3.4 Effective Strategy Implementation**

The following issues have been identified by respondent organisations as contributing factors for effective strategy implementation:

1. Achieve management commitment for the strategy from the beginning.
2. Plan and co-ordinate the formulation of the strategy.
3. Develop the support of employees and the board of directors.
4. Work as one team, with clear action plans and an eye to the future.
5. Strategic planning objectives should be clearly defined and achievable.
6. Begin with an end date in mind.
7. Explain and communicate all aspects of the strategy and its implementation to each person.
8. Allow sufficient time for the strategy's implementation.
9. Provide accurate information to evaluate the strategy's progress on a regular basis throughout the implementation stage.
10. A strategy must be adequately financed both throughout the formulation and the implementation phases

## **3.4 Section Three: The Management of Strategy Implementation**

### **3.4.1 Introduction**

This study will propose a methodology to manage the implementation of strategy. The literature presented in chapter one has identified several issues which impact upon the successful implementation of strategy. The remainder of this chapter will explore in detail, those issues and the extent of their impact on the implementation effort within the Irish hotel sector.

### **3.4.2 The Budgeting Process**

Current literature presented in chapter one views the process of budgeting and resource allocation as a dominant force of strategic management and a key activity and tool of strategy implementation. A review of the Irish hotel sector indicates that 80% of respondents allocate funding to specific strategy critical activities.

However, from table 3-5 below, it can be clearly seen that 25% of hotels in the “Other” category are conducive to this. 60% of respondents indicate a relationship between budget allocations and strategy implementation activities. 30% of respondents cannot re-allocate funding for an individual strategy that has been revised or adjusted. 40% of four star hotels significantly contribute to this response.

<b>Hotel Category</b>	<b>Allocate Funding %</b>	<b>Do not allocate Funding %</b>	<b>Total %</b>
5	100	0	100
4	100	0	100
3	93	7	100
2	79	21	100
1	73	27	100
Other	25	75	100
<b>Total</b>	<b>80</b>	<b>20</b>	<b>100</b>

Table 3-5. Allocation of Funding to Strategy

Respondents advocate that the budgeting process achieves the following for their organisations:

1. The control of costs and resources.
2. Controlled improvement.
3. Financial forecasting and performance evaluation.
4. A focus on what to achieve.
5. Effective Strategy implementation.

18% of respondents believe that their budgeting process does not reflect their operating strategies. This is particularly evident within 2,3 & 4 star hotel categories. This is illustrated in table 3-6 below. 16% of respondents believe that their budgeting process is not even tied to the overall strategic direction of their organisation.

<b>Hotel Category</b>	<b>Reflects Operating Strategy %</b>	<b>Does not Reflect Operating Strategy %</b>	<b>Total %</b>
5	100	0	100
4	80	20	100
3	86	14	100
2	71	29	100
1	82	18	100
Other	100	0	100
<b>Total</b>	<b>82</b>	<b>18</b>	<b>100</b>

Table 3-6. Budgeting Process & Strategy

Funding is allocated to a new strategy in the following ways:

1. By authorisation of the Board of Directors.
2. As a percentage of total expenditure.
3. When it is needed - informally.
4. Process **A**: (1). Strategy is costed, (2) relevant department is sourced for funding.  
(3) Board of directors decide if expenditure is to be given.
5. Process **B**: (1) Planned strategy, (2) Funding is agreed and allocated. (3) This is implemented within the constraints of the budget.

### 3.4.3 Research & Development

Secondary research in chapter one did not place research and development as a key issue affecting successful implementation of strategy. However, primary research highlights that 62% of respondents do not conduct any research in the formulation and implementation of strategy for their organisation. Table 3-7 below clearly illustrates the distribution of responses for each category of hotel. Further examination revealed a lack of resources, particularly among 1 & 2 star hotels, [predominantly family owned], and the belief among managers that ineffective research can prove expensive, therefore, not justifying the investment in research.

Hotel Category	Engage in R&D %	Do not Engage in R&D %	Total %
5	30	70	100
4	40	60	100
3	50	50	100
2	14	86	100
1	34	66	100
Other	25	75	100
<b>Total</b>	<b>38</b>	<b>62</b>	<b>100</b>

Table 3-7. Research & Development - Irish Hotel Sector

### 3.4.4 Communication

Chapter one revealed that effective forms of communication are vital to ensure the success of the implementation effort. This chapter suggests that developing suitable policies and procedures to guide organisation members through the implementation phase represents a valuable communication technique. Respondent organisations view the following questions as the three most important "policies and procedures" questions to address when implementing a strategy.

- |  |     |
|--|-----|
| 1. Do these policies and procedures reflect present or desired company practices and behaviour | 58% |
| 2. Do they exist in areas critical to the firm's success?                                      | 32% |
| 3. Are they practical, given existing or expected situations?                                  | 30% |

*Note: listed in order of expressed importance by respondents, 1 being the most important.*

54% of respondents indicate that their policies are general in nature. Policies and procedures achieve the following for respondent organisations:

1. Standards of practice that are common to all employees. "What to do in the event of....."
2. A more streamlined and more standardised service to customers and a better working environment for employees.
3. Increased organisation and clarity of objective.
4. Some policies and procedures are requested/mandatory by law. Others contribute to overall organisation and planning of the organisation.
5. Support for the strategy and its implementation.
6. A clear understanding of what is required by everyone.

Some of the policies and procedures of Jurys Hotel Group Plc will be examined in more detail in the following chapter.

### **3.4.5 Continuous Improvement:**

The use of continuous improvement programmes / techniques has emerged as a key research issue in this chapter. 92% of respondents believe that such programmes provide a means to achieving successful implementation of strategy. However only 26% respondents clearly indicated the use of quality improvement programmes or equivalent techniques within their organisations. The most frequent users of such programmes are 4 star hotels, with 80% of hotels within this category adopting such programmes or techniques. Table 3-8 below illustrates this issue.

<b>Hotel Category</b>	<b>Use of Improvement Programmes %</b>	<b>Do Not Use Improvement Programmes %</b>	<b>Total %</b>
5	50	50	100
4	80	20	100
3	14	86	100
2	14	86	100
1	18	82	100
Other	50	50	100
<b>Total</b>	<b>26</b>	<b>74</b>	<b>100</b>

Table 3-8. Use of Improvement Programmes

56% of respondents benchmark how they perform specific activities and tasks. It must be noted that higher grade categories display a more frequent use of benchmarking within their organisations. This can be seen in table 3-9 below.

<b>Hotel Category</b>	<b>Use of Benchmarking %</b>	<b>Do Not Use Benchmarking %</b>	<b>Total %</b>
5	100	0	100
4	80	20	100
3	71	29	100
2	43	57	100
1	45	55	100
Other	25	75	100
<b>Total</b>	<b>56</b>	<b>44</b>	<b>100</b>

Table 3-9. Use of Benchmarking in Irish Hotels

Respondents associate the following benefits with improvement programmes:

1. Helping guests to return, improve guest satisfaction, hygiene and overall standards of performance.
2. Improved standards and levels of motivation in all departments.
3. Assesses the performance of strategies and highlights any changes if necessary.



### 3.4.6 Evaluation of Strategy

Chapter one suggests that evaluating the success of the implementation effort is presented in many ways. Two broad categories are quantitative (objective) and qualitative (subjective) evaluations. This study has revealed that 80% of respondents evaluate their strategies on an informal basis. They are evaluated every 6 months by 92% of organisations. The remainder (8%) of respondents evaluate their strategies on a yearly basis. However, 40% of 4 star hotels evaluate their strategies on a formal basis. Table 3-10 below illustrates this point. Only 22% of respondents evaluate the performance of strategies individually. The majority (78%) evaluate their performance collectively.

Hotel Category	Formal Evaluation %	Informal Evaluation %	Total %
5	0	100	100
4	40	60	100
3	14	86	100
2	14	86	100
1	27	73	100
Other	25	75	100
Total	20	80	100

Table 3-10. Evaluating Strategy

78% of respondents base their conclusions and evaluations on both objective analysis and subjective opinion. 2% of respondents base their evaluations purely on objective, quantitative analysis. This is represented by 1 star hotels only, where 9% of hotels within this category base their conclusions purely on objective analysis. Further examination revealed that quantitative objective analysis is *“Easy. Financial figures are difficult to dispute, they have either been achieved or not”*. A General Manager.

The use of evaluative measures achieves the following for respondent organisations:

1. Higher productivity and profitability.
2. Determines whether corrective actions need to be made.
3. Helps to redefine objectives for future strategies.
4. Quantifies effectiveness - to avoid future mistakes.
5. Whether the strategy has succeeded or failed.

### 3.4.7 Performance Recognition

Chapter one contends that the successful application of rewards, monetary or otherwise remains a great issue of debate for many hospitality managers. This chapter explores these issues in a more detailed fashion. 36% of respondents do not possess a structure for rewarding performance. This is strongly represented by 1 star hotels, where 55% of hotels within that category do not possess a structure for rewarding performance. Table 3-11 below illustrates this response per category of hotel. However, for the 64% of respondents that do reward performance, 60% of them have an informal system, and 78% of them indicate that it is based on results needed as opposed to functions to be performed.

Hotel Category	Possess Reward Structure %	Do Not Possess Reward Structure %	Total %
5	100	0	100
4	80	20	100
3	57	43	100
2	64	36	100
1	45	55	100
Other	100	0	100
<b>Total</b>	<b>64</b>	<b>36</b>	<b>100</b>

Table 3-11. Rewarding Performance

92% of respondents indicate that rewards play a direct role in implementing strategies effectively. The following roles were identified:

1. If employees believe they are benefiting from the strategy, they will embrace it.
2. Strategies become more realistic and goals more achievable.
3. Rewards contribute to increased motivation.

The following chapter will further examine the issues of performance recognition within Jurys Hotel Group Plc.

#### **3.4.8 Strategic Team Leadership:**

Strategic Leadership emerged as a key research issue in chapter one. Secondary research contends that effective implementation requires the support and guidance from the management team as a key component of the organisation's structure. This view is further supported in this chapter where 98% of respondents clearly indicate that successful team leadership plays a role in achieving successful implementation of strategy. The following roles were identified:

1. A leader must be seen to be fully committed at all stages of the strategy.
2. Provides direction and support for those who implement the strategy.
3. Motivates everyone to achieve targets on time.
4. Has experience and good knowledge of target markets and segments.
5. An effective leader is crucial for effective operations; to reduce staff turnover in a very intensive industry.
6. A leader takes control to ensure the strategy's success or failure.

Respondent organisations have also identified the three most popular leadership styles.

- |   |     |
|---|-----|
| 1. Staying on top of what is happening and how well things are going  | 52% |
| 2. Promoting a culture in which the organisation is energised to accomplish strategy and perform at a high level              | 42% |
| 3. Keeping the organisation responsive to changing conditions, alert for new opportunities and bubbling with innovative ideas | 36% |

*Note: listed in order of expressed importance by each respondent, 1 being the most important.*

### 3.4.9 The Reporting of Information:

Secondary research contends that effectively supporting and controlling the implementation of strategy requires accurate and meaningful information. This chapter reveals that management information systems (MIS) are used by 62% of respondents, of which 25% have a formal system. Although 1 star hotels uncharacteristically report a 73% use of MIS systems, it must be noted that they are informal systems for 87% of hotels within this category. Table 3-12 clearly illustrates this response.

Hotel Category	MIS System %	No MIS System %	Formal System %	Informal System %	Total %
5	100	0	0	100	200
4	80	20	50	50	200
3	43	57	50	50	200
2	50	50	14	86	200
1	73	27	13	87	200
Other	100	0	50	50	200
Total	62	38	30	70	200

Table 3-12. The Use of MIS

The following benefits are associated with the use of such a system:

1. Important issues are documented.
2. Helps management plan more confidently.
3. Provides feedback of information on performance; monitors the implementation of strategies.
4. Identifies where profits are being achieved and that budgeted targets are being met on time.
5. Contributes to the overall communication process.

Of those who use an MIS system (62% mentioned above), only 19% indicate that their reporting of information reflects the same level of detail as their strategic planning. Only 16% of respondents indicate that their management reports are sensitive enough to monitor the implementation of individual strategies.

### **3.5 Summary**

This chapter has explored the processes and styles of strategy formulation; the demanding role and continual challenge of strategy implementation; and the increasing need to both understand and integrate organisational issues together, to manage strategy implementation within the Irish hotel sector. Chapter one offered a theoretical contribution to this study. This chapter challenged those theoretical issues for their use and practice within the Irish hotel sector. The following chapter will draw on the emerging issues, through in-depth analysis, and identify their practical application to Jurys Hotel Group Plc. This chapter concludes with the following summary observations:

Strategy is viewed as a process of discussion and learning to achieve long-term objectives; to give direction and assess future trends for the organisation. An exploration of planning processes and styles reveals that the most popular style of planning is characterised by an entrepreneurial planning style. Changing market conditions [external] and management skills/commitment [internal], represent the two most difficult challenges facing Irish hotel managers today. Finally, A clear sense of vision, an improved understanding of the changing business environment and a heightened willingness to change represent the three most important attributes for the strategic success of Irish hotel operations respectively.

Strategy implementation is most concerned with defining how the strategic choice selected will be applied within the organisation. Weak implementation of strategy is not the sole cause of strategy failure within Irish hotels. Several additional reasons have been identified as factors which do contribute to the failure of strategy. Strategy implementation is a very demanding, time-consuming management challenge because of the wide sweep of managerial activities involved. Irish hoteliers clearly indicate that implemented strategies are a direct result of a combination of the intended strategy and a series of unplanned actions.

Several organisational issues and operational tools have been identified as key elements to manage strategy implementation.

The budgeting process contributes to successful strategy implementation through the control of costs and resources, financial forecasting and performance evaluation. This process is the most dominant force of strategic management and a key activity and tool of strategy implementation. The lack of research conducted within Irish hotels is due in part to a lack of resources among a large number of small operations and that research is too expensive to justify its investment.

Policies and procedures represent a valuable communication techniques. They are used as a form of communication for strategy and provide support for the strategy's implementation. Irish hotels view the following questions as most important to address when implementing strategy: (a) Do these policies and procedures reflect present or desired company practices and behaviour? (b) Do they exist in areas critical to the firm's success? (c) Are they practical, given existing or expected situations?

Quality improvement programmes or equivalent techniques provide a means to achieving successful implementation of strategy. However, very few Irish hotels clearly indicate the use of such programmes. Evaluative measures for strategy help to re-define objectives for future strategies, quantify effectiveness - to avoid future mistakes and determine whether the strategy has succeeded or failed.

"Staying on top of what is happening and how well things are going" represents the most popular style of leadership among Irish hoteliers. Team leadership plays a role in achieving effective implementation of strategy. It provides direction and support for those who implement the strategy, motivating everyone to achieve targets on time.

Management information systems provide continuous feedback of information on performance, monitors the implementation of strategy, and helps managers plan more confidently. However, very few reporting systems reflect the same level of detail as the strategic plan itself, and even less reporting systems are sensitive enough to monitor the implementation of individual strategies.

## **Chapter Four**

A Case Study of Jurys Hotel Group Plc.

#### **4.1 Introduction.**

Chapter four builds upon the primary research reviewed in chapter three. This results from the industry questionnaires administered, as outlined in chapter two. The field of strategic management and in particular, strategy implementation within the Irish hotel sector, have been explored in previous chapters. Several research issues and patterns have emerged from these chapters which have provided useful data and an initial base of knowledge for further analysis. This chapter will enhance the primary research further. It will document through a qualitative study, how strategy is approached within a particular Irish hotel organisation. This chapter will also provide a unique approach to research which can be replicated by others in future research studies.

Chapter two recommended a single unit case study approach as an ideal means to conduct further in-depth analysis and to support the qualitative nature of this study. Jurys Hotel Group Plc (Jurys Plc.) was chosen to be the participant organisation in this study. The organisation provided an ideal case study for both theory and practice. The method of case selection is clearly documented in chapter two. In order to appreciate the level of operation of this organisation and its contribution to this study, the following overview is presented.

#### **4.2 Jurys Plc. - An Overview.**

Jurys hotel group is a leading hotel organisation operating quality hotels and inns in prime city locations in Ireland and the United Kingdom. The hotels cater for a wide market within the business and tourism sectors being the most important sources of revenue and profit. The organisation is one of two public hotel companies in Ireland.

In 1989, the organisation had three hotels, (Dublin Cork & Limerick) having 600 bedrooms. The group now has fifteen properties in ten cities across Ireland and the U.K. The nine hotels and six inns offer an increasing number of customers a selection from value for money economy to five star luxury accommodation. The latest development is in London where Jurys Islington Inn is due to open in 1998.



Over the past twelve months three new properties, Jurys Custom House Inn, Jurys Belfast Inn and Jurys Inn Limerick have been added to the group's portfolio. The management team in each was appointed from within the group. As part of Jurys employment policy for the inns, a quota of new employees are sourced from those who are long term unemployed in the local area.

Financially, the group this year (1997) reported pre-tax profits of IR£ 13.82 million, an increase of 45% on profits of IR£ 9.51 million in 1996. Earnings per share amounted to IR£ 24.9p an increase of 35%. This performance was achieved against a background of buoyant market conditions both in Ireland and the UK. All hotels and inns increased their contributions over the previous year. Room occupancies remained high and considerable improvement was achieved in average room rates throughout the group, reflecting an emphasis on room yield management.

The various themes initiated in chapter one, and explored in chapter three are now examined through a qualitative case-study analysis.

### **4.3 Section One: Strategy Formulation.**

#### **4.3.1 Introduction.**

Three decades of experience with strategic planning has proved that it is difficult to plan well and it is easy for an effective strategic planning process to deteriorate to the stages where it is doing more harm than good." *It is still very difficult to find companies which are doing it really well*" (Houlden 1995). Formalised planning processes have proven ineffective in today's challenging environments.

The process of strategy formulation / strategic planning within Jurys Plc is characterised as a documented process. It reflects varying degrees of formality. Both senior and general managers adopt an entrepreneurial style to planning. Strategies are written to provide a supportive and consultative role to the planning process.

The simplest form of planning within the organisation is annual budgeting. The budgeting process is a formal process. Ownership of the budgeting process is also formal. Most planning is a process of discussion, which is lead by the Managing Director as part of that team.

Chapter one contends that there is a need to '*set-free*' the process of strategy-making, '*rather than trying to send it off by arbitrary formalisation*' (Mintzberg 1994). Thompson (1995), argues that management increasingly place a greater emphasis on addressing strategic issues, and on foreseeing problems of implementation once the strategic direction has been decided. Sokol (1992), argues that this has produced a more simplified and committed planning process, which according to Stacey (1991), is supported with greater management facilitation and ownership.

The level of formality versus informality of planning within Jurys plc. is determined by the scale of operation - i.e. *hotels vs. Inns*. The planning process for the Inns is informal. However, two formal exercises are conducted at the beginning of each year [for Inns]. They consist of a trading budget and the training plan. The opening of new Inn properties involves 3 levels of planning:

1. Organisation level - *strategy, structure*.
2. Process level - *flow of work*.
3. Performance / Job level - *skills, tools, rewards*.

A strategy exists for most of the planning work. The simplicity of the Inns concept; [the multi-skilling of employees and the fixed room rate], are very critical from an operational, planning and marketing point of view.

Planning for individual hotel properties within the organisation is formal and structured over one year. It is structured to the extent that a budget is written. The process to reach the bottom line is very structured. Strategies to implement the budget are entrepreneurial in style. They document how a plan is going to be achieved. General Managers work carefully toward annual plans, as financial arrangements and targets to be achieved are reviewed on a monthly basis. These plans experience changes throughout the year.

#### 4.3.2 The Planning Horizon.

Johnston (1996), in a recent discussion with Arie de Geus, formerly of Royal Dutch Shell, learned that it may be better to manage an organisation for survival rather than profit, which implies a longer term view and a commitment to a suitable vision and values. In chapter one, Mintzberg (1994), has continuously advocated a planning horizon of at least 3-5 years to set direction for the organisation, or at least enable it to manoeuvre through threatening environments.

A typical planning period at an individual property within Jurys plc., extends for 12 to 18 months. General managers argue that they are unable to plan further out at any one time. The following reasons indicate why planning is confined to this time frame.

1. The rapidly changing nature of the hospitality industry and the need for general managers to be responsive to this change.
2. The rate of management turnover. (Level of ownership and stability).
3. Communication of strategic development by head office to general managers.
4. Responsibility to shareholder contribution - a short-term profit orientation.

Each property can contribute to the organisation in two ways. (1) Profitability and shareholder satisfaction, and (2) Advancing and growing the business. Short-term planning contributes directly to increased profitability. This is very evident from the company's performance to date, which is clearly indicated in the company's latest annual report (1996). However, literature presented in chapter one suggests that long-term business success can only be achieved through strategic thinking and competence building (Mintzberg 1994). In other words, short-term planning should be tied to the overall strategic direction of the organisation, and short-term objectives should be reflective of longer-term objectives.

Senior managers within the group are aware of the need to think strategically as opposed to operationally. They are also aware that this causes frustration with line managers to think this far ahead for the reasons stated above. A review of the Irish hotel sector in chapter three has identified that in a competitive environment, Irish hotels must adopt a professional approach to their business. *'Planning is no longer a luxury but a necessity for survival'* A General Manager (1).

**Notes.** 1. Recorded Interview with a hotel General Manager, Jurys Hotel Group Plc.

Therefore, thinking strategically and creating a strategy for planning suggests more successful strategy implementation. Do individual general managers plan in order to develop their business in line with the strategic direction of the organisation?

#### **4.3.3 An Understanding of Strategy.**

Chapter three has provided a useful definition of strategy for the purposes of this study.

*Strategy is viewed as a process of discussion and learning to achieve long-term objectives, to give direction and assess future trends for the organisation.*

Both senior and general managers within Jurys plc., have demonstrated the following understanding of strategy as it is applied to their organisation.

1. A strategy is developed around a plan. The strategy identifies how the plan is going to be achieved and a time-frame within which it is going to be achieved. It gives the plan direction to achieve its aims.
2. A strategy is also a concept or an idea which requires the commitment of people. It is developed by senior management to determine a course of action.
3. A strategy organises the product to give the best opportunity of achieving those objectives. It does not exclusively involve long-term planning. The strategy which is applied is more evolving. It is a recognition of market conditions and of opportunities which may arise.

In summary, strategy has been defined as an evolving process, which gives direction and determines the course of action for a plan, requiring the commitment of people to achieve its objectives, taking into account ever-changing market conditions and possible future opportunities.

#### **4.3.4 Approach to Strategic Management.**

Senior management have experienced many changes and challenges in their approach to strategic management in the last 5-7 years. General managers are taking on an increased role in the planning process, an increased emphasis on market orientation, financial analysis, technology and shareholder value. In chapter one, Wilson (1994), argues that strategic management, having evolved from its purely planning focus, now faces both external challenges with which it must grapple and internal barriers to its successful implementation.

Both 76% and 80% of Irish hotels surveyed in chapter three indicate that changing market conditions and management skills/commitment respectively, are the most important challenges to promoting a successful strategic management process.

#### **4.3.5 Strategic Management Techniques.**

Benchmarking, a planning technique traditionally associated with manufacturing, is used within Jurys Plc to measure customer reaction. The Inns concept has taken a look at each aspect of the hotel operation; from the product the customer is offered, to the way in which it is delivered to the customer. This process has essentially been redefined, simplified and made cost-effective. Therefore, the use of benchmarking has identified what the customer is looking for and highlights the performance of the Inns concept in operation. Only 56% of Irish hotels surveyed in chapter three benchmark how they perform specific activities and tasks. It must be noted that higher grade categories display a more frequent use of benchmarking within their organisations.

However, the scale of operation and business activity at each UK hotel property within Jurys plc differs. Group planning techniques and issues such as benchmarking between individual properties are not feasible. Instead, local planning techniques and initiatives are launched between local hotels. This occurs particularly in the Bristol area. This recently proved successful for room rate and business mix maximisation [Jurys hotel Bristol].

In Ireland, a market research company compiles the results and produces a report of statistics which highlights both positive and negative feedback from the guest. At Jurys Christchurch Inn for example, the general manager uses this material at employee meetings, so employees can see the reaction the "Inn" is receiving from the guest, both positive and negative. The use of benchmarking at Jurys Cork Inn proves to be an invaluable planning technique. It "*tags*" the needs, wants and satisfaction levels of customers.

The Inns are still a relatively new brand in Ireland. They are five years in operation and few more in the development process. In many ways, they are like many other Irish hotels. However, the Inns concept has taken a look at every aspect of the operation, from the product the customer is offered, to the way in which it is delivered to the customer.

The process has essentially been redefined, simplified and made cost-effective. *'.....the use of benchmarking has identified what the customer is looking for and highlights the performance of the Inns concept in operation'*. Stephen Johnston General Manager, Jurys Customs House Inn, (Recorded Interview).

#### **4.3.6 Benefits of Using Strategic Management Techniques.**

Senior Management have highlighted a number of benefits to be gained by adopting suitable strategic management techniques:

1. A clearer sense of 'vision' for the organisation and its overall direction.
2. An improved understanding of the changing business environment.
3. Achieving a better balance between long-term and short-term goals.
4. A heightened willingness to change.
5. An improved integration of strategy and operations.

A review of the Irish hotel sector in chapter supports many of these views, in particular, a clear sense of vision and an improved integration of strategy and operations.

#### **4.3.7 The Hospitality Industry & Strategic Management Techniques.**

Rovelstad and Blazer (1983) in chapter one stated that *'...hospitality organisations lag behind manufacturing firms in their use of strategic management techniques and the research necessary to support a successful strategic management process'*. A number of views were obtained as to the progression of the hospitality industry and the adoption of such strategic techniques within Jurys Plc.

Several general managers strongly believe that the manufacturing industry and the hospitality industry are two different industries. They further contend that the turbulent nature and rapidly changing environmental conditions associated with Irish hotels, makes it more difficult to readily adopt such formal techniques. Further investigation revealed that a hotel operation experiences changing conditions at least every season. This further explains the inability of general managers within Jurys Plc to plan for more than 12 to 18 months at any one time. Manufacturing enjoys more stability - *'A production process and its product may remain constant for 4-7 years'*. B. Rafferty Jurys Hotel Waterford. (2)

Within Jurys Plc in particular, the general manager views his/her role as a strategic role. Due to the nature of the industry, the ways managers are educated, the manner in which hotel schools have been “traditionally” run; there is a hidden demand by group directors and customers for the general manager to have a “hands-on” profile. However, reality appears quite different.

For example, Jurys hotel Ballsbridge contributes 40% of the group’s turnover and profit. With 400 people employed, the general manager’s role should be strategic in nature. However, due to the reasons given above, the general manager is conditioned to perform an operational role. A strategic focus of both the current and the future position of the organisation emerges as a key research issue.

#### **4.3.8 Strategic Management - An Integrated Process.**

Chapter one has clearly identified that strategy formulation and implementation represent the two key elements of the strategic management process. Chapters three and four have identified that both of these elements are often treated in isolation of each other. Evidence has clearly shown that this separation has led to disjunctive and ineffective implementation in many cases. Both secondary and primary research advocate many important relationships between formulation and implementation necessitating the integration of both through a single process. This is particularly evident in chapter one, where Mintzberg & Quinn argue for a continuous process of formulation and implementation. In this chapter, additional arguments are presented in support of such an approach. Essentially, this research contends that strategy formulation can no longer be isolated from the implementation of strategy in order to ensure the strategic success of the hotel organisation. Therefore, an integrated approach will be reflected in a working model to manage strategy implementation in the following chapter.

#### **4.3.9 Organisational Control & Structure.**

As the organisation grows, senior managers identify the need to consolidate control with the growth of more units [hotel & Inn]. With almost 15 units, the ability to visit each one regularly becomes increasingly more difficult.

Notes:

2. Recorded Interview with Mr. Barry Rafferty, General Manager, Jurys hotel Waterford.

Senior managers are trying to adapt by ensuring that there are sufficient management resources available and a flexible organisation structure is in place to maintain control. Further examination reveals the recognition among senior managers of the need to re-focus the existing structure within Jurys Plc for the following reasons:

1. The rapid growth of the organisation as a group and a public company.
2. A shift of emphasis from “hotel” to “Inn” style of operation.
3. Competitive “cost” (efficiencies in operation) and “value” (to the customer) structures.
4. To maintain effective control, and ensure the future strategic success of individual properties.
5. To encourage cross-functional work and co-operation through work processes.
6. The current organisation chart is not truly representative of the present organisation, (See appendix E).

The current structure operates within a vertical environment. Within this environment, individual managers may perceive other functions as enemies, rather than as partners in the battle against ceaseless innovation and intense competition. As each function strives to meet its goals, it optimises its performance. However, this functional optimisation often contributes to the sub-optimisation of the organisation as a whole. This inhibits effective communication and the ability to respond effectively to change. This is also recognised as the ‘*Silo*’ phenomenon (Rummler-Brache 1995).

Traditionally, with three hotels (Dublin, Cork & Limerick), this vertical view was not a significant issue as each manager and employee knew each other, were aware of the services being provided and the processes at work within each property. However, as the organisation grows, as stated above, the need to sustain a competitive advantage is greater. This traditional [vertical] view of the organisation becomes a liability.



#### **4.3.9.1 A Full Picture.....What is Missing?**

The current structure is typically represented by an organisation chart. See appendix E. While one may have more tiers of boxes and different labels than another, this chart illustrates the vertical reporting relationships of a series of functions. As a picture of the business, what is missing?

- 1 The customers
- 2 The products and services provided.
- 3 The flow of work (Organisational Processes).

#### **4.3.9.2 An Organisational Process.**

*'A series of steps which convert one or more inputs into one or more outputs'* (Rummler - Brache 1995). For processes to be effective within the organisational structure, they must be cross-functional.

This cross-functional approach to structure helps to involve the co-operation and effort of managers and employees from more than one department, to break-down the "competitive" barrier between each vertical function, and channel individual thought into group action, in order to improve strategy implementation success and optimise the performance of the organisation as a whole.

#### **4.3.9.3 Process & Structure - Why Include Organisational Processes?**

1. Processes are at the root of competitive advantage.
2. Processes are the vehicles for implementing a strategy.
3. Processes enable an organisation to meet customer needs and achieve financial goals.
4. The performance of individuals tends to be only as good as processes allow it to be.

Processes (especially cross-functional processes) frequently are:

- (a) not documented.
- (b) Not understood the same way by everyone involved.
- (c) Not systematically and continuously improved.
- (d) Not managed.

#### **4.3.10 The Use of Project Teams.**

The use of project teams for strategic planning was raised as a research issue in chapter one. Chapter three revealed that 60% of Irish hotels use project teams within their organisation. Further investigation within Jurys Plc indicates that the rationale for using project teams for planning is viewed in a number of ways.

Such teams advocate the responsibility of individuals for the achievement of specific objectives, but without any limitation on their ability to become involved in other aspects of the project. Individuals can share in the decision-making and brainstorming. However, each person has very definitive responsibilities when it returns to everyone's deliverables. Considerable experience has shown that responsibility cannot be shared if the strategy is to be implemented successfully.

In contrast, it is also suggested that project teams are more effective than functional specialists who deliver a total project. A breadth of inputs are needed in most projects. Marketing impacts on technology, which impacts on operations, which impacts on back of house etc. In this case, project teams bring together a broader base of experience to a particular subject and a greater dialogue than just functional specialists who focus more narrowly. General managers contend that such teams should understand what their objectives are and how they fit into the organisation's overall aims.

Individual general managers have the responsibility of training new managers within their areas and developing their skills as managers within the organisation. The use of project teams in this instance appears to be a useful way to delegate and assign responsibilities to these managers. *'It is a great team-building exercise which helps young managers to learn quickly and become more effective in their work'*. A General Manager. (3)

In contrast, some general managers argue that formalised project teams can slow down progress. The team may involve others who are not directly responsible for the strategy. It is a good point of information for others, but not much outside of that. *'Involve only the key people concerned'*. Stephen McNally Jurys hotel Bristol (4). A more consultative process is argued to be more effective. It brings together only those directly responsible for accomplishing the strategy.

#### **4.3.11 Employee Contribution to the Planning Process.**

Chapter three explored the role and contribution of employees to the planning process within the Irish hotel sector. Over 50% of respondents identify that the role of employees within their organisation has changed in the last 5 years. Further investigation within Jurys Plc reveals that employees only contribute informally to the planning process. This contribution is made through the Customer Care programme. This programme is focused on improving the delivery of service to the customer.

It consists of employee groups/teams. These teams do not necessarily have a hierarchical structure. Regular customer care meetings are co-ordinated and organised by employees and not management. Employees are invited to give their ideas based on their daily interaction with the customer. Information and suggestions are continuously fed back to management.

For example, the restaurant at Jurys Galway Inn is now due for refurbishment after 3 years. Employees work within the current operation everyday, and their input into possible alterations or adjustments, to make it more comfortable for both the guest and employee is critical. It is also viewed that the level of operation at Jurys Inns does not warrant formal employee contribution and involvement in the planning process.

Further examination at one site within the hotel group indicates that line managers contribute to planning informally. However, a fault of this informal approach '*what do you think*', is that some managers feel that they are not consulted formally in decision-making. Several managers view that an informal approach of contribution and debate is more effective in the long-term.

#### **4.4 Section Two: Strategy Implementation.**

##### **4.4.1 The Process of Strategy implementation - An Understanding.**

The previous chapter highlighted that the purpose of strategy implementation is to ensure that the planned results of the chosen strategic decisions are realised. These observations are also broadly reflective of the theoretical propositions extracted from the literature explored in chapter one. A more in-depth examination within Jurys Plc suggests a similar view and understanding by those interviewed.

##### **Notes:**

3. Recorded interview with a general manager, Jurys Hotel Group Plc.
4. Recorded interview with Mr. Stephen McNally, General Manager, Jurys Hotel Bristol, UK.

Both senior and general managers indicate the following understanding of strategy implementation as it operates within their organisation:

1. A process to achieve a desired result from an intended strategy. When a strategy is created, it is clearly communicated to those managers and employees concerned for implementing it. Often, these managers are involved in the formulation process also. The general manager evaluates the implementation effort at targeted milestones throughout the implementation process.
2. Identifying the key people involved. '*communicate clearly to those involved what is to be achieved and by when*', Cormac O'Keefe Jurys hotel Cardiff (5).
3. Departmental managers and supervisors should understand the strategy and what is to be achieved. Training must be given for the introduction of new policies and procedures. Having a solid management team helps the general manager implement strategies more effectively through that team.
4. To fulfil one's objectives. It also involves accountability for those responsible for the strategy and commitment to achieve it.

In summary, strategy implementation has been defined as a process to put an intended strategy into operation, with clear communication and training given to key people involved, and to gain commitment to fulfil the objectives of the strategy.

Chapter one explored various contemporary models and traditional approaches of strategy implementation. Among the various proponents included McKinsey [7-s Framework], Hrebiniak & Joyce [Triads], Jauch & Gleuck [Flow Chart], Bourgeois & Brodwin [Five Approaches], Porter & Mintzberg [Continuous Process], Finnie [Four-Cycle Process], and Mauborgne & Kim [Due Process]. A review of the Irish hotel sector in chapter three revealed that many of these models and approaches are not used within the hotel sector. Further examination within Jurys plc reveals that the above process of strategy implementation does not follow any of the above models. General managers argue that they encompass too much rigidity and classification.

This argument stems from Olsen's view in chapter one of the inability to transfer contemporary managerial techniques (scientific or otherwise) from manufacturing to hospitality, where many of the above models were primarily developed for manufacturing industry where process and work practices often remained constant for a number of years.

#### **4.4.2 Strategy Implementation & Strategy Failure.**

Strategy implementation emerges from chapter one as a significant weak link within the strategic management process. Primary research and experience within Irish industry suggest that failure of strategy has essentially been due to weak implementation rather than poor planning (O'Brien KPMG 1996). Evidence emerging from this chapter further suggests that weak implementation of strategy is not the sole cause of strategy failure. General managers within Jurys plc have identified the following reasons for strategy failure :

1. A lack of support from head office.
2. A lack of commitment from others to achieve the aims of the strategy.
3. Choosing an unsuitable strategic alternative.
4. The planner is too far removed from operations.
5. Changes in business levels and occupancy.
6. The capability of employees involved.
7. The current rate of employee turnover.
8. Weak communication of strategy with little understanding of the end result.  
*'Effective communication means that employees will then buy into the strategy and the need for it to be achieved'.* Cormac O'Keefe Jurys hotel Cardiff (6).

Several general managers contend that every step in the planning process impacts on how successful the outcome is. 90% of Irish hotels surveyed in chapter three also supports this argument. General managers also report that implemented strategies are a combination of both the intended strategy and a series of unplanned actions.

**Notes:** 6. Recorded interview with Mr. Cormac O'Keefe, General Manager, Jurys Hotel Cardiff, UK.

#### **4.4.3 Strategy Implementation - A Corporate Perspective.**

It is viewed that truly effective implementation of strategy is somewhat compromised because of differences which exist between individual hotel properties. These differences include:

1. Scale of operation.
2. Business mix and targeted markets.
3. Location and individual property needs.
4. Length of time in operation.

Some general managers have experienced difficulties, particularly in the UK with respect to centralised purchasing. This has proved difficult due to the unique needs of each UK property. The experience of general managers both within and outside the organisation also suggests that they could plan more effectively if more financial information was made available to them.

However, Implementation is deemed more effective at Inn properties for the following reasons:

1. A standardised level of operation.
2. Similar infrastructure and location.
3. Similar targeted markets.

#### **4.5 Section Three: The Management of Strategy Implementation.**

##### **4.5.1 Introduction.**

The previous chapter proposed a methodology to be developed, aimed at improving the process of strategy implementation within the Irish hotel sector. Secondary literature in chapter one identified several issues which impact upon the successful implementation of strategy. The previous chapter also explored and challenged those issues for use and practice within the Irish hotel sector. The remainder of this chapter will further examine those issues within Jurys Plc to gain an in-depth understanding of their contribution to the implementation effort within one hotel organisation.

##### **4.5.2 The Budgeting Process.**

Chapter one views the process of budgeting as a dominant force for successful strategic management and a key strategic tool for successful implementation. This chapter examines the process of budgeting in greater detail within Jurys plc. Both senior and general managers within this organisation view a budget as a plan and a working document. Historical knowledge and environmental changes affect the performance of the budget at individual hotel level. Budgets are approved in March each year.

A forecast is completed every month for the following three months. 1996/'97 is the first year where a budget review mid-way through the year has taken place. The budget is the same for each property. The break-down of categories is however less for the Inns than the hotels due to the scale of operation.

The previous chapter indicated that 60% of Irish hotels advocate a direct relationship between budget allocations and strategy implementation activities. This view is further emerges within Jurys plc. Committed resources and the speed of the implementation effort within this organisation can be revised or adjusted at targeted milestones in order to achieve those targets within budget. Recommendations are made at local level by general managers to the Executive Committee to propose changes.

For example, the opening of Jurys Customs House Inn has incurred unforeseen expenditure in some areas and other resources have been withheld for a number of months. Decision-making at this level occurs between the specific Inn general manager and the Operations Director. In contrast, the previous chapter notes that 30% of Irish hotels cannot re-allocate funding for an individual strategy that has been revised or adjusted.

Further analysis within Jurys plc revealed that the budgetary process achieves the following:

1. It focuses managers on their business very carefully and on what they have to achieve for a given month or spread throughout the year.
2. It is a tool for monitoring effective cost control.
3. It provides managers with a template with which to work for the next year.
4. It is a significant team-building exercise. The team which delivers the budget initially, must put it together, and be fully committed to it.
5. It represents an action planning tool in the implementation process.
6. It creates a very clear framework and forms the basis of a plan.
7. It stimulates job satisfaction for managers to achieve budgeted figures each month.

In summary, this chapter supports the views emerging from previous chapters that the budgeting process is a key implementation tool for the control of costs & resources, financial forecasting and performance evaluation.

#### **4.5.3 Research & Development (R&D).**

Secondary research presented in chapter one revealed little evidence of R&D as a key strategic issue for successful implementation. Further investigation within the Irish hotel sector contained in chapter three, revealed that 62% of Irish hotels do not conduct any research in the formulation and implementation of strategy for their organisations. This chapter suggests that the function of R&D within Jurys plc occurs on an ad-hoc basis throughout the organisation.

Evidence further suggests that it often takes place at a later stage in a formulation process after an idea has occurred; that it does not prompt new ideas and change to keep ahead of the competition in the long-term. *'Research should highlight future opportunities for the organisation and prompt initial change'*. R. Bourke Jurys hotel Ballsbridge (7).

However, within the last year, greater emphasis has been placed upon the importance of conducting research. Increased financial investment has been allocated to a number of strategic projects for research. The following chapter will demonstrate the practical role research played in a recent strategic project undertaken at a hotel site within the group.

All general managers within Jurys Plc contend that there is a great need for on-going research in hotels. However, research can prove expensive.

*'In many ways, the organisation is short-term profit oriented, being responsible to shareholders. Therefore, in an attempt to make short-term profits, the long-term growth and development of the organisation may suffer, especially the customer'*.

J. O'Brien Jurys hotel Limerick. (8)

#### **4.5.4 Communication - Policies & Procedures.**

Chapter one suggested that communication is vital for effective implementation of strategy. A number of forms of communication were proposed. Chapter three proposed creating a number of key policies and procedures as an effective form of communication. This chapter further investigates the use of policies and procedures in practice within Jurys Plc. Policies and procedures are used within the organisation as guidelines to support strategy. They provide the necessary support and regulate the scope of activity within each strategy.

##### **Notes:**

7. Recorded interview with Mr. Richard Bourke, General Manager, Jurys Hotel Ballsbridge, Dublin.

8. Recorded interview with Mr. James O'Brien, General Manager, Jurys Hotel, Limerick.



They act as boundary guidelines for operations. They also focus very clearly on the nature of work which needs to be revisited on a regular basis. The previous chapter also revealed that 54% of Irish hotels indicate that their policies and procedures are general in nature. Further analysis within Jurys plc clearly indicates that policies are both specific and general. Policies relating to the technical operation of the properties are very specific. This includes in particular, the whole accounting function. Policies relating to issues such as customer satisfaction appear to be more general. e.g. *'...Ideas can be engaged about the pleasant disposition of employees. But each individual is quite different'*. A General Manager (9).

However, the Inns concept promotes very specific guidelines of operation. Daily operational tasks are very clearly documented. Again, this reflects a standardised level of operation for the Inns. Certain activities are communicated more generally by the general manager. They include the following:

1. How the business should be run.
2. The concept of team-work.
3. Fairness to employees, being sympathetic and objective.

*'...The idea is to lead a team which is working together. This improves the chances of a successful outcome'* A General Manager (10).

#### **4.5.5 Continuous Improvement.**

The use of continuous improvement programmes / techniques emerged as a key research issue in the previous chapter. Further analysis within Jurys plc identified the following issues as mechanisms for continuous improvement impacting on strategy implementation:

1. Customer Care Programme.
2. ISO 9002.
3. Investors in People Programme.

These mechanisms are explored in greater detail to demonstrate the extent of their impact on strategy implementation.

#### **Notes:**

9, 10. Recorded interview with a general manager, Jurys Hotel Group Plc.

#### **4.5.5.1 Customer Care Programme.**

The aim of the customer care programme is to create loyalty with employees. It brings together employee representatives from different areas to discuss what they see from their interactions with customers. General managers use this information to ensure that their strategies and results are constantly customer focused. Further examination suggests that the programme plays a direct role in creating the present environment as well as helping with the communication process. It is clearly indicated by several managers that the customer care programme contributes to more successful strategy implementation in the long-term. Most of Jurys strategies are focused toward the customer. The customer care programme can only facilitate that process.

#### **4.5.5.2 ISO 9002.**

Each Jurys property in Ireland is accredited with the ISO 9002 (Customs House Inn is currently under application). The ISO 9002 contributes directly to successful implementation within the organisation. It provides for a standard of operation adhering to specific guidelines which are clearly documented. It promotes and regulates standardisation across each Irish property. When the ISO programme was initially implemented, many questions were asked about specific procedures and how tasks would be documented. A lot of time and organisational resources were employed into its implementation. Today, general managers have experienced that it is relatively easy to train new people into positions, to teach them systems and procedures etc. Manuals exist to support such training and monitor progress.

#### **4.5.5.3 Investors in People Programme (IIP).**

The IIP programme is an improvement programme operated by many organisations in the UK. Its objective is to '*Improve business performance through the management of people*'. (IIP Manual 1996).

The BS ISO programme is a comparable equivalent to the ISO 9002 which exists for industry in the UK. This chapter argues that the ISO programme both in Ireland and the UK is restrictive in nature and forms only a term of reference for operators and users. Further evidence shows that the ISO programme was initially designed for manufacturing industry and failed to take account of the people involved. This is a crucial resource within the greater hospitality industry.

In 1984, the British government conducted a study of early school leavers. Results of this study indicated that upon entering the workforce, students' skill and educational levels had significantly dropped. The IIP programme in its development sought to incorporate these needs by encouraging employees to become involved within their organisation through this programme.

General managers argue that this programme is more suited to the hospitality industry and has been introduced in Jurys hotels (UK.). The IIP programme requires senior management to outline an overall business plan, training and sales plan, recruitment plan and standards of service to each head of department (HOD). Both a time plan and an action plan are also documented in order for objectives to be achieved on time. These official "Communication" meetings are held quarterly with HODs.

At these meetings, HODs are given 40 points/goals to achieve across all plans which they can influence and contribute to the business's success and advancement. From that, individual employees are given 10 points/goals which they can in turn influence and contribute to the business's success and advancement. This is a clear example of how employees become involved under the IIP programme.

#### **4.5.5.4 The Benefit of The ISO and the IIP programmes to Jurys Plc.**

The effective use of the ISO programme for Jurys Plc should be addressed in respect of its application and suitability to individual properties within the organisation.

Within a unionised hotel property, the ISO programme sets a standard by which employee performance may be judged. It also forms a term of reference for employees and managers to consult with. In non-unionised hotel properties, particularly in the UK, the comparable programme IIP has a different purpose. In the absence of a union, and the inclusion of employees within this programme, the morale, motivation and commitment of employees is enhanced. General managers of UK properties clearly advocate that this is vital for survival and improved performance. The overall aim of the IIP programme is to improve performance through the management of its people.

#### **4.5.6 Evaluation of Strategy.**

Chapter one suggests that evaluating the success of the implementation effort is presented in many ways. A review of the hotel sector in chapter three revealed that 80% of Irish hotels evaluate their strategies on an informal basis. Strategies within Jurys Plc are evaluated both quantitatively and qualitatively. Results are clearly measurable from a financial reporting perspective and are subjective when measuring customer and employee reaction. The following example clearly illustrates both methods of strategy evaluation.

##### Example

A food & beverage strategy is implemented over 4 weeks. Nightly sales and profitability reports indicate quickly the effectiveness of the strategy. The basis for this evaluation is quantitative. However, the general manager also needs to identify with the reaction and feelings of the employees involved. The latter part of the evaluation is qualitative in nature.

The process of strategy implementation proposed by Jauch & Gleuck in chapter one advocated a *loop* mechanism for evaluating strategy. This mechanism shows the strategy being evaluated against the objectives originally stated at the beginning of the strategy's formulation. It emerges from chapter three that traditional evaluations are quantitative in nature. Quantitative analysis is '*Easy. Financial figures are difficult to dispute, they have either been achieved or not*' A general manager (11).

It will be argued in the following chapter that more frequent evaluations of strategy are required, both qualitative as well as quantitative. The following chapter will also show by example how those evaluations occur.

#### **4.5.7 Recognition of Performance - Reward Systems.**

Literature presented in chapter one contends that the successful application of rewards, monetary or otherwise remains a great issue of debate for many hospitality managers. Chapter three explored these issues in more detail, revealing that 36% of Irish hotels do not possess a structure for rewarding performance. This chapter investigates the use and practice of rewards within Jurys plc and whether they influence how successfully strategies are implemented.

##### **Notes:**

11. Recorded interview with a general manager, Jurys Hotel Group Plc.

Within this organisation, only some managers receive a financial bonus which is based on an occupancy percentage or sales targets. Gestures are made on occasion by the general manager to employee outings, socials etc., where the appreciation is valued more than a standard monetary reward. General managers clearly advocate that employees are not fully motivated to accomplish their activities or strategy effectively on the basis of rewards alone.

A manager acknowledging a job well done on occasion, proves more rewarding than regular handouts which become a necessity and a given right for some employees. Promoting a positive climate within the hotel is considered a far greater reward. Achieving a high morale and getting everyone involved on the same team greatly increases the likelihood for achieving results and successful strategic outcomes.

At Jurys Hotel Ballsbridge, a monetary reward system does not permeate through the workforce for the following reasons:

1. The current organisational structure.
2. Being an organised union establishment.
3. Payroll & service charge structure.

These structures often inhibit the effective use of rewards. Example: a restaurant waiter works very hard and receives a service charge based on his/her labour. A fellow waiter does not work as hard, but receives the same service charge.

#### **4.5.8 Strategic Team Leadership.**

Strategic leadership emerged as a key research issue in chapter one. This issue was also examined in chapter three, (a review of the Irish hotel sector), where 98% of Irish hotels clearly indicate that effective team leadership plays a role in achieving successful implementation of strategy. This chapter further develops this issue by identifying a relationship between team leadership and organisational climate. Literature presented in chapter one within the leadership domain, advocates the role of a leader in part, as a supportive one. Other proponents argue the role of a leader as that of a coach. Chapter one also reveals that understanding climate means understanding the values, assumptions, beliefs and attitudes (V.A.B.A.) of individuals. Secondary literature also contends that V.A.B.A. are better understood and further enhanced by a supportive leader. It will be argued in the following chapters that greater team leadership facilitates a better understanding of organisational climate.

Further discussion and observation among general managers within Jurys plc reveals the following key strategic attributes to promote effective team leadership:

1. A vision and direction of where the hotel is going.
2. The flexibility of managers to be part of a team. Employees need to know that management are really involved. All managers are encouraged to participate in all of the departments.
3. The Inns concept promotes a willingness of the manager to do the job themselves. Then, employees really believe that the manager supports them in their work and decisions, right or wrong.
4. A strong administrative ability to get the job done and the ability to command followership and respect as a leader.
5. An ability to communicate and listen effectively. To understand the message one is hearing as well as the message one is not hearing...reading between the lines.
6. To have an understanding of peoples' personal needs.

#### **4.5.9 Organisational Climate.**

Understanding the values, assumptions, beliefs and attitudes of individuals emerged as a key research issue in chapter one. A relationship between climate and team leadership has also been identified. This chapter has explored the climate (V.A.B.A.) in more detail within Jurys Plc. to determine its role and application. The climate within both *Inn* and *Hotel* properties was examined to note any differences or similarities which may exist at different levels of operation.

##### **4.5.9.1 Jurys Inns.**

Due to the recent development of the Inns and the young workforce employed, the climate & resistance to change becomes an important issue when planning for and implementing strategy. *'The rate of employee turnover does however affect the level of morale of employees and is one aspect which could be controlled more effectively'*. Monica Friel Jurys Christchurch Inn. Employees can become bored, lose ambition and lack energy for their work. This has implications for the successful implementation of strategy. *'Spending time with employees, pulling pints, checking out guests, becoming part of what they do is important, to create some environment to keep their day interesting'*. Stephen Johnston Jurys Customs House Inn (12).

#### **Notes:**

12. Recorded interview with Mr. Stephen Johnston, General Manager, Jurys Customs House Inn.

#### 4.5.9.2 Jurys Hotels.

The level of trade unionisation at hotel properties greatly impacts upon the successful implementation of strategy. All UK properties are non-unionised and '*.....resistance to change is not a constraint to the implementation of strategy*'. Stephen McNally Jurys hotel Bristol (13). Each Jurys hotel property has unique needs. Jurys hotel Cardiff is a Welsh hotel owned by an Irish company. '*Cardiff is currently the fastest growing city in Europe*'. Cormac O'Keefe Jurys hotel Cardiff (14). Senior management do not intend to transform the hotel to an Irish style hotel with a traditional Irish pub bar. This Welsh climate and atmosphere is promoted directly to the employees and to the customer through the employee's attitude and behaviour.

However, all Irish hotel properties are unionised. This level of unionisation in some cases restricts the successful implementation of strategy. For example at Jurys hotel Ballsbridge, benchmarking highlights the question from customers, 'Why is there no tea and coffee-making facilities in the rooms?' This is expensive to install, but a simple procedure. These facilities exist in other Jurys properties, why not at Ballsbridge?

1. Jurys hotel Ballsbridge provides room service.
2. A lot of revenue is gained from room service.
3. It causes industrial relations problems.

The third reason is the reason which inhibits this service. It is also the reason which is not admitted. House-keeping staff will not service tea and coffee-making facilities, as part of a unionised agreement. Hence, this service is not implemented, irrespective of customer needs.

Literature presented in chapter one, as well as the in-depth understanding and insight gained from this chapter, suggests that organisational climate is an issue impacting upon strategy implementation and an issue for further research.

#### Notes:

12. Recorded interview with Mr. Stephen McNally, General Manager, Jurys Hotel, Bristol, UK.
13. Recorded interview with Mr. Cormac O'Keefe, General Manager, Jurys Hotel, Cardiff, UK.

A brief investigation outside of the hotel sector into the banking sector was also undertaken to further augment this part of the study. Findings from a number of interviews and discussions suggests that organisational climate consists of the values, assumptions, beliefs and attitudes (V.A.B.A.) of individuals. Secondly, that climate impacts upon strategy formulation and implementation.

Thirdly, that empirical research carried out within the Irish banking sector (Casey 1996), reveals that within the growth of strategic management, (since its inception in the 1960s), that climate represents the most determinant force for successful implementation. An emerging issue from all of this climate research is the changing nature of V.A.B.A. within organisations.

The following chapter in part, investigates the changing nature of climate at a site within Jurys plc as part of a practical test application of a proposed methodology to manage strategy implementation.

#### **4.5.10 The Reporting of Information.**

Secondary research material in chapter one contends that effectively supporting and controlling the implementation of strategy requires accurate and meaningful information. Chapter three reveals that 62% of Irish hotels indicate the use of a management information system. From that, only 19% indicate that their reporting of information reflects the same level of detail as their strategic planning. A more in-depth examination within Jurys plc shows that the reporting of information represents a structured process. The main emphasis is to indicate levels of profitability and assert management to take corrective measures. The following key information statistics are used:

1. Occupancy statistics on a daily basis.
2. Fluctuations in daily revenue related to budgeted figures for the month.
3. Daily and weekly sales/Profit & Loss reports.

The above reports and statistics give a clear objective view of the current trading position comparable to last year and a milestone for achieving each month's sales and profit targets. Accurate and timely information greatly helps general managers make more informed decisions.



#### **4.5.10.1 Future Developments.**

Some general managers have put forward some suggestions for more advanced forms of reporting of information.

1. A computerised stock management system to plan for food & beverage more effectively. **Jurys hotel Waterford.**
2. A facility to calculate yield from the food & beverage area, in particular, banqueting and conferences. Selling space is as structured as selling rooms and the reservation procedure is similar also. **Jurys hotel Ballsbridge.**

#### **4.6 Summary.**

This chapter has provided a unique insight into and an in-depth understanding of the process and practice of strategy implementation within an Irish hotel organisation - Jurys Plc. The structure and content of this chapter has brought meaning (through practical application), to many of the research issues emerging from previous chapters. This chapter also established a clear set of parameters and context for the subject area. The following observations of this organisation have been made.

Strategy is viewed as an evolving process, which gives direction and determines the course of action for a plan, requiring the commitment of people to achieve its objectives, taking into account ever-changing market conditions and possible future opportunities. Both senior and general managers adopt an entrepreneurial style to strategic planning. The level of formality vs. informality of planning, employee contribution to the planning process, and the scope for innovative activity are largely determined by the level of operation. e.g. the simplicity of the Inns' concept.

An informal contribution to the planning process by line managers often results in a feeling among some managers that they are not consulted formally in decision-making. General managers are unable to plan for more than 12-18 months at any one time. Senior managers are aware of the need to think strategically as opposed to operationally. They are also aware that this causes frustration with some general managers to think this far ahead. Do Individual general managers plan on order to develop their business in line with the strategic direction of the organisation?

Senior managers have experienced many changes and challenges in their approach to strategic management in the last 5-7 years including an increased role of general managers in the planning process, an increased emphasis on market orientation, financial analysis, technology and shareholder value. Strategy formulation and implementation are often treated in isolation of each other. Evidence has clearly shown that this separation has led to disjunctive and ineffective implementation in many cases.

Senior managers with many supporting reasons, recognise a need to re-focus the present structure of the organisation. With almost 15 units, the ability to visit each one regularly becomes increasingly more difficult. Senior managers are trying to adapt by ensuring that there are sufficient management resources available and a flexible organisation structure is in place to maintain control. The use of benchmarking, a planning technique traditionally associated with manufacturing, has played a significant role in the overall design of the Inns' concept.

The benefit or otherwise of project teams for successful planning and implementation still remains a debatable issue.

Strategy implementation has been defined as a process to put an intended strategy into operation, with clear communication and training to key people involved to fulfil the objectives of the strategy. Traditional models of implementation and strategic techniques encompass too much rigidity and classification. However, general managers have highlighted a number of benefits to be gained by adopting suitable techniques. Therefore, there is a need to develop strategic techniques which should *'respond to the present day competitive environments of speed, ceaseless innovation and uncertainty'*. Goold 1996.

Previous research and experience of the Irish hotel sector suggests that strategy failure has essentially been due to weak implementation rather than bad planning. General managers within Jurys Plc contend that every step in the planning process impacts on how successful the outcome is. This supports the further integration of planning and implementation as a single process.

Truly effective implementation of strategy is somewhat compromised because of differences which exist between individual hotels. These differences include the scale of operation, business mix and individual property needs. Implementation is deemed more effective at Inn properties. This is due to a standardised level of operation, similar infrastructure and location.

The budgeting process is a significant action-planning tool across all properties. How well general managers link budget allocations to the needs of the strategy will either promote or impede the process.

Research & development has traditionally occurred on an ad-hoc basis. General managers identify with the need for on-going research in hotels, but also recognise that ineffective research can prove expensive. Within the last year, greater emphasis and financial resources have been placed and allocated upon the importance of conducting research.

The effective use of continuous improvement programmes (customer Care & IIP) contribute to a more successful strategy outcome in the long-term. The evaluation of strategy is largely quantitative in nature. Quantitative analysis is '*Easy. Financial figures are difficult to dispute, they have either been achieved or not*' A general manager (See Note 11).

Effective team leadership and the supportive role of a manager as a coach impacts upon (V.A.B.A.) the values, assumptions, beliefs and attitudes of employees and the informal processes that they are a part of.

Collectively the V.A.B.A. of employees is termed as organisational climate. Climate emerges as a determinant force for successful implementation. Employees can become bored, lose ambition and lack energy for their work. Spending time with employees, becoming part of what they do, is important to create an environment (climate) to keep their day interesting. In addition, the rate of employee turnover does affect the level of morale of employees and is one aspect some Inn general managers feel could be controlled more effectively.

The effective use of rewards does influence how successfully strategies are implemented. However, employees are not fully motivated to accomplish their activities or strategy effectively on the basis of rewards alone. Promoting a positive climate is considered a far greater reward. Current organisational structures, unionised establishments and payroll & service charge structures at some hotels, inhibit the permeation of a monetary rewards system through the workforce, and hence, inhibits the effective use of rewards.

**To conclude**, the following chapter will propose a methodology to improve and manage the process of strategy implementation based on the findings of previous chapters. Due to the level of involvement within Jurys Plc., the researcher was given the unique opportunity of testing this methodology at a hotel site within the organisation.

## **Chapter Five**

### **Toward A Proposed Methodology**

## **5.1 Introduction.**

Previous chapters have explored the concepts of strategic management, in particular strategy implementation and the management of strategy implementation. Primary and secondary research combine in this chapter to form the basis for a proposed methodology aimed at improving the process of strategy implementation. The methodology will be tested through a practical application and evaluation at a hotel site within Jurys plc. This practical application will extend qualitative research undertaken to date within Jurys plc. Chapter two previously documented the rationale for testing this methodology.

Promoting a continuous learning approach to strategy implementation represents a key objective of this study. The testing of this methodology required the researcher to return to both the literature and primary research findings, particularly the review of the Irish hotel sector in chapter three, where comparisons of analysis were made by both grade and region. This highlighted any refinements to the proposed methodology. Future applications of this methodology will see the hotel manager returning to a valuable base of knowledge to implement strategy more successfully, thus promoting a continuous learning approach to implementation and a greater sense of ownership of the strategic management process.

## **5.2 Toward a Methodology.**

The process of developing such a methodology involved three distinct stages:

1. Identification of methodology components from previous chapters.
2. Identification of component relationships - Relationship map.
3. The initial testing of the proposed methodology.

### **5.2.1 Identification of Methodology Components.**

Previous chapters have identified a number of key issues which impact upon the successful implementation of strategy. Chapter one identified a number of these issues from an investigation of traditional models and frameworks of strategy implementation and a review of the literature in the field of strategic management. Chapter three explored these issues further for their use and practice within the Irish hotel sector. The following chapter highlighted their application within an Irish hotel organisation - Jurys Plc. This chapter proposes those issues as possible components of a proposed methodology.

### Proposed Methodology Components:

1. The budgeting process.
2. Research & Development
3. Communication
4. Continuous Improvement.
5. Evaluation of Strategy.
6. Performance Recognition.
7. Strategic Team Leadership.
8. Climate.
9. Reporting of Information.

#### **5.2.2 Identification of Component Relationships.**

Schmelzer & Olsen (1996) advocated in chapter one, the need to create more effective processes to explain the interrelationships between various components of strategy implementation. It also emerged in chapter one that organisational processes may be better understood and managed more effectively with a greater understanding of the relationships between each component. In order to gain a holistic understanding of the process of implementation, a relationship map of the above components was developed based upon previous maps developed by Rummier & Brache (1996).

#### **5.2.3 A Relationship Map.**

This relationship map (figure 5-1 below), shows the relationships among key components involved in the implementation process and assesses the impact of potential change within that process. The following benefits are associated with this map:

1. **Communicates** at a high level how the process and work flow operates.
2. Helps identify **opportunities for improvement**.
3. Makes visible which **components are involved in the process**.
4. Provides a **context** for more detailed documentation and **analysis**.
5. Facilitates **process redesign**.
6. Provides a visual **summary of changes made to the implementation process**.

Analysis from previous chapters has clearly established the following relationships between each component of the implementation process.

#### **5.2.3.1 Strategy.**

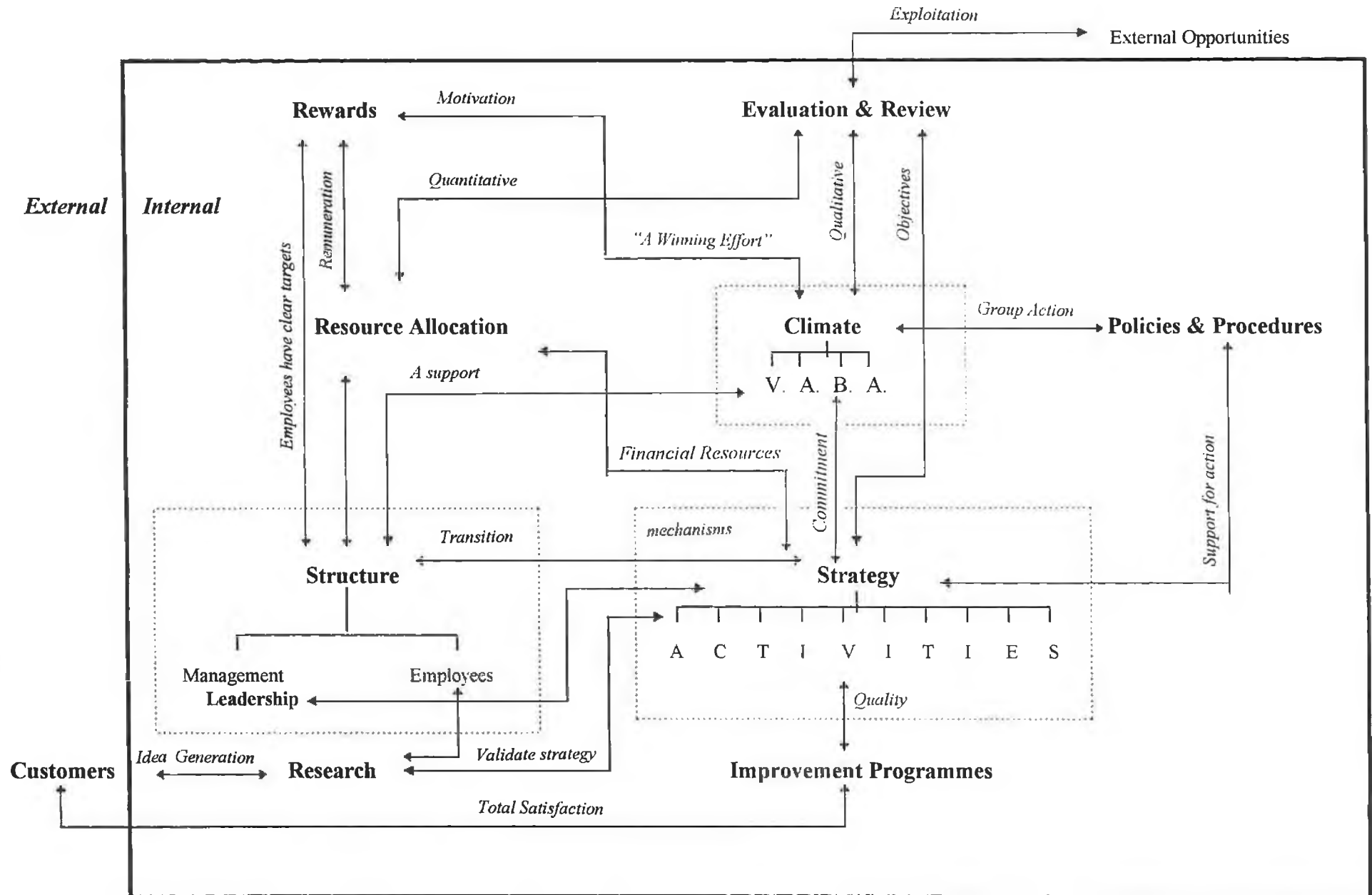
The concept of an integrated process of strategic management clearly emerged in chapter four. Both chapters three and four advocate both the positive and negative impacts of choosing the right strategy at the beginning. The relationship map below clearly shows the integrated role of the strategy to other components on the map. These relationships will be explored throughout the course of this chapter.

#### **5.2.3.2 Supporting Research.**

The importance of conducting research and the lack of research conducted within the Irish hotel sector was discussed in chapter three. A review of this sector indicates that it is essential to validate the strategy through research and prompt new ideas and initial change. The relationship below clearly illustrates this argument.



Figure 5-1 Relationship Map, based on Rummler-Brache 1996.



Abbreviations: (VABA) = Values, Assumptions, Beliefs & Attitudes.

#### **5.2.3.3 Organisation Structure.**

The structure of the organisation, which is typically represented by an organisation chart, emerged as a key component for successful implementation in chapter one. A review of the Irish hotel sector in chapter three also emphasised the role of structure. The practical reality of implementation became evident in chapter four where the current organisation structure within Jurys plc is under review reflecting the present growth of the organisation. Chapter one concludes in part that strategy is implemented through the structure and that it should reflect the processes at work within the organisation. This view is reflected in the relationship map above.

#### **5.2.3.4 Organisation Climate.**

Climate has been referred to as the values, assumptions, beliefs and attitudes (V.A.B.A.) of employees throughout this study. Both secondary and primary research advocate that the V.A.B.A. of employees either promotes or impedes the implementation effort. This component is centrally placed on the relationship map as it emerges as the most significant issue affecting successful implementation.

#### **5.2.3.5 The Budgeting Process & Resource Allocation.**

Previous chapters have emphasised the importance of the budgeting process and resource allocation as a key implementation tool, and in many cases, the main activity of strategic management. Chapter three contends that many Irish hotels do not relate the process of budgeting to the needs of the strategy. The map above shows that adequate financial and personnel resources are required to carry out each implementation activity and that the budgeting process should reflect the strategy.

#### **5.2.3.6 Communication -Policies & Procedures.**

It was argued in chapter one that communication is vital for effective implementation of strategy. Chapter three proposed that creating a number of key policies and procedures as an effective form of communication. Chapter four revealed that within Jurys Plc, policies and procedures are used as guidelines to support the strategy and provide the necessary support and regulate the scope of activity within each strategy. The relationship map above illustrates clearly how policies and procedures impact upon the climate, channelling individual thought into group action. They also impact upon the strategy itself providing guidelines for action.

#### **5.2.3.7 Continuous Improvement Programmes.**

The use of continuous improvement programmes / techniques emerged as an issue in chapter four where a number of programmes operating within Jurys plc contribute in various ways to the success of the implementation effort. Evidence suggests that such programmes impact upon the strategy itself to ensure the quality of the product or service both during and after of the implementation phase. They also impact upon external factors such as the customer, ensuring total satisfaction given to the customer.

#### **5.2.3.8 Performance Recognition - Reward Systems.**

The concept of rewards, monetary or otherwise has become a debatable issue throughout this study. Both secondary and primary research suggests that rewards relate to a number of components. They perform a motivational role to the climate. They impact upon the budgeting process as a form of remuneration. Rewards also give employees clear targets to achieve within the structure of the organisation.

#### **5.2.3.9 Evaluation & Review of Strategy.**

The evaluation of strategy has emerged as a key research issue of this study; how strategy is evaluated and how often it is evaluated. The relationship map indicates that evaluative measures impact upon the objectives of the strategy (quantitatively) and upon the climate (qualitatively). The proposed methodology to manage implementation will argue for continuous forms of evaluation which later emerges as a key concept of the proposed methodology.

#### **5.2.3.10 The Customer.**

The relationship map consists of both external and internal components. The components presented so far, are internal. The customer represents an external component which impacts upon the supporting research by providing much initial idea generation and becomes the purpose of management decisions.

The next phase of this chapter builds on the relationship map created, by proposing a methodology to manage strategy implementation.

### 5.3 A Proposed Methodology.

Chapter one clearly argued for the need to manage strategy implementation based upon the literature presented. Chapters three and four supported this argument based on a comprehensive review of the Irish hotel sector and an in-depth case-study analysis of Jurys Plc. The following diagram illustrates a proposed methodology to manage the implementation of strategy within the Irish hotel sector. The methodology represents an integrated process. It builds upon the relationships of many individual but related components together within a single process. The proposed methodology has three phases. (a) preparatory, (b) integration, & (c) implementation phases. Two major concepts form the basis of this methodology.

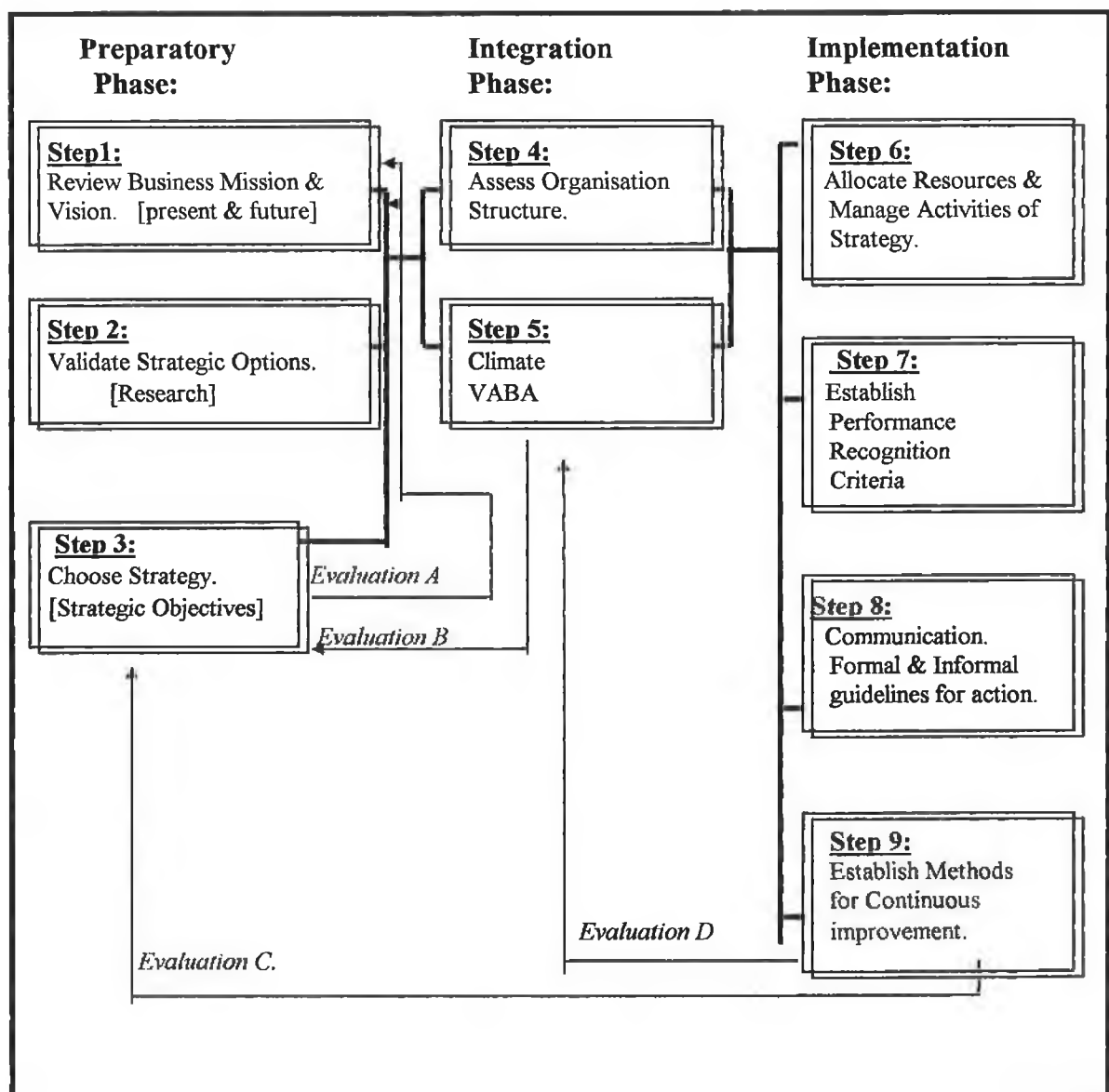


Figure 5-2. The Management of Strategy Implementation  
*A Proposed Methodology*

### 5.3.1 Concept 1: Integration.

This methodology aims to achieve an integrated management process to minimise disjunctive and unsuccessful implementation efforts. The integration phase (phase two) of this methodology consists of two steps, the organisation structure (step 4) and climate (step 5). A review of the test application to follow in this chapter will highlight the reality of integrating the strategy and its implementation through steps four and five.

### 5.3.2 Concept 2: Continuous Evaluation.

Literature presented in chapter one argues for effective methods of evaluating strategy. Jauch & Gleuck in chapter one also propose evaluative measures as a key element of the implementation process. A second issue which has emerged is the frequency of evaluation.

Traditionally, many of the models presented evaluate strategy after the implementation stage against the objectives of the strategy; thus creating the *loop* effect as described in chapter four. The argument and concept of this proposed methodology is continuous evaluation. The diagram above illustrates four types of evaluation noted A, B, C, & D.

Evaluation A determines whether the chosen strategy is aligned with both the current business mission and the future vision of the organisation. *Does this strategy fit with the current state and future position of the organisation?* Evaluation B aligns the strategy with the values, assumptions, beliefs and attitudes of employees. *Are employees favourably or unfavourably disposed to this strategy?* Evaluation C evaluates the strategy against the objectives which were established in phase one (the preparatory phase). *Did the strategy deliver its return on investment, levels of sales, profitability and contribution to the organisation?* Finally, evaluation D revisits the V.A.B.A. after phase three (the implementation phase) in order to determine the changing nature of the V.A.B.A. *Are employees still favourably or unfavourably disposed to the strategy following the implementation phase?* The emphasis of all four evaluative measures is to ensure a mix of both quantitative and qualitative measures as well as increasing the frequency of evaluation.

## **5.4 Testing of Proposed Methodology.**

### **5.4.1 Introduction.**

In conclusion to chapter four, a unique opportunity was provided to test the proposed methodology at a hotel site within Jurys plc. This opportunity facilitated the practical application of the methodology, as well as gaining an understanding of the reality of implementing a methodology at this hotel site. The remainder of this chapter will review this test application focusing on each element of the proposed methodology both as individual components and as parts of an integrated process. *Does the proposed methodology follow or deviate from the reality of implementing this strategy?*

Chapter two previously documented the testing process which consisted of four strategy meetings over six months (Jan.-May 1997), with the project team responsible for the strategy's implementation. Each meeting was recorded and transcribed carefully to ensure a true representation was achieved. The process consisted of the following three elements:

1. Background information
2. The strategy's implementation.
3. Summary.

### **5.4.2 Background Information.**

At the initial strategy meeting, the project team responsible for the project's implementation, presented in summary, the following background information to support the project's planned formulation and implementation. This information provided both meaning and a context for the testing of this methodology.

It was revealed that general managers of Jurys hotels (Ireland), identified with the declining nature of food and beverage business within hotels world-wide, especially in Ireland. *'Growing high street competition has forced many Irish hoteliers to come up with other alternatives'*. A general manager (14).

#### **Notes:**

14. Recorded interview with a general manager, Jurys Hotel Group Plc.

In September 1995, general managers and food & beverage managers of each Jurys hotel (in Ireland) met for a two-day brainstorming session. The following issues were discussed:

1. The expectations of general managers.
2. A corporate vision.
3. The environment: Sociological, technological, economic, political and competition.
4. A S.W.O.T. Analysis.
5. An analysis of what the competition was doing/was not doing.
6. The development of a strategy.
7. Objectives for each hotel - (four properties).
8. The strategy plan (A number of options).
9. Time-frame - Action.
10. Factors affecting strategy.

A report of this session was compiled and sent to head office (Dublin) in March 1996. The project team commissioned the services of an architect (who completed previous design work for Jurys Plc) to generate some structural ideas and alternatives for a proposed development. A market research company from the UK conducted a feasibility study which identified ten possible options for development. The study submitted, confirmed some ideas already held by senior managers, and contradicted others. Five possible options were chosen after discussions with the Executive Committee, to be presented to the board of directors. The process of arriving at an alternative from the initial identification for change took one year. The services of another architectural firm were chosen for the actual development. Positioning statements were then developed for each outlet (within the food & beverage department) in the hotel and the logistics of operations while under construction were discussed. Project schedules for employees, customers and outlets are contained in appendix F. An action plan was developed for the strategy's implementation with an intended date of completion, May 16, 1997.

A meeting was held in January 1996 with the project team and the architectural team which focused on the individual implementation activities for each of the five new food and beverage outlets. Each outlet had their own unique requirements. Issues such as layout, style, standard of operation, safety of operation and fire certificate regulations were topics of discussion. This meeting facilitated the division of activities and tasks to be accomplished for each outlet. Responsibility for each activity and task was assigned.

At this stage, the project was managed by the architect and the deputy general manager. Quotations from various contractors were obtained and all necessary planning applications etc. were initiated. The deputy general manager held the responsibility for the logistical structure and furnishings for each outlet and delegating the tasks and activities to individuals responsible for each outlet.

For example, the beverage manager was allocated the responsibility to purchase all the additional equipment necessary for both the new food & beverage facilities. The deputy general manager organised uniforms, menus, printing etc. The food & beverage manager was charged with the responsibility for training for each of the outlets, the upgrading of standards of performance and the implementation of the training programme.

Contractors were nominated, i.e. the main contractor and electrical contractor by the architect. Contractors such as Telecom Eireann and I.T. Point-of-Sale companies were appointed by the hotel's own management. Each party was given details of the implementation programme, dates of completion and schedules of works pertaining to their respective parts of the overall project.

Once the building works commenced, a meeting was held each week with the architect, main contractor and project team to review the progress of work carried out to date and discuss the remainder of the project's implementation. Each meeting represented a structured process. Minutes of each meeting were discussed to ensure work in progress relative to the completion dates prescribed to it. The agenda of each meeting was determined by each stage of the project's implementation.

### **5.5 Steps of Proposed Methodology.**

The proposed methodology as illustrated in figure 5-2 consists of the following three phases:

1. Preparatory phase.
2. Integration Phase.
3. Implementation Phase.



### **5.5.1 Preparatory Phase.**

A review of the literature in chapter one and a comprehensive review of the Irish hotel sector in chapter three revealed that each aspect of the planning process impacts on the outcome of the strategy. Hence, the preparatory phase of this methodology represents those aspects of the planning process which impact upon implementation and which in turn are represented by steps one, two and three of the proposed methodology (see figure 5-2).

#### **5.5.1.1 Step 1: Review Business Mission & Vision.**

The first step of this methodology proposes a review of the current state and future position of the organisation. This step served as an important form of assessment for the project team and it also played a key role in the evaluation of the project after step three. This step produced a corporate vision which included the following points:

1. Expansion.
2. Rooms oriented.
3. Three & four star market.
4. Hotel acquisition.
5. New Inns (product focused).
6. Hotel focus on corporate market (desirable).
7. Hotel focused on multiple markets (actual).

#### **5.5.1.2 Step 2: Validate Strategic Options - Supporting Research.**

Chapter three highlighted that 62% of Irish hoteliers do not conduct any research for the formulation and implementation of strategy. Chapter four revealed that research conducted within Jurys plc has traditionally occurred on an ad-hoc basis. However, a significant strategic characteristic of this project was the level of investment required. Some of this investment was allocated to research and development to generate a number of strategic options. A market research company supplied valuable information on emerging trends and ideas within the hotel sector. The group's own management team conducted an environmental and S.W.O.T. analyses. Table 5-1 & 5 -2 below clearly illustrate the results in brief of both analyses.

It was observed that the Jurys name is a significant strength and is recognised as a traditional hospitality organisation by customers. In contrast, this traditional approach conveys a conservative style of operation and a fear of risk. The organisation has much expertise among its professionals. Yet in the past, little emphasis was placed on marketing and there was a lack of capital investment.

<b>SOCIOLOGICAL</b> <ol style="list-style-type: none"> <li>1. Perception</li> <li>2. Variety of Venues.</li> <li>3. Formality or Informality</li> <li>4. Accessibility</li> <li>5. Location</li> <li>6. Age of People using hotel</li> <li>7. Population, Demographics</li> <li>8. Concept of Dining Out - Fashionable</li> </ol>	<b>TECHNOLOGICAL</b> <ol style="list-style-type: none"> <li>1. Fast Food Production &amp; Service Possibilities</li> <li>2. Advertising &amp; Promotion.</li> <li>3. Transport &amp; Parking.</li> </ol>
<b>ECONOMIC</b> <ol style="list-style-type: none"> <li>1. Price</li> <li>2. Payroll Cost.</li> <li>3. Discretionary Income.</li> <li>4. Capital or Lack of it.</li> <li>5. Population - Market Profile.</li> <li>6. State of the Economy.</li> </ol>	<b>POLITICAL</b> <ol style="list-style-type: none"> <li>1. Cost of Legislation, Employment, Hygiene, Fire etc.</li> <li>2. Peace.</li> <li>3. Peripherality - Island Location.</li> </ol>
<b>COMPETITION</b> <ol style="list-style-type: none"> <li>1. Appeal of our Competition, Bistro, Light, Quick Food etc.</li> <li>2. Ability to Run on Lower Costs.</li> <li>3. Black Economy / Unfair Competition.</li> <li>4. The Ability to Change.</li> <li>5. Use of Market Research.</li> </ol>	

Table 5-1. Environmental Analysis.

<b>STRENGTHS</b> <ol style="list-style-type: none"> <li>1. Name/Goodwill</li> <li>2. Experience &amp; History</li> <li>3. Location</li> <li>4. Financial strength/Purchasing Power/ Group Marketing.</li> <li>5. Professional &amp; Expertise.</li> <li>6. Customer Loyalty.</li> <li>7. Improvement Programmes &amp; Quality.</li> </ol>	<b>WEAKNESSES</b> <ol style="list-style-type: none"> <li>1. Too Conservative/Traditional/Fear Risk.</li> <li>2. Unionisation - A Cost.</li> <li>3. No marketing / Emphasis on Rooms.</li> <li>4. Lack of Capital Investment.</li> <li>5. Lack of Identity.</li> <li>6. No Street Access. Food &amp; Beverage)</li> <li>7. Management Turnover - Lack of Ownership &amp; Stability.</li> </ol>
<b>OPPORTUNITIES</b> <ol style="list-style-type: none"> <li>1. 20-45 years Market.</li> <li>2. Branding.</li> <li>3. Pub / Food.</li> <li>4. Middle Service Market e.g. Bistro/Brassiere.</li> <li>5. Ethnic Foods.</li> <li>6. Fun / Atmosphere.</li> <li>7. Spin - off from Leisure Centre Marketing Business.</li> </ol>	<b>THREATS</b> <ol style="list-style-type: none"> <li>1. Rapid Competition Growth from all Angles.</li> <li>2. Availability of Capital.</li> <li>3. Competition is Quicker to Change.</li> <li>4. Competition more in Touch with the Customer.</li> <li>5. Other Chains are Branded.</li> <li>6. Staff Efficiencies of Competition.</li> </ol>

Table 5-2. S.W.O.T. Analysis.

A competitor analysis was also conducted to understand what the competition was/was not doing. Table 24 below clearly illustrates some of these findings in brief.

What the Competition.....	
Is Doing	Is Not Doing
<ol style="list-style-type: none"> <li>1. Changing Quickly - Menus, Dishes, Environment etc.</li> <li>2. Street Access.</li> <li>3. Informality</li> <li>4. Working to Market Research.</li> <li>5. Profit Centres.</li> <li>6. Decision Makers Closer to Customer.</li> <li>7. Not Afraid to Take Risks.</li> <li>8. Investing in Branding/Selling/Advertising.</li> <li>9. Clarity of Purpose (Single Product).</li> <li>10. More Adventurous.</li> <li>11. Family Run - Ownership.</li> <li>12. Perception of Value for Money.</li> </ol>	<ol style="list-style-type: none"> <li>1. Infra-structure (Existing facilities).</li> <li>2. Value Perception.</li> <li>3. Healthy Option.</li> <li>4. Have Classical Base ( Ability to include Fads) (Stability).</li> <li>5. Setting Standards (Followers).</li> </ol>

Table 5-3. Competitor Analysis.

The above analyses, (Tables 5-1, 5-2 & 5-3) show how **step 2** in the proposed methodology was addressed and highlights the importance of conducting research to support the strategy as shown in the relationship map earlier in this chapter.

#### **5.5.1.3 Step 3: Choose Strategy / Strategic Objectives.**

The third step of this methodology indicates the strategic option chosen and why that particular option was chosen. In choosing the option for this hotel site, a number of useful questions were asked by the project team at this stage which did not emerge in either the secondary or primary research.

1. Is the strategy responsive to the external environment?
2. Does it involve a sustainable competitive advantage?
3. How does it relate to other company's strategies?
4. Does it provide adequate flexibility for the business?
5. Is it consistent with the business mission and long-term objectives?
6. Is it feasible to implement?

The option chosen has the following broad strategic concepts:

1. Develop a take out gift shop from the Dubliner bar with a Victorian theme.
2. Change the Pavilion to Brassiere (bar/restaurant style) with an informal market.
3. Upgrade the Embassy restaurant. (Regency style).
4. Refurbish the Coffee Dock - Revert back to coffee house style.

#### **5.5.2 Integration Phase.**

The first underlying basis for this methodology is integration. As previously mentioned, the organisation structure (step 4) and climate (step 5) represent the two integrating mechanisms of this methodology; the integration of formulation and implementation. The following two steps will highlight by example how they impact upon both phases of the methodology.

##### **5.5.2.1 Step 4: Organisation Structure.**

Chapter one emphasised that the structure of the organisation consists of individuals; managers, supervisors and employees, working in groups or departments reporting to each other through a vertical reporting relationship. This is typically represented by an organisation chart. Chapter four in particular showed how the current structure with Jurys plc is under review. Chapter one also contended that strategy is implemented through the structure. (See figure 1-5 for further illustration).

This project testing saw how departmental supervisors had sole responsibility for implementing their part of the project pertaining to their department. This shows the relationship between step 4 and the implementation phase. However, supervisors had only a limited involvement in the formulation or preparatory phase of this project. Literature presented in chapter one, particularly Mintzberg & Quinn who advocate a continuous process, others at least argue for a sense of ownership of those who formulate and implement strategy to minimise disjunctive and unsuccessful implementation efforts, which represents the aim of this methodology. This shows the relationship between step 4 and the preparatory phase and more importantly the integration of both phases through step 4; the organisation structure.

#### **5.5.2.2 Step 5: Organisation Climate (V.A.B.A.).**

The most significant issue emerging from this research is that climate within the organisation; the values, assumptions, beliefs and attitudes of individuals is central to strategy implementation. During the preparatory phase of this project, employees were invited to meet with the architectural team to offer suggestions and views as to the operational logistics and design issues pertaining to their department.

For those working in the Coffee Dock (another restaurant within the hotel) for example, employees recommended certain floor surfaces and agreed on other issues such as *Dummy Waiters* etc. At this stage, employees were favourably disposed to the strategic option proposed by the project team. In other words, their values and beliefs were in favour of the proposed development. This represents evaluation B; *Are employees favourably or unfavourably disposed to this strategy?* When the project was implemented, employees disagreed about some of the issues that they had previously agreed on. This represents evaluation C; *Are employees still favourably or unfavourably disposed to the strategy following the implementation phase?* Their V.A.B.A. had changed from the time the strategy was agreed to when it was implemented. This further emphasises the changing nature of climate, an issue emerging from previous chapters. This test also shows how the climate within the organisation impacts on both the preparatory and implementation phases and emerges as the second integrating mechanism of this methodology.

### **5.5.3 Implementation Phase.**

Olsen, (1996) in chapter one contended that implementation is often ignored in studies of decision-making and organisational changes. Phase three of this methodology consists of specific implementation activities and tasks. It should be noted that it only represents one phase of an integrated process. This phase consists of four steps, some of which are similar to previous models explored in chapter one, in particular Jauch & Gleuck's flow chart. This test will show how each of these four steps contribute to a process aimed at improving the implementation of strategy.

#### **5.5.3.1 Step 6: Allocate Resources & Manage Activities of Strategy.**

Previous chapters have identified many factors which contribute to strategy failure. Clearly identifying the activities and tasks of the strategy is a significant factor. The background information presented at the beginning of this section emphasised the division of activities and tasks to be accomplished for each outlet. The allocation of resources to those activities represented a vital element of the overall process. The relationship map presented earlier shows that adequate financial and personnel resources are required to carry out each implementation activity and task. Further discussion with the project team revealed that significant time and resources were deployed to planning activities and tasks. The careful co-ordination and management of those activities did run over-time. It should be noted that these delays related to building works outside the control of the hotel's management.

#### **5.5.3.2 Step 7: Establish Performance Recognition Criteria.**

The use of rewards, although a debatable issue performs a number of roles to other organisational components, namely climate, the budgeting process and organisation structure. The relationship map presented earlier clearly illustrates these roles. Monetary methods for rewarding performance were not used with this project. Further investigation revealed that employees were not motivated to accomplish their activities on the basis of rewards alone. Some general managers in chapter four expressed their view that promoting a positive climate within the organisation encouraged greater implementation success. This view further supports the integrating role of climate in this methodology (Step 5). They further emphasised the supportive role of a team leader to maintain this climate. This view also supports the relationship between team leadership and climate, a summary conclusion emerging from chapter four.

#### **5.5.3.3 Step 8: Supporting Guidelines For Action.**

Having identified the activities to be accomplished within this implementation phase, a process of discussion and observation revealed that establishing a number of clear guidelines for the project helped to channel individual thought into group action. Such guidelines influenced the V.A.B.A. of employees, thus emphasising the significant impact of climate within the organisation.

#### **5.5.3.4 Step 9: Methods of Continuous Improvement.**

Ensuring the quality of the product or service once it has been implemented emerged in chapter one. Senior executives within Jurys plc are now designing a marketing initiative to promote this product and maintain its quality. Details of this initiative remain confidential at this time. This shows a method for continuous improvement in addition to other techniques described in chapter four.

Evaluating the project against the objectives to be achieved remains the final evaluation (D). Some of the new outlets will contribute directly to the profitability of the organisation, others are a consolidation of existing facilities.

### **5.6 Summary.**

This chapter tested the application of a proposed methodology to a strategic project which was implemented at a hotel site within Jurys plc. Evaluation of the project afforded a unique opportunity to test the methodology and observe the methodology being applied.

The reality of implementing this project revealed that a structured approach by the project team from the initial idea generation to the implementation of the chosen strategic decision was adopted. The proposed methodology reflected to a large extent the structured approach adopted. The project team was confident that the adoption of the proposed methodology improved the performance and consistency of the implementation process. The proposed methodology also contributed to the timely implementation of the project. Chapter one contended that for every 1% in time a project is implemented late, up to 3% in potential revenue is lost. The proposed methodology contributed to improving the performance of the organisation.

Further testing within different environments will further refine the methodology for use within other hotel organisations. Feedback from a number of leading theorists and practitioners in this field have proposed a further testing of this model (through further study at a higher level), within an international hotel chain in order to apply and refine further the proposed methodology for use within the broader hospitality industry. The result of this testing process revealed the following observations which have facilitated the further refinement of this methodology:

1. Supporting research for strategies has traditionally occurred on an ad-hoc basis. This project placed a greater emphasis on research primarily because of the level of investment required to support this project.
2. Choosing the right strategy emerged as a key factor for implementation success. A number of key questions were asked by the project team which would be useful to other managers adopting this methodology for their strategies. These questions did not emerge in previous chapters.
3. A lack of ownership of the strategy and its formulation by supervisors further supports the integration of phase one and two of the methodology and the development of an integrated strategic management process.
4. Testing the role of climate within this project further revealed the changing nature of climate from phase one to phase three of the proposed methodology.
5. The budgeting process represented a key element of managing the implementation activities of the strategy.
6. The project was largely evaluated quantitatively. Some efforts were made at qualitative evaluations by talking informally with employees. Continuous evaluation enabled the project team to be aware of the changing nature of climate throughout this process.
7. Monetary rewards were not given to motivate employees. Promoting a positive climate emerged as a greater incentive to accomplishing the activities of the project.



The following chapter will draw upon the research findings and conclusions of previous chapters to determine the overall conclusions of this study and highlight recommendations for further research and study.

## **Chapter Six**

### **Conclusions & Recommendations**

## **6.1 Introduction.**

This study has explored the field of strategic management and in particular strategy implementation. A review of literature presented in chapter one provided a theoretical underpinning for the chapters which followed. Chapter two described the research methodologies used which revealed a unique approach to research which can be replicated by others in future research studies. Chapter three provided the first phase of the primary research. This phase focused upon a survey of the Irish hotel sector which identified the problems and issues of implementation facing hospitality managers, and further initiated the themes developed in chapter one. Chapter four developed further the initial findings from previous chapters, highlighting by example and practical application how strategy is approached within a particular Irish hotel organisation. This qualitative case-study approach enhanced the primary research further. Chapter five proposed a working methodology aimed at improving the process of strategy implementation. This proposed methodology was developed from previous chapters and represented a key element of the research process - the practical application and evaluation of the study.

The testing of the proposed methodology at a hotel site within Jurys plc provided a continuous learning approach to strategy implementation, as the members of the project team responsible for the project's implementation became participants in the evaluation process. This augmented both the knowledge base of this study and of the participants (managers) involved.

This final chapter represents the final phase of this study. This chapter draws upon the research findings and conclusions of previous chapters to determine the overall conclusions of this study highlighting recommendations for further research. This chapter clearly indicates how the overall aim and objectives of the study were achieved.

## **6.2 Conclusions.**

This study reveals the positive contribution that strategic management can make to management and the Irish hotel sector. The role of strategic management is a valid concept for hospitality companies at every level of operation. This study established that a suitable methodology can improve strategy implementation within the Irish hotel sector, encourage greater professionalism among management and the broader hospitality industry. The following conclusions and subsequent recommendations are presented.

### **6.2.1 The Strategic Management Process.**

The strategic management process has come through many phases and levels of popularity since its inception in the 1960s. It emerged from chapter one that strategic management was initially numbers-driven. From that, it evolved into an executive-driven management style, based on a balance of qualitative and quantitative objectives and measures of performance. A review of the Irish hotel sector in chapter three revealed that the most popular style of management is characterised by an entrepreneurial style. Further examination in chapter four revealed a similar style of management operating within Jurys plc which is also reflected in their style of planning. The level of formality vs. informality of planning, and employee contribution to the planning process, are largely determined by the level of operation (hotels vs. Inns).

Chapter one identified strategy formulation and implementation as two key stages of the strategic management process, (See figure 1-1). It emerged from both chapters three and four that formulation and implementation are often treated in isolation of each other. Chapter five highlighted the degree of involvement of supervisors in the implementation phase of the project (within Jurys plc). Supervisors were not as involved in the formulation phase. This study has clearly shown that this separation has led to disjunctive and ineffective implementation in many cases.

Chapter one established that the rapidly increasing complexity and sophistication of the hospitality industry requires a level of professionalism and skill by managers to sustain competitiveness and profitability and an understanding of the various stages of the strategic management process. Chapter three suggested that a clear sense of vision, an improved understanding of the changing business environment and a heightened willingness to change represent the three most important attributes for the strategic success of Irish hotel operations respectively.

Thus a process to manage strategy implementation can only serve to enhance the performance of the hospitality organisation. Feedback from a number of leading theorists and practitioners in this field have proposed a further testing of this methodology (through further study at a higher level) within an international hotel chain in order to apply and refine further the proposed methodology for use within the hospitality industry.

#### **6.2.2 Strategy Formulation.**

It emerged in chapter three that strategy formulation is viewed as a process of discussion and learning to achieve long-term objectives; to give direction and assess future trends for the organisation. Chapter four examined formulation at a more in-depth level. Primary research supports the following definition. Strategy is viewed as an evolving process, which gives direction and determines the course of action for a plan, requiring the commitment of people to achieve its objectives, taking into account ever-changing market conditions and possible future opportunities.

The test application of the proposed methodology in chapter five argued that choosing the right strategy is a key factor for implementation success. Chapter one established that supporting research was vital to help make this choice. However, chapter three revealed that 62% of Irish hotels do not conduct any research in formulating strategy. The large numbers of small organisations, the lack of resources and the uncertain return on investment has contributed to this response. Chapter five revealed that supporting research for strategies within Jurys plc has traditionally occurred on an ad-hoc basis. The evaluation of the proposed methodology in chapter five demonstrated that the project placed a greater emphasis on research, primarily because of the level of investment required to support the project's formulation and implementation.

### **6.2.3 Strategy Implementation.**

This study has established a meaningful definition of strategy implementation. Both secondary and primary research have defined strategy implementation as a process to put an intended strategy into operation with clear communication and training to everyone involved to fulfill the objectives of the strategy on time.

Previous research conducted by the researcher (at undergraduate level), identified strategy implementation as a weak link within the strategic management process. This study revealed that this weak link is not a recent phenomenon. Chapter one revealed that the identification of implementation as the main cause of strategy failure began in the early 1960s with many cited examples. A review of the Irish hotel sector in chapter three, revealed that weak implementation of strategy is not the sole cause of strategy failure within Irish hotels. Several additional reasons were identified as factors contributing to the failure of strategy. This issue was further explored with Jurys plc in chapter four. Chapter four established that every step in the strategy - making process impacts on how successful the outcome is. Strategy implementation still remains ignored in many studies of decision-making, quantitative methods, economic analysis, behavioral techniques and organisational changes.

This study also established that in a multi-product organisation, it is more difficult to implement strategy from head-office. Chapter four in particular revealed that truly effective implementation of strategy is somewhat compromised because of differences which exist between individual hotels. These differences include the scale of operation, business mix and individual property needs. Implementation is deemed more effective at Inn properties. This is due to a standardised level of operation, similar infrastructure and location.

Chapter one clearly identified that many of the models and frameworks developed to implement strategy effectively have largely been designed for manufacturing industry without any empirical investigation. These models and frameworks have only brought marginal success to hospitality organisations and little to the body of knowledge already available. Further investigation in chapter four within Jurys plc revealed that these models encompass too much rigidity and classification.

Many general managers within this organisation have highlighted a number of benefits to be gained by adopting suitable strategic techniques. Chapter one finally stated that there is a need to develop strategic techniques which should '*respond to the present day competitive environments of speed, ceaseless innovation, and uncertainty*' (Goold 1996). Despite their inherent inflexibility and rigidity, chapter one states that identification of component relationships dominates many of the methodologies proposed. This concept permeated the proposed methodology, through the relationship map (figure 5-1) in chapter five.

#### **6.2.4 A Proposed Methodology.**

This study has identified a number of key components which permeated each chapter of this study for relevance and consistency to the success of strategy implementation. The proposed methodology in chapter five (figure 5-2) represents a refined set of components, which together form an integrated process. The following conclusions were reached regarding each component of the methodology.

This study has concluded that the **budgeting process** plays a key role in the successful implementation of strategy. It emerged from chapter one that the budgeting process and resource allocation has been a dominant force in the strategic management process, and a key activity and tool of strategy implementation. Chapter three revealed the contribution of this process through the control of costs and resources, financial forecasting and performance evaluation. Chapter four argued that the budgeting process within Jurys plc is a significant action-planning tool across all properties. How well general managers link budget allocations to the needs of the strategy will either promote or impeded the process. Finally, in chapter five this process represented a key component of **step six** of the proposed methodology - managing the activities of the strategy.

This study has established that **organisational climate** represents the most significant force for successful strategy implementation within the Irish hotel sector. Chapter one argued that climate involves the values, assumptions, beliefs and attitudes (V.A.B.A.) of individuals within an organisation. A review of the climate and its importance within in chapter four revealed that employees can become bored, loose ambition and lack energy for their work.

General managers within Jurys plc argue that spending time with employees, becoming part of what they do, is important to create an environment to foster their V.A.B.A. and to keep their day interesting.

This study also concludes that climate does not remain constant. The values, assumptions, beliefs and attitudes of employees change over time. This view is further enhanced in chapter five where the V.A.B.A. of employees at the hotel site changed after the implementation phase, from those held at the previous formulation phase. This further supports the role of climate as an integrated mechanism through step five of the proposed methodology.

This study established that managers faced with the responsibility for strategy and its implementation underestimate substantially the extent to which members of the organisation understand the strategy, what is to be achieved, or what is involved. Several choices of communication were suggested. Chapter three suggested that developing suitable policies and procedures represents a valuable communication technique. Chapter four further enhanced this view. The practice of policies and procedures within Jurys plc are used as guidelines to support strategy and act as boundary guidelines for operations.

This study concludes that strategy is both formulated and implemented through the **structure** of the organisation and that inflexible and bureaucratic structures inhibit successful strategy implementation. Chapter one largely prescribes this view, which is further enhanced by primary research. Chapter three suggested that 52% of Irish hotels have changed their organisation structure within the last five to seven years. Further investigation in chapter four within Jurys plc revealed the recognition among the executive committee of the need to re-focus the existing traditional vertical structure.

This study concludes that **strategies are largely evaluated** quantitatively within the Irish hotel sector. These evaluations often occur at too late a stage in the implementation phase if the strategy has failed and investment is lost.



Chapter one identified two forms of strategy evaluation. Quantitative and qualitative evaluations. Previous studies have seen a shift from traditional, financial, objective, quantitative evaluations to more subjective qualitative evaluations. It emerged from chapter three that such measures help to re-define objectives for future strategies, quantify effectiveness - to avoid future mistakes and determine whether the strategy has succeeded or failed. Chapter four revealed that the evaluation of strategy within Jurys plc is largely quantitative in nature. It was argued that quantitative analysis is '*easy. Financial figures are difficult to dispute, they have either been achieved or not*' A general manager (See Note 11 Chapter 5).

This study concludes that greater **team leadership** facilitates a better understanding of organisational climate. Chapter one argued that successful implementation requires the support and guidance from the management team. Chapter one further revealed that the demands placed upon leaders in the hospitality industry have increased and the operating environment is now less predictable. Chapter one concluded that it is within this environment that effective leadership is most needed. This view was further supported in chapter three where 95% of Irish hotels clearly indicated that team leadership plays a role in achieving successful implementation of strategy.

Secondary research particularly within the leadership domain, advocated the role of the leader in part, as a supportive one. Other proponents argued the role of the leader as that of a coach. It emerged from this study that understanding organisational climate means understanding the values, assumptions, beliefs and attitudes (V.A.B.A.) of individuals. It also emerged that V.A.B.A. are better understood and further enhanced by a supportive leader.

This study concludes that methods of **continuous improvement** are an important part of the implementation phase, but are not used by very many Irish hotels. A review of the Irish hotel sector in chapter three established the use of continuous programmes / techniques as a key research issue. 92% of Irish hotels contend that such programmes/techniques provide a means of achieving successful implementation. However, it emerged that only 26% of Irish hotels clearly identify the use of such programmes or equivalent techniques.

Further investigation in the following chapter identified a number of issues within Jurys plc as mechanisms for continuous improvement.

This study also concludes that recognition of performance goes beyond monetary rewards. It emerged from chapter one that the successful application of rewards, monetary or otherwise remains a great issue for debate for many hospitality managers. Chapter three revealed that 36% of Irish hotels do not possess a structure for rewarding performance. Chapter four argued that employees are not fully motivated to accomplish their activities of the strategy effectively on the basis of rewards alone. Further examination revealed that promoting a positive climate within the organisation is considered a far greater reward.

### **6.3 Recommendations.**

This chapter reviewed emerging research issues from previous chapters and presented a number of key conclusions for discussion. A number of recommendations evolved from this discussion which are summarised below.

This study recommends that an effective strategic management process will be achieved through greater integration of formulation and implementation of strategy as a single process. This concept of integration reflects the underlying basis of the proposed methodology in the previous chapter. Secondary research advocated a direct relationship between strategy and performance. Chapter five demonstrated how the proposed methodology contributed to the performance of the organisation.

Each stage of planning impacts on the success or failure of strategy. The need for an integrated strategic management process is even greater to reduce strategy failure. Effective methods of communication will enhance further the integration of formulation and implementation.

This study proposes that cost-effective research methods should be investigated for the Irish hotel sector. This study explored both the concept and practice of research and development (R&D). It was concluded that very little expenditure, time and effort has been afforded to R&D. If a strategic approach to strategy and its implementation is to be adopted, supporting research for strategy is an essential requirement. This point is clearly illustrated in the previous relationship map in figure 5-1.

Further research is required to develop a greater understanding of the changing nature of climate within the organisation. The testing of the proposed methodology in chapter five revealed that the values, assumptions, beliefs and attitudes of organisation members can change at various stages during the formulation and implementation phases. As climate emerges as the most significant factor which either promotes or impedes implementation success, this represents an important issue for future research and study.

Practical forms of communication are necessary to successfully translate strategy in action. This study has suggested several choices of communication techniques which varied from face-to-face, one-to-one communication through to routine bulletins on notice boards and circulars distributed to the organisation. Choice should be based on effectiveness in different circumstances.

A flexible but common organisation structure is required by hotel companies to facilitate successful strategy implementation. This is especially relevant to multi-product companies, as seen within Jurys Plc in chapter four. Chapter five clearly illustrated the role of the organisation structure as both a component of the proposed methodology and an integrated part of implementing the chosen project successfully.

The evaluation of strategy should be both qualitative as well as quantitative, but above all, continuous. The test application of the proposed methodology in chapter five suggested that the project was largely evaluated quantitatively. Some efforts were made at qualitative evaluations by talking informally with employees. The proposed methodology suggested that the evaluation of strategy should be both quantitative and qualitative with a greater emphasis on qualitative techniques to improve the quality of the evaluation process.

The survey of the Irish hotel sector revealed that evaluative measures encourage higher productivity and profitability and determine whether corrective actions need to be made.

Methods of continuous improvement should be designed to maintain the quality of the product or service once it is implemented. Chapter five illustrates this recommendation through step nine of the proposed methodology. This recommendation is supported by a number of benefits associated with improvement programmes which emerged in chapter three.

1. Helping guests to return, improve guest satisfaction, hygiene and overall standards of performance.
2. Improved standards and levels of motivation in all departments.
3. Assesses the performance of strategies and highlights any changes if necessary.

Effective strategic team leadership should be adopted by hotel managers to promote greater implementation success. A leader must be seen to be fully committed at all stages of the strategy. An effective leader is crucial for effective operations, to reduce staff turnover in a very intensive industry.

In conclusion, the need to create an integrated process to manage strategy implementation, primarily for the Irish hotel sector is very clear. Organisational climate and structure represent the two integrating mechanisms of that process. Chapter one presented a clear illustration of the growth of strategic management to date (figure 1-2). This chapter concludes by presenting a revised illustration, figure 6-1 below, incorporating a fifth step which sets the above recommendations of this study into the context of strategic management; past, present and future.

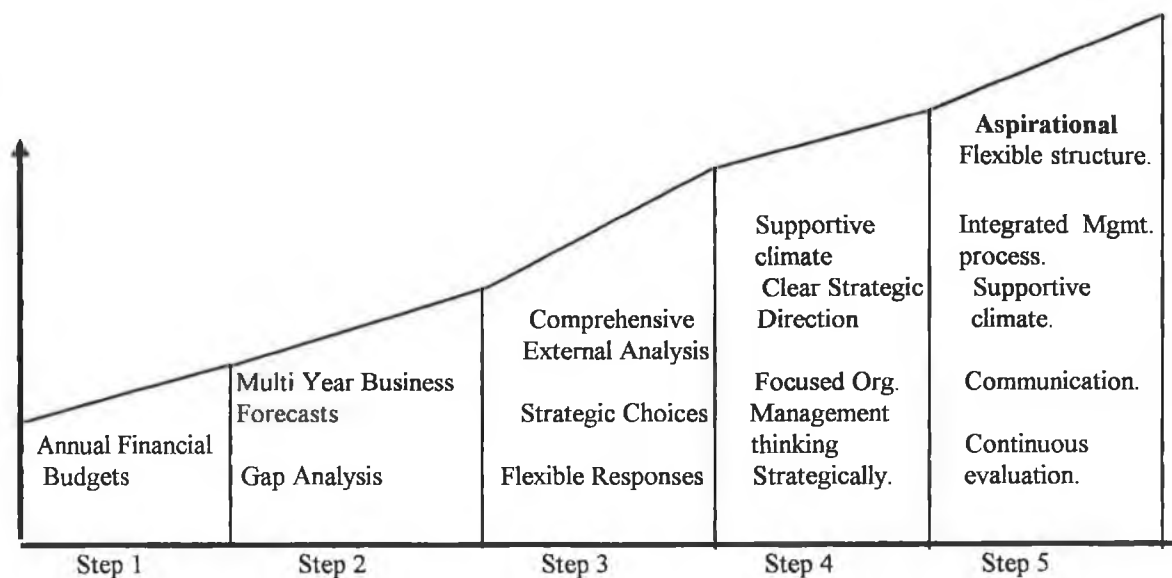


Figure 6-1 The Growth of Strategic Management. (Revised).  
from Casey, *Strategic Management in Irish Banking*, 1996.

**Finally**, this study has proved a challenge to the researcher where both theory and practice are combined. This combination has developed a significant and invaluable base of knowledge, and an in-depth understanding of strategy implementation, which was extended through practical application. Further research and study is greatly needed in the field of strategic hospitality management which can be applied in a practical manner. This will advance the development and professionalism of management and the hospitality industry as a whole, towards effective hospitality management.

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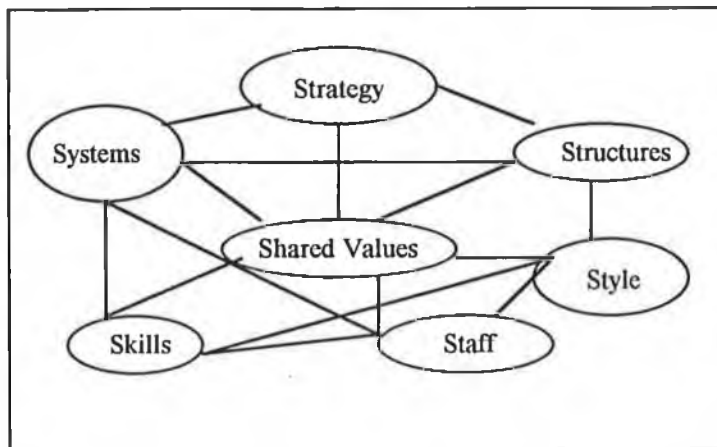
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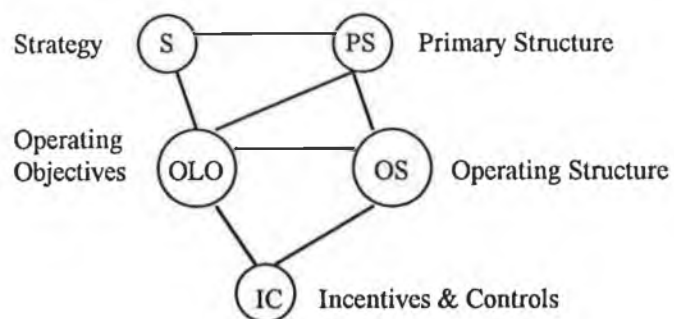
## **Appendix A**

### **Traditional Models & Frameworks of Strategy Implementation**

## McKinsey's 7-s Framework

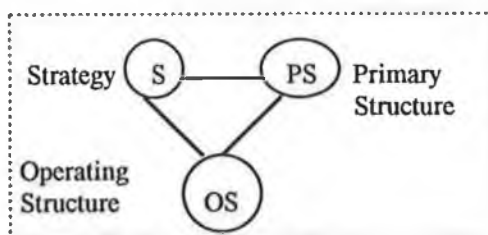


## Hrebiniak & Joyce's Implementation Programme.

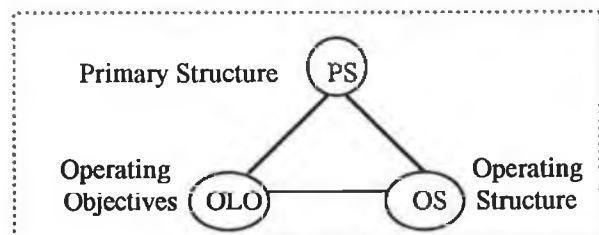


### Three Triads:

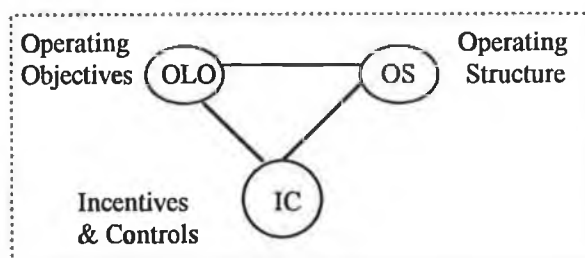
#### Upper Planning Triad:



#### Design Triad:



#### Lower Planning Triad:



## **Appendix B**

### **Distributed Questionnaire to the Irish Hotel Sector**

1. Do you plan for your organisation? Yes ☐ No ☐  
 If Yes, is this a formal or an informal process? Formal ☐ Informal ☐

2. Which of the following styles of planning characterise your organisation?

- (a) A formalised and well-documented strategic planning style ☐  
*(a very detailed, lengthy and formally constructed strategic plan).*  
 (b) An entrepreneurial planning style. ☐  
*(semi-structured, more flexible, innovative and less formal)*  
 (c) Informal, action-oriented planning style. ☐  
*(planning is very informal, lack of resources, small size of operation).*  
 (d) No strategic planning activity. ☐  
*(A very reactive, fire-fighting approach, with little or no forward thinking).*

3. Do you regularly evaluate the success or failure of planning activities? Yes ☐ No ☐

4. Do you use any of the following groups within your organisation?

- (a) Project teams ☐ (b) Venture teams ☐ (c) Task forces ☐ (d) Work Teams ☐

If Yes, what roles do these teams perform with regard to individual strategies?

5. By having a strategy for a particular project, what does that mean?

6. Has the role of employees within the planning process in your organisation changed?

- Yes ☐ No ☐ If Yes, How and why has it occurred?

7. In your opinion, what are the three most critical internal and external challenges to successful strategic Management within your organisation?

Please rank your choices in order of importance e.g. 1,2,3 etc.,  
(1 being the most important)

**External Challenges**

- (a) Market Shifts \_\_\_\_\_  
 (b) Competition \_\_\_\_\_  
 (c) Economic forces/restructuring \_\_\_\_\_  
 (d) Political change and government policies \_\_\_\_\_  
 (e) Technological change \_\_\_\_\_  
 (f) Environmental factors \_\_\_\_\_  
 (g) Other social forces \_\_\_\_\_

**Internal Challenges**

- (a) Corporate Culture \_\_\_\_\_  
 (b) Management Skills, Commitment \_\_\_\_\_  
 (c) Financial challenges \_\_\_\_\_  
 (d) Innovation \_\_\_\_\_  
 (e) Operational problems \_\_\_\_\_  
 (f) Strategic planning processes \_\_\_\_\_

8. In your opinion which of the following strategic attributes do you see as important to the success of your organisation?

Please rank your choices in order of importance eg. 1,2,3, etc.

(1 being the most important).

- |  |       |  |       |
|--|-------|--|-------|
| (a) A clearer sense of "vision".                                 | _____ | (e) Sharper focus                                    | _____ |
| (b) Improved understanding of the changing business environment. | _____ | (f) Improved integration of strategy and operations. | _____ |
| (c) Better balance between long-term and short-term goals.       | _____ | (g) Heightened willingness to change                 | _____ |
|  |       | (h) Greater flexibility of response.                 | _____ |



9. Why do you perceive the attributes you have chosen above, to be important for the strategic success of your organisation?

10. Do you formally state a mission for your organisation?

Yes ☐ No ☐

If *Not*, how would you summarise your mission and purpose? \_\_\_\_\_

11. Has the structure of your organisation changed in the last 5 - 7 years?

Yes ☐ No ☐

If *Yes*, how has it changed? \_\_\_\_\_

12. Do you employ the services of professional planning consultants or equivalent to help you with aspects of strategic management within your organisation?

Yes ☐ No ☐

If *Yes*, how often? \_\_\_\_\_ time(s) a year. **OR** \_\_\_\_\_ time(s) in 5 years.

13. Are you exploring the application of technologies within your organisation?

Yes ☐ No ☐

If *Yes*, please specify briefly. \_\_\_\_\_

14. Do you have specific technology strategies?

Yes ☐ No ☐

15. What does it mean to implement a strategy within your organisation? \_\_\_\_\_

16. Is poor implementation of strategies the sole cause of planning failure?

Yes ☐ No ☐

If *Not*, what other factors contribute to planning failure?

- |           |           |
|-----------|-----------|
| (a) _____ | (b) _____ |
| (c) _____ | (d) _____ |
| (e) _____ | (f) _____ |

17. In your opinion, is strategy implementation concerned with any of the following?

- |  |                          |
|--|--------------------------|
| (a) Defining precisely how the strategic choice selected, will be applied within the organisation. | <input type="checkbox"/> |
| (b) Ensuring that the planned results of the chosen strategic decisions are realised.              | <input type="checkbox"/> |
| (c) testing a manager's ability to lead and direct organisational change.                          | <input type="checkbox"/> |
| (d) Creating or reinventing business processes, managing people and achieving performance targets. | <input type="checkbox"/> |
| (e) None of the above.   | <input type="checkbox"/> |

18. In your opinion, why is strategy implementation is a very demanding, time-consuming management challenge?

- |  |                          |
|--|--------------------------|
| (a) The wide sweep of managerial activities involved.                            | <input type="checkbox"/> |
| (b) Different options for accomplishing each activity.                           | <input type="checkbox"/> |
| (c) The demanding "people management" skills required.                           | <input type="checkbox"/> |
| (d) The perseverance needed to get a variety of initiatives launched and moving. | <input type="checkbox"/> |
| (e) None of the above.   | <input type="checkbox"/> |

19. In your opinion, strategies which are implemented, are a direct result of :

- (a) The intended strategy. ☐
- (b) A series of unplanned actions. ☐
- (c) A combination of the intended strategy and a series of unplanned actions which form an emergent strategy. ☐

20. In your opinion, what are the greatest difficulties in instituting change?

- (a) The design and development of these changes. ☐
- (b) The processes that are used to implement them. ☐

21. Can you identify the key components which contribute to the effectiveness of your strategies within your organisation? *ie. to make your strategies work.*

- |           |           |
|-----------|-----------|
| (a) _____ | (b) _____ |
| (c) _____ | (d) _____ |
| (e) _____ | (f) _____ |
| (g) _____ | (h) _____ |

22. Can you identify any barriers which inhibit effective implementation of your individual strategies?

- |           |           |
|-----------|-----------|
| (a) _____ | (b) _____ |
| (c) _____ | (d) _____ |

23. Does your organisation develop a plan to manage strategy implementation? Yes ☐ No ☐

24. Does your organisation communicate changes in strategy? Yes ☐ No ☐

If Yes, How are these changes communicated?

**A. Budgeting:**

25. Are funds allocated to specific strategy critical activities Yes ☐ No ☐

If No, briefly explain why? \_\_\_\_\_

26. Is there a direct relationship between budget allocations and strategy implementation activities? Yes ☐ No ☐

27. Can you re-allocate funding for an individual strategy that has been revised or adjusted? Yes ☐ No ☐

28. What does your budgeting process achieve? \_\_\_\_\_

29. Does your budgeting system reflect your operating strategies? Yes ☐ No ☐

30. Is your budgeting process tied to the overall strategic direction of your organisation?

Yes ☐ No ☐

31. How is funding allocated to a new strategy?

**B. Policies & Procedures:**

32. In your opinion, which of the following question(s) do you perceive to be important to address, when implementing a strategy in your organisation?

- (a) Do these policies and procedures reflect present or desired company practices and behaviour? ☐
- (b) Are they practical, given existing or expected situations? ☐
- (c) Do they exist in areas critical to the firm's success? ☐
- (d) Are they consistent with one another, and do they reflect the timing needed to accomplish goals? ☐
- (e) All of the above ☐
- (f) None of the above ☐

(please specify) \_\_\_\_\_

33. Are the policies and procedures of your organisation *specific* or *general*?

(a) Specific ☐ (b) General ☐

34. What do your policies and procedures achieve for your organisation?

35. Who has the responsibility of policy decisions within your organisation?

(Is there any involvement or contribution of employees or line management?) \_\_\_\_\_

**C. Best Practices, Commitment & Continuous Improvement:**

36. Do you use quality improvement programs or equivalent techniques?

Yes ☐ No ☐

What benefits to you associate with their use?

- (a) \_\_\_\_\_
- (b) \_\_\_\_\_
- (c) \_\_\_\_\_
- (d) \_\_\_\_\_
- (e) \_\_\_\_\_

37. Do improvement programs provide : (a) A means to achieving successful strategies.  
(b) An end in themselves.

☐

38. Do you benchmark how you perform specific tasks and activities?

(ie. to ensure effectiveness and efficiency of strategy).

Yes ☐

No ☐

**D. Control & Evaluation:**

39. Are strategies evaluated on a *formal* or an *informal* basis?

Formal ☐

Informal ☐

40. How often is the performance of strategies evaluated? Every \_\_\_ Months / Every \_\_\_ years

41. Can you evaluate the performance of strategies: (a) Individually ☐ **OR** (b) Collectively ☐

42. Are your conclusions/evaluations based on: (a) Objective analysis ☐  
(b) subjective opinion ☐ (c) Both (A & B) ☐

43. What do your evaluative measures or conclusions achieve for your organisation?

**E. Reward Systems & Structures:**

44. Does your organisation possess a structure for rewarding performance? Yes ☐ No ☐  
If Yes, is this structure: (a) a formal process ☐ -OR- (b) an informal process ☐

45. Is this reward structure based upon either of the following?:  
(a) Results needed ☐ -OR- (b) Functions to be performed ☐

46. Do rewards play a role in implementing strategies effectively? Yes ☐ No ☐

**F. Strategic Leadership:**

47. Which one of the following leadership styles do you adopt?

- (a) Staying on top of what is happening and how well things are going. ☐
- (b) Promoting a culture in which the organisation is energised to accomplish strategy and perform at a high level. ☐
- (c) Keeping the organisation responsive to changing conditions, alert for new opportunities, and bubbling with innovative ideas. ☐
- (d) Building consensus, containing power struggles, and dealing with the politics of crafting and implementing strategy. ☐
- (e) Enforcing ethical standards. ☐
- (f) Pushing corrective actions too improve strategy execution and strategic performance. ☐

48. Does leadership play a role in achieving strategy effectiveness? Yes ☐ No ☐  
If Yes, What is this role?

**G. Reporting Information:**

49. Do you use a Management Reporting (Information) System? Yes ☐ No ☐  
If Yes, (a) Is this a Formal ☐ or an Informal ☐ System?  
(b) What benefits do you associate with its use?

50. Does your reporting information reflect the same level of detail as with your planing? Yes ☐ No ☐

**51. Are your management reports sensitive enough to monitor the implementation of**

**Individual strategies?**

Yes ☐

No ☐

***H. Empowerment & Innovation:***

**52. Is Empowerment used within your organisation?**

Yes ☐

No ☐

If *Yes*, what are the perceived benefits of empowerment for your organisation?

**53. Do you conduct any Research & Development within your organisation?**

Yes ☐ No ☐

If *Yes*, Is there specific fund allocation for this Research & Development

Yes ☐ No ☐

**54. Is Innovation used in a formal manner within your organisation?**

Yes ☐

No ☐

If *Yes*, (a) Is it fundamental to the organisation?

Yes ☐

No ☐

(b) Is it planned for?

Yes ☐

No ☐

**55. Does your management team set aside time for discussing innovation?**

Yes ☐

No ☐

Does your organisation encourage innovative ideas and rewards?

Yes ☐

No ☐

If *Yes*, what form does this take? \_\_\_\_\_

## **Appendix C**

### **Sample Summary Analysis Sheet – Questionnaire to the Irish Hotel Sector**



## **Appendix D**

**Introductory Questionnaire Distributed to Executive Committee  
Jurys Hotel Group Plc.**



1. Which of the following styles of planning characterise your organisation?

(a) A Formalised and well-documented strategic planning style. ☐  
*(a very detailed, lengthy, and formally constructed strategic plan).*

(b) An Entrepreneurial planning style. ☐  
*(semi-structured, more flexible, innovative and less formal).*

(c) Informal, Action-oriented planning style. ☐  
*(planning is very informal, lack of resources, small size of operation).*

(d) No strategic planning activity. ☐  
*(a very reactive, fire-fighting approach, with no forward thinking).*

2. Are planning activities shared between Jurys Hotels and Inns? Yes ☐ No ☐

3. Does your organisation have a centralised or decentralised approach to planning?

(a) centralised ☐ (b) decentralised. ☐

4. Do you regularly evaluate the success or failure of planning activities? Yes ☐ No ☐

5. Are short-term goals reflective of long-term objectives Yes ☐ No ☐

6. Do you use any of the following groups within your organisation?

(a) Project teams ☐ (c) Venture teams ☐ (b) Task forces ☐ (d) Work teams ☐

7. Which of the following changes have occurred in your organisation's approach to strategic planning & Strategic Management in the past 5-7 years?

(a) Increased role of line managers ☐

(b) Reduced role of staff. ☐

(c) Decentralisation of strategic planning to individual hotels. ☐

(d) Increased emphasis on:

* Market orientation	<input type="checkbox"/>	* Competitive analysis	<input type="checkbox"/>
* Financial analysis	<input type="checkbox"/>	* Technology strategy	<input type="checkbox"/>
* Core competencies	<input type="checkbox"/>	* Shareholder value	<input type="checkbox"/>
* Contingency planning	<input type="checkbox"/>	* Greater use of modelling	<input type="checkbox"/>
* Diminishes emphasis on documentation	<input type="checkbox"/>	* Shift away from a planning cycle (to a more flexible schedule).	<input type="checkbox"/>

8. In your opinion, what are the three most critical internal, and external challenges to successful strategic management within your organisation?

External Challenges:

(a) Market shifts ☐

(b) Competition ☐

(c) Economic forces/restructuring ☐

(d) Political change and government policies ☐

(e) Technological change ☐

(f) Environmental factors ☐

(g) Other social forces. ☐

Internal Challenges:

(h) Corporate culture ☐

(i) Management skills, commitment ☐

(j) Financial challenges ☐

(k) Innovation ☐

(l) Operational problems ☐

(m) Strategic planning processes ☐

9. In your opinion, which of the following *benefits of strategic management* relate to your organisation?

(a) Clearer sense of 'vision'. ☐

(b) Improved understanding of the changing business environment. ☐

(c) Better balance between long-term and short-term goals. ☐

(d) Reduced vulnerability to surprises. ☐

(e) Sharper focus. ☐

(f) Improved Integration of strategy & operations. ☐

(g) Heightened willingness to change. ☐

(h) Greater flexibility of response ☐

**10. Which of the following components are responsibilities of your organisation's corporate planning group?**

- |  |                          |                                   |                          |
|--|--------------------------|-----------------------------------|--------------------------|
| (a) Strategic issues analysis.                 | <input type="checkbox"/> | (f) Economic forecasting.         | <input type="checkbox"/> |
| (b) Corporate strategy development             | <input type="checkbox"/> | (g) Mergers/acquisitions analysis | <input type="checkbox"/> |
| (c) Strategy guidelines for individual hotels. | <input type="checkbox"/> | (h) General hotel development.    | <input type="checkbox"/> |
| (d) Market/competitive analysis                | <input type="checkbox"/> | (i) Modelling.                    | <input type="checkbox"/> |
| (e) Individual Hotel plans review.             | <input type="checkbox"/> | (j) Corporate budgeting.          | <input type="checkbox"/> |

**11. In your opinion, which of the following principal techniques are employed in your strategic planning process?**

- |                                 |                          |                                 |                          |
|---------------------------------|--------------------------|---------------------------------|--------------------------|
| (a) Core competencies analysis. | <input type="checkbox"/> | (e) Shareholder value analysis. | <input type="checkbox"/> |
| (b) Scenario Planning.          | <input type="checkbox"/> | (f) Value chain analysis.       | <input type="checkbox"/> |
| (c) Benchmarking.               | <input type="checkbox"/> | (g) Business process re-design. | <input type="checkbox"/> |
| (d) Total quality management.   | <input type="checkbox"/> |                                 |                          |

**12. In your opinion, is strategy implementation concerned with any of the following:**

- |  |                          |
|--|--------------------------|
| (a) Defining precisely how the strategic choice selected, will be applied within the organisation. | <input type="checkbox"/> |
| (b) Ensuring that the planned results of the chosen strategic decisions are realised.              | <input type="checkbox"/> |
| (c) Testing a manager's ability to lead and direct organisational change.                          | <input type="checkbox"/> |
| (d) Creating or reinventing business processes, managing people and achieving performance targets. | <input type="checkbox"/> |
| (e) None of the above.   | <input type="checkbox"/> |

**13. Which of the following clearly indicate that strategy implementation is a demanding, more time-consuming management challenge?**

- |  |                          |
|--|--------------------------|
| (a) The wide sweep of managerial activities involved.                            | <input type="checkbox"/> |
| (b) Different options for accomplishing each activity.                           | <input type="checkbox"/> |
| (c) The demanding "people management" skills required.                           | <input type="checkbox"/> |
| (d) The perseverance needed to get a variety of initiatives launched and moving. | <input type="checkbox"/> |
| (e) None of the above.   | <input type="checkbox"/> |

**14. In your opinion, what are the greatest difficulties in instituting change?**

- |  |                          |
|--|--------------------------|
| (a) The design and development of these the changes. | <input type="checkbox"/> |
| (b) The processes that are used to implement them.   | <input type="checkbox"/> |

**15. In your opinion, strategies which are implemented, are a direct result of:**

- |   |                          |
|---|--------------------------|
| (a) The intended strategy.  | <input type="checkbox"/> |
| (b) a series of unplanned actions.  | <input type="checkbox"/> |
| (c) a combination of the intended strategy and a series of unplanned actions which form an emergent strategy. | <input type="checkbox"/> |

**16. Does your organisation ever use technical or technological expertise as an aid to implementing strategies more effectively?**

(ie. Expert computerised systems or independent technical personnel etc).

Yes ☐ No ☐

**17. Do the degrees of authority and independence given to each individual hotel impact on the overall strategic success of your organisation?**

Yes ☐ No ☐



18. In your opinion, which of the following factors are important to your organisation, in achieving effective strategies?

- (a) Management commitment. ☐
- (b) Providing staff with information. ☐
- (c) Employee representative involvement. ☐
- (d) Senior management consensus. ☐
- (e) Understanding general constraints. ☐
- (f) Creation of detailed action plans. ☐
- (g) Effective dissemination of strategy results. ☐
- (h) Sufficient time for planning implementation. ☐
- (i) Training and competence building. ☐
- (j) Achieving measurable results. ☐

19. Are funds allocated to specific strategic objectives/tasks?

Yes ☐ No ☐

20. Can funds be reallocated for new strategies and also for the adjustment of existing strategies?

Yes ☐ No ☐

21. Does your organisation's budgeting system reflect your operating strategies?

Yes ☐ No ☐

22. Is the budgeting process tied to the overall strategic direction of the organisation?

Yes ☐ No ☐

23. Is the budgeting process linked to the manner in which individual hotels are arranged organisationally?

Yes ☐ No ☐

24. Please indicate whether your budgeting process predicts any of the following:

- (a) production/service requirements. ☐
- (b) number of personnel to be recruited. ☐
- (c) Timing and level of required financial resources. ☐
- (d) How much operating expenses it can afford. (ie. promotion/advertising). ☐

25. Do you encourage basic research or commercial development within your organisation?

Yes ☐ No ☐

26. Are funds specifically allocated to research & development within your organisation?

Yes ☐ No ☐

*If yes, are such funds allocated through:*

- (a) A marketing department? ☐
- (b) To a dedicated Research & Development department? ☐
- (c) Both of the above? ☐

27. Which of the following policy and procedural questions are important to address when implementing strategy?

- (a) Do these policies and procedures reflect present or desired company practices and behaviour? ☐
- (b) Are they practical, given existing or expected situations? ☐
- (c) Do they exist in areas critical to the firm's success? ☐
- (d) Are they consistent with one another, and do they reflect the timing needed to accomplish goals? ☐
- (e) All of the above. ☐

28. (a) Does your organisation use Total Quality Management? Yes ☐ No ☐  
 (b) If yes, does it benefit the organisation? Yes ☐ No ☐

29. (a) Does your organisation use quality improvement programmes? Yes ☐ No ☐  
 (b) If yes, does this benefit: (i) strategy implementation success ☐  
 (ii) Overall strategy effectiveness ☐

30. Are you familiar with the process of Re-engineering? Yes ☐ No ☐

31. Do quality programs provide either of the following?  
 (a) A means to an end for executing strategy: ☐  
 (b) An end in themselves. ☐

32. (a) Are your strategies supported and controlled by formal or informal systems?  
 Formal ☐ Informal ☐  
 (b) Are they used to:  
 \* Identify problems ☐  
 \* Facilitate better strategy execution ☐  
 \* Exploitation of activities ☐

33. Does your organisation possess a structure for rewarding performance? Yes ☐ No ☐  
If yes, is this structure based upon either of the following?:  
 (a) Results needed ☐ - or - (b) Functions to be performed ☐

34. Are performance targets monitored? Yes ☐ No ☐

35. Does senior management exert one of the following leadership styles:  
 (a) "Staying on top of what is happening and how well things are going". ☐  
 (b) "Promoting a culture in which the organisation is energised to accomplish strategy and perform at a high level". ☐  
 (c) "Keeping the organisation responsive to changing conditions, alert for new opportunities, and bubbling with innovative ideas". ☐  
 (d) "Building consensus, containing power struggles, and dealing with the politics of crafting and implementing strategy". ☐  
 (e) "Enforcing ethical standards". ☐  
 (f) "Pushing corrective actions to improve strategy execution and strategic performance". ☐

36. Is empowerment used within your organisation? Yes ☐ No ☐

37. In your opinion, empowerment is: (a) a learning culture ☐  
 (b) a set of organisational practices ☐  
 (c) Other ☐

38. Is innovation used in a formal manner within your organisation? Yes ☐ No ☐  
If Yes,  
 (a) Is it fundamental to the organisation? (its culture) Yes ☐ No ☐  
 (b) Is it planned for? Yes ☐ No ☐

**39. In your opinion, innovation is about:**

- (a) Inventing something entirely new.
- (b) Generating new ideas only.
- (c) Improving something that already exists.
- (d) Following the market leader.
- (e) Attracting innovative people.
- (f) Performing an existing task in a new way.
- (g) Spreading new ideas.
- (h) Adopting something that has been successfully tried elsewhere.
- (i) Seeing something from a different perspective.
- (j) Introducing changes.

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**40. In your opinion, innovation can be:**

- (a) A product
- (b) a technology
- (c) a service
- (d) a production process
- (e) a management system
- (f) an administrative procedure.

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**41. In your opinion, innovation is something that benefits:**

- (a) mostly the high-tech electronic industry.
- (b) mostly the construction industry.
- (c) mostly the traditional textile industry.
- (d) mostly the hospitality industry.
- (e) mostly the service industries.
- (f) most industries.

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**42. The value of an innovation should be judged upon:**

- (a) how novel it is.
- (b) how many people it involves.
- (c) how long it takes.
- (d) how much it costs.
- (e) how significantly it improves the organisation's profitability.
- (f) how advanced the technologies it applies.
- (g) the extent of change it entails.

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**43. Who is in a better position to initiate innovation?**

- (a) The board of directors.
- (b) Marketing personnel.
- (c) Service personnel.
- (d) Engineers.
- (e) Finance people.
- (f) Purchasing people.
- (g) Nobody.

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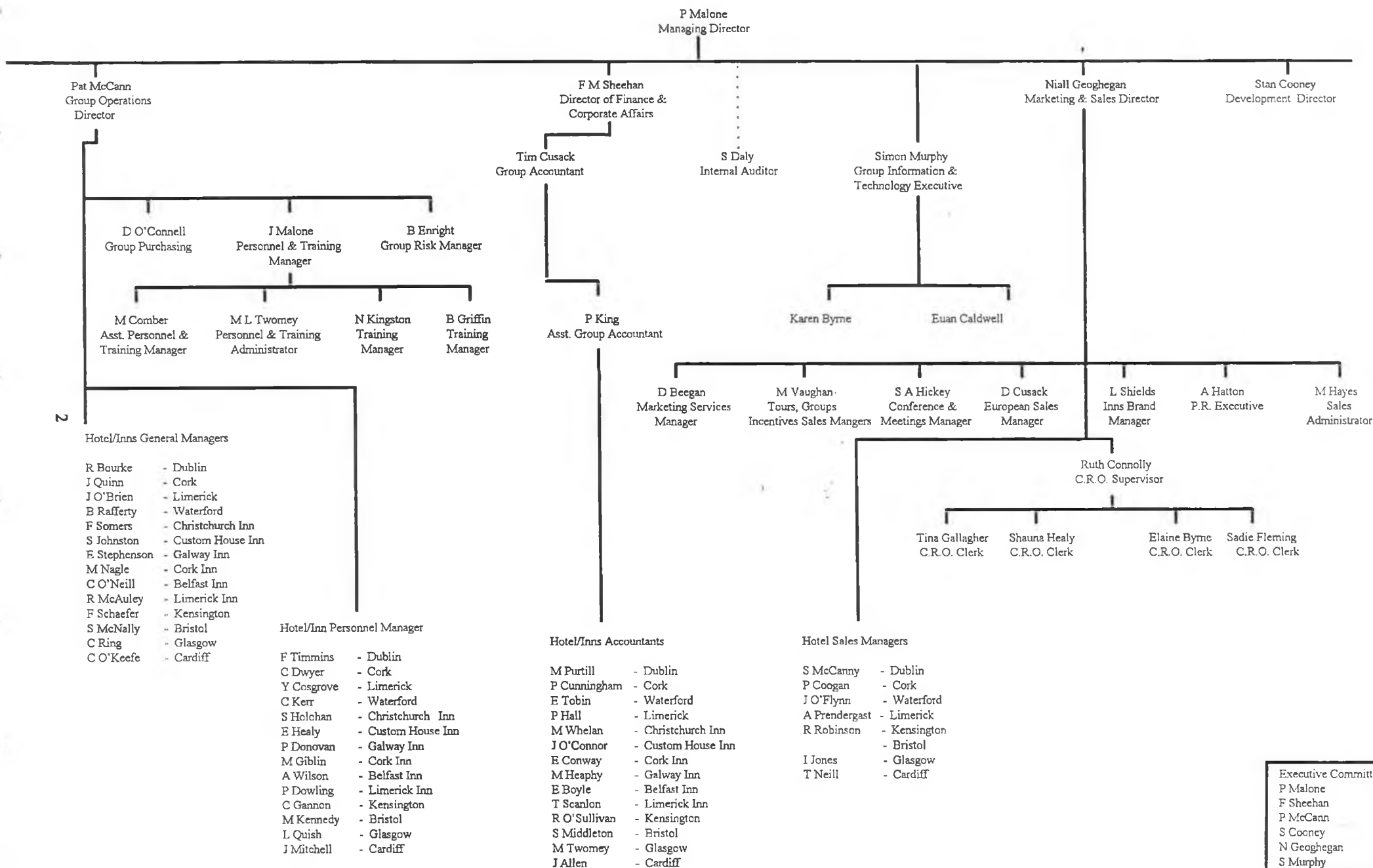
## **Appendix E**

**Group Organisation Chart - Jurys Hotel Group Plc.  
(as at April 10, 1997).**



# Group Organisational Chart

Date: 10 April 1997



## **Appendix F**

**Projected Schedules for Jurys Hotel Ballsbridge, Dublin.**



DATE  
09/01/97

Proje : 646 Jurys Dublin -

Client: Cunningham MacLean

Rev. :  
Issued By: Mr D Findlay

Foyer Refurbishment & Changing Rooms

No.	Task	21st April							28th April				5th May																															
FOYER		M	T	W	T	F	S	S	M	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S		
1	Downtakings																																											
2	Blockwork																																											
3	Ceiling																																											
4	Sheet Walls																																											
5	Fielded Dado Panels																																											
6	Fielded Upstand																																											
7	New Partition																																											
8	Telephone Booths																																											
9	New Doors																																											
10	New Facings																																											
11	Electronic Doors																																											
12	Pictures																																											
13																																												
14	Electrical																																											
15	Decoration																																											
16	Tiling																																											
17	Floorcoverings																																											
<b>CHANGING ROOMS</b>																																												
1	Downtakings																																											
2	Slapping																																											
3	Level Floors																																											
4	Infil Floor																																											
5	Partlons																																											
6	Ceiling																																											
7	Doors (17 No)																																											
8	P S System																																											
9	Tiling																																											
10	Vanity Units																																											

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**Rev.: A**

**Projec** **646 Jurys Pavilion Bar**

**Client:** Cunningham MacLean

Issued By: Mr D Findlay

[illegible]

**Rev. : B**

**Project : 646 Jurys Embassy Restaurant**

**Client:** Cunningham MacLean

**Issued By:** Mr D Findlay

[illegible]

**Rev. :**

**Project 648 Jura's Coffee Dock**

**Client:** Cunningham MacLean

**Issued By:** Mr D Findlay

[illegible]

Rev.: A

Issued By: Mr D Findlay

No.	Task	20th Jan							27th Jan							3rd Feb							10th Feb					17th Feb																			
		M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S				
1	Dowlakings																																														
2	Ventilation																																														
3	Celling																																														
4	Down Stand Beams & Cornice																																														
5	Raised Floor																																														
6	Ballustrade																																														
7	Wall Panelling																																														
8	Mock Columns																																														
9	Cellar & Doors																																														
10	Shelves																																														
11	Screens																																														
12	Hardwood Floor																																														
13	Bar & Gantry																																														
14	Electrical																																														
15	Decoration																																														
16	Tiling																																														
17	Plumbing																																														
18	Floor Coverings																																														
19	Glazing																																														
20	Bar Services (Brewery)																																														
21	Bric a Brac																																														
22																																															
23	Frontage																																														
24																																															
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30																																															
31																																															

## FOOD & BEVERAGE PROJECT SCHEDULE

OUTLET	WK 1 20/1-26/1	WK 2 27/1-09/2	WK 3 10/2-16/2	WK 4 17/2-23/2	WK 5 24/2-02/3	WK 6 03/3-09/3	WK 7 10/3-16/3	WK 8 17/3-23/3	WK 9 24/3-30/3	WK 10 31/3-06/4	WK 11 07/4-13/4	WK 12 14/4-20/4	WK 13 21/4-27/4
DUBLINER Operates In.....	CLOSED IN PAV.	CLOSED IN PAV.	CLOSED IN PAV.	OPEN 19/02	OPEN AS NEW	OPEN INC. PAV							
COFF. DOCK Operates In.....	NORMAL	NORMAL	NORMAL TO 18/02	CLOSED IN EMB'SY	CLOSED IN EMB'SY	CLOSED IN EMB'SY	OPEN TO 07/03	OPEN NEW					
EMBASSY Operates In.....	OPEN	OPEN	OPEN	COFF. DK KISK/PAV	COFF. DK KISH/PAV.	COFF. DK KISH/PAV.	RE-FURB KISH/PAV.	RE-FURB KISH/PAV.	RE-FURB KISH/PAV.	OPEN AS NEW			
KISH Used as.....	CLOSED FROM 20TH JANUARY USED AS BAR AREA FROM 20/01 TO 18/02/97				EMBASSY	EMBASSY	EMBASSY	EMBASSY	EMBASSY	RE-FURB	RE-FURB	RE-FURB	LEISURE CLUB OPENS 21ST R
PAVILLION Used as.....	OPEN INC. DUB	OPEN INC. DUB	OPEN INC. DUB	CLOSED EMBASSY	CLOSED EMBASSY	CLOSED EMBASSY	CLOSED EMBASSY	CLOSED EMBASSY	CLOSED EMBASSY	RE-FURB	RE-FURB	RE-FURB	LIBRARY BAR OPENS 18TH R.
KITCHEN							EMB'SY KITCHEN 10/03 TO 17/03 SMALL RE-FURB						
DIPLOMAT	OPEN	OPEN	OPEN	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	CLOSED PAV. BAR	LIBRARY BAR OPENS 18TH APRIL
BANQUET OFFICE & ENTRANCE	NORMAL												RE-FURB FROM 26/04 TO 09/05
SALONS	NORMAL												NEW AREA AS OPEN 21/01/97