


The International Journal of Applied Strategic Management

Volume 2 Issue 1

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**Planning Behaviour:
A Re-examination of the Organisational Culture present in
the Regent International Hotels' Group**

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ISSN 1742-8204

Abstract

The traditional approaches to strategy that are adopted by managers do not recognise the importance and power of culture as an integrating and unifying "driver" of action within organisations. Culture and its main elements can be defined using Johnson's (Long Range Planning 25 (1) (1992) 28) and later Anthony's (1994) cultural web as a framework¹. The cultural web was previously applied by Kemp and Dwyer (2001) to the Regent Hotel, Sydney as a pilot study. Johnson's cultural web is now applied to four properties in the Regent International Hotels group in order to explain how cultural influences on behaviour within an organisation come about and their impact on the organisation. Conclusions are drawn regarding the use of culture to assist organisation strategy and increase organisational performance, and then particular reference is made to the web's usefulness in respect of strategic analysis of hospitality organisations.

Introduction

The choice of strategies that are utilised by hospitality organisations can have a significant impact on their performance. Organisation culture has an important influence on strategies and their success. Managers often overlook or ignore organisation culture as a tool in their strategic armoury (Kemp and Dwyer, 2000; Dwyer, Teal and Kemp 1999, 2000).

The utilisation of strategic management and planning is useful to organisations in general in that it provides an identified direction in which the organisation is heading. Such directions are often expressed in the strategic plans, mission, objectives, vision statement and goals. These expressed directions are highly visible to employees, customers/clients and to the public. The expectation is that "good" valued employees will adhere to management's expressed directives. Strategic management operationalised in this way (from this perspective) is very mechanistic (Morgan, 1997).

This style of strategic management relies on power and decision-making residing at the top level of the organisation. There is a reliance on the legitimate authority that goes with positions to reinforce decisions. The use of policies, procedures and rules ensures that action in the organisation goes according to the "grand master plan". In such a regulated environment, organisation members are more doers than thinkers. The advantage of such a structured way of managing an organisation is that organisation members' actions are controlled and predictable. Employee roles and, therefore, appropriate responses and actions, are defined by their position in the organisation. Those who crave additional responsibility and avenues of growth are shut out of what is considered to be the province of senior management.

However, this approach to strategically managing has clear consequences for employee motivation and commitment to the organisation (Lorsch, 1986). Employees are likely to be more motivated and more productive if they feel they can make a valuable contribution to the organisation through either contribution of new ideas, better ways of doing things and participation in decision-making. Employees are more receptive to change in the organisation if they feel they have had their views taken into consideration, even if the organisation does not implement employees' preferred options.

In particular, this traditional approach to strategy ignores an important and powerful element of organisations, that of culture. Not only do organisations operate within a cultural/social context, but they are also culture-bearing entities. There is no one, uncontested, definition of culture. Sathe (1983, p. 6) suggests that it is a set of important understandings that members of a community share in common. Culture here is viewed as an integrating, unifying phenomenon, in the sense that it is shared by all organisational

members and in the sense that various cultural phenomena are consistent with each other. Culture integrates and binds; it is a normative glue -"the way we do things around here" (Deal and Kennedy, 1982). While this view has its critics (Nord, 1985; Uttal, 1983), most organisation researchers agree that an analysis and recognition of the surface culture should be the initial step in strategy formulation and implementation, and is a crucial element in an evaluation of organisation performance (Brown, 1998).

An organisation's culture is often personified as a personality of an organisation (Oswick and Grant 1996). The organisation's personality (culture) is the total pattern of characteristic ways of thinking, feeling and behaving that constitute the organisation's distinctive method of relating to its environment (Kagan and Haverman, 1976). There are very few examples in the management literature of this direct metaphorical connection being made. Bridges (1992) is a notable exception who describes organisations as 'having character' which appears to equate to culture. Bridges (1992 p10) explains that:

"Character is the typical climate of the organizational country; it is the personality of the individual organization; or it is the DNA of the organisational life form. It is the organization's character that makes it feel and act like itself".

Other writers such as Robbins, Millett and Waters-Marsh (2004) have drawn similar inferences regarding the personality metaphor. Robbins suggests that organizations are more than a rational means by which to co-ordinate and control a group of people. "Organisations have personalities, as do individuals. They can be rigid or flexible, unfriendly or supportive, innovative or conservative" (Robbins et.al. 2004 p. 504). Both personality and organisation culture are inextricably linked. The dominant personality traits of employees have some impact on the prevailing culture of the organisation. The demands of a "strong"ⁱⁱⁱ culture can lead to the suppression of particular personality characteristics via a process of socialisation, and nurture the expression of others through the use of coercive measures. Therefore, there is a dynamic interplay between an organization's culture and the personality of employees.

It is the author's conviction that the existence of a strong culture can be a powerful enabling force in strategy formulation. The positive effects of increased employee identification and commitment highlight the importance of linking culture and strategy to achieve heightened organisation performance. Culture can be used strategically to elicit unified and consistent responses and expression of shared values in an organisation.

Using illustrative examples from a study of organisational culture of four properties in an international hotel group, the paper discusses the usefulness of the concept of a "cultural web" for understanding the organisational culture of hospitality organisations. The paper also raises a number of issues for further research on the links between organisation culture, strategy and performance of hospitality organisations.

The paper has three specific aims:

First, to define organisational culture, to identify the main elements of what is called the "cultural web", and to highlight the role which elements of this "web" play in strategy formulation and organisational performance.

Second, to employ the concept of a "cultural web" to study the organisational culture of four Regent International Hotels' properties.ⁱⁱⁱ The extent to which different elements of the "cultural web" are present in the hotel group and the ways in which they have an influence on organisational performance are discussed.

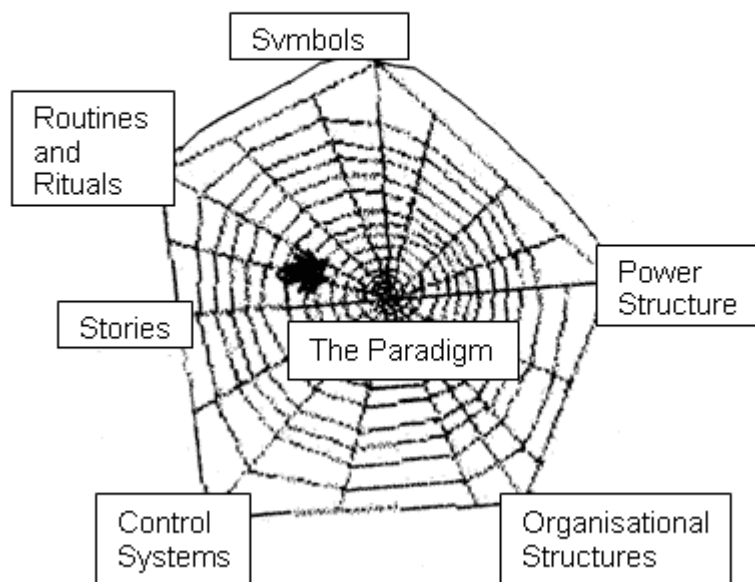
Third, to discuss the usefulness of the concept of a "cultural web" for assessing strategy formulation and organisational performance in hospitality organisations generally and to identify issues for further research.

The "cultural web"

A coherent culture is important for the effective functioning of an organisation. A distinctive organisational culture can ensure that the various parts of the organisation are all working to a common end and provide the very basis of competitive advantage in markets because it proves so difficult to imitate. However, organisational cultures can be very resistant to change and may therefore impair the development of business strategies that are essential responses to changes in the external environment including competitor actions.

Organisational culture is the "deeper level of basic assumptions and beliefs that are shared by members of an organisation that operate unconsciously and define, in a basic taken-for-granted fashion, an organisation's view of itself and its environment" (Schein, 1986). Culture and its main elements can be defined using Johnson's (1992) *cultural web* as a framework. The cultural web assists in explaining how cultural influences on behaviour within the organisation come about and their impact on the organisation. The understanding of the culture of an organisation is not a straightforward task; however, it is important. Often the strategy and values of an organisation can be found in organisation documents such as strategic plans and annual reports. The underlying assumptions that make up the paradigm of the organisation are more commonly observed in conversations or discussions between people in the organisation; or it may be that assumptions are so deeply embedded in the organisation and its members that they can only be observed in people's actions. As culture often goes unquestioned by organisational members its taken-for-granted-ness means that any discovery of an organisation's culture requires being sensitive to signals from the wider culture, that is, the public perception of the organisation.

Fig. 1 The Cultural web of an organisation (adapted from Johnson and Scholes, 1997, Fig. 2.10, p.69).



Johnson and Scholes (1997, p. 53) refer to an organisational paradigm comprising the sort of assumptions which are rarely talked about, which are not considered problematic, and about which managers are unlikely to be explicit. The components of this paradigm reflect the collective experience of the organisation, without which its members would have to "reinvent the world" for the different circumstances that they face. The forces at work in the

environment, and the organisation's capabilities in coping with these, are made sense of in terms of the individual experience of managers and the collective assumptions within the paradigm. To understand the organisation's paradigm, one must be sensitive to signals from the wider culture of an organisation. Indeed, it is particularly important to understand these wider aspects because, not only do they give clues about the paradigm, they are also likely to reinforce the assumptions within that paradigm. In effect, they are the representation in organisational action of what is taken-for-granted. These elements of organisation culture are often referred to as "artifacts". Artifacts are the most visible and most superficial manifestations of an organisational culture. The category artifacts generally refers to the total physical and socially constructed environment of an organisation. Those comprise what Johnson and Scholes (1997) regard as the outer layer of the firm's "cultural web" (Fig. 1).

Six major types of artifact can be distinguished-rituals and routines, stories, symbols, power structures, organisational structures and control systems (Johnson and Scholes, 1997, pp. 69-74).

(i) Recurrent patterns of behaviour are a feature of organisational life. The routine ways that members of the organisation behave towards each other and towards those outside the organisation comprise "the way we do things around here". The rituals of organisational life are the special events through which the organisation emphasises what is particularly important and reinforces "the way we do things around here". Rituals can be 'relatively elaborate, dramatic, planned sets of activities that consolidate various forms of cultural expression into organised events, which are carried out through social interaction usually for the benefit of an audience' (Beyer and Trice 1988 p.142).

(ii) *Stories* have long been recognised to be an integral feature of organisational life. People tend to tell stories not just because the performance is itself enjoyable, but in order to influence other people's understanding of situations and events, to illustrate their knowledge and insight into how their organisation works, and to show that they are loyal members of the team. Organisational *stories* are narratives which focus on a single unified sequence of events and which are apparently drawn from the organisation's history (Martin, Feldman, Hatch, and Sitkin, 1983). Whilst accounts of the same story given by different individuals are likely to differ, they are never the less important indicators of cultural values and beliefs; formal and informal rules and procedures; the consequences of deviance from and compliance with, the rules; and the social categories and status, and thus the power structure of an organisation (Perrow 1979).

(iii) Symbols are words, objects, conditions, acts or characteristics of persons that signify something different or wider from themselves, and which have meaning for an individual or group. *Symbols* cover a range of different elements logos, titles or the type of language and terminology commonly used, become a shorthand representation of the nature of the organisation. They include physical layouts, e.g., how hotel space is used (open or closed plan, shared or individual working spaces, relative location of different departments) and the quality and functionality of furnishings. Berg and Kreiner (1990) suggest that the architecture of corporate buildings have a significant influence on employee behaviour in terms of how they interact, communicate and perform their work tasks. Buildings can become part of the organisation's product such that a visit to them is distinctive for hotel guests. Hotel buildings can be symbols of opulence, status, potency and good taste and even be regarded as 'landmarks' in big international cities.

(iv) Power structures in an organisation are likely to be closely associated with groupings (often managerial), within the organisation which influence the formulation and observance of a set of core assumptions and beliefs, since these underlie the "perceived wisdom" of how to operate successfully.

(v) *Organisation structure* refers to the organisation's formal framework by which job tasks

are divided, grouped and coordinated. Conceptually, it is defined as the degree of centralisation, formalisation, span of control, chain of command, departmentalisation and work specialisation in the organisation (Robbins et.al. 2004). It encompasses both the formal hierarchy as well as the informal structures and networks of the organisation. The organisational structure is likely to reflect *power structures*, delineate important relationships and emphasise what is important in the organisation (Johnson and Scholes, 1997, p. 74).

(vi) Control systems indicate what is important to monitor in the organisation, and to focus attention and activity upon. The organisation culture of four Regent International Hotels' properties can be examined with reference to each element of the cultural web.

Organisational culture of Regent International Hotels

Method

The use of multiple investigators, multiple sources of data, or multiple methods, otherwise known as triangulation, allows researchers to confirm their emerging findings (Miles and Huberman, 1994). The aim of triangulation is to establish validity through pooled judgement. This study used multiple sources of data, semi-structured face-to-face interviews; document analysis of in-house publications, staff bulletin board notices and flyers, and advertising material; and a series of observations of interactions between both hotel staff and hotel staff and guests.

The fieldwork for the first Regent International Hotels' property in this study (Sydney) was undertaken in late 1997 - early 1998. The fieldwork for the other three Regent International Hotels' properties in Bangkok, Singapore and Kuala Lumpur was completed in early 2002. The richest source of data was the interviews. The interviews were carried out as semi-structured discussions and they were conducted with Section Managers and with a range of employees, from each key section at each of the four hotel sites. The duration of the discussions ranged from 25 to 35 minutes and they were carried out after respondents had finished their shift. The amount of information gleaned from each respondent was dependent upon how convenient it was for the respondent to impart information and their level of energy and enthusiasm. The effect of tiredness on the amount of information imparted and the respondents' level of interest was evident when interviews were carried out in the evening and following the completion of a work shift.

Twenty five respondents were interviewed at each of the four Regent International Hotels' properties. Forty percent (40%) of the respondent sample was established using the organisation charts for each site to identify section managers who were approached for interview. The other sixty percent (60%) of the respondent sample was obtained by researcher invitation. Whilst the researcher was on-site at each hotel carrying out observations, staff were randomly selected and approached before commencing their shift, so that an interview could be secured for immediately after the end of their shift. The researcher carried out observations at different times of the day and night and on different days of the week so that a wide variety of staff would be recruited from all sections of each hotel site.

The respondents' length of service at the Regent Hotel was taken into account in the selection of interviewees. It was considered that those respondents who had spent a lot longer period of service with Regent International Hotels were more likely to have accepted the culture of Regent International. Some respondents with over 4 years of service had fully adopted the Regent International culture and were proud to be a "Regent Person". Respondents with less than 6 months service were also interviewed and their responses suggested that they were still undergoing the socialisation process, in that they were

deciding on the extent to which they believed in and wanted to embody "The Regent Experience".

The actions of members of a culture, and the actions and writings of the researcher both construct and signify meaning. Ricoeur (1971) and Geertz (1973) argue that the ways in which meanings are constituted in a culture must be read or interpreted by the researcher in much the same manner as one would read or interpret a complicated text. *What* it is that the researcher reads and *how* this activity of reading should be construed is highlighted by Geertz (1973) view that there is no world of social facts "out there" waiting to be observed, recorded, described and analysed by the inquirer. Rather, the inquirer constructs a reading of the meaning-making process of the people he or she studies. What the inquirer (the researcher) has done in this study of culture at four Regent International Hotels' properties, is to trace the curve of social discourse and fix it to a framework or paradigm in order to derive the meaning, the gist, the thought of a speech event not the event itself. In doing so the researcher has rescued the activity of participants' meaning making, changing it from a passing event, which exists only in its own moment of occurrence, into an account, which exists in its inscriptions and can be consulted. An analysis from the elements of culture, that is the cultural web, was conducted and then an account was developed using the questions in Appendix A as a guide.

The four hotel properties were revisited during the period 2002/ 2003 and brief interviews were conducted with previous interview respondents if they were still a "Regent Person". Not all respondents who were initially interviewed could be located, as they had left the employ of the Regent International Hotels Group. The aim of the interviews conducted during the revisit, combined with a re-examination of the hotels' literature and advertising materials, and a further series of observations of interactions between staff members as well as interactions between staff and guests, was to determine whether there had been any drift in the culture and strategy of the four hotel properties.

Rituals and routines

The greeting of guests on arrival and the checkout procedure in a hotel are examples of routines. Rituals include *relatively formal organisational* processes - training programs, appointment, promotion and assessment procedures, induction programs and so on, and relatively informal processes such as "Thank God its Friday" drinks after work, the awarding of outstanding service awards, etc. (Robbins et al., 2004, p. 512 - 513).

The use of jargon as a form of communication shorthand emphasises the embeddedness of terms and phrases in the routines of the hotels. At Regent International Hotels, jargon such as experience expansion (moving staff to other areas of the hotel) and buddying (being nice to a new member of staff) emphasise the distinctive culture and shared understandings which emphasise the notion of everyone working together as a team to meet guests' needs.

Rituals are routinised activities that maintain cultural beliefs and values. At Regent International Hotels, rituals such as the weekly section meeting ensure that all staff are kept informed of important events, decisions and changes. The meetings are also an occasion at which staff can express ideas and participate in decision-making for their section as well as for the hotel. The information discussed at the meetings is posted on staff bulletin boards to reinforce important points of the meeting and decisions that are made.

Rituals can also take the form of formal celebrations of cultural values; such events are often referred to as ceremonies. Ceremonies may be thought of as celebrations of organisational culture, or collective acts of cultural worship that remind and reinforce cultural values (Brown, 1998, p. 17). At Regent International Hotels, staff who exceed expectations in some aspect of guest service, are rewarded through formal recognition of their outstanding performance in front of their peers. These ceremonies are extremely

motivating and serve to ensure a repeat of the superior performance by the staff member. The ceremony serves to reinforce for other staff members the importance of not only respecting the organisational culture, but also taking an active part in demonstrating commitment to the espoused features of the culture at Regent International Hotels. At each hotel awards are given to outstanding "Regent People" each month, the awards being presented to the employees at a gathering of their section peers. The monthly awardees are also rewarded with an accommodation package that is inclusive of meals and entertainment. The "reward night" can be shared with their spouse or partner. Employees' are expected to complete a written evaluation of their night commenting on the standard of housekeeping, the conduct of the concierge and hotel reception, the standard of restaurant food and service and portorage on checkout. The aim of requesting employees' evaluations of their "reward night" is to ensure that a guest's stay with the hotel is "truly rewarding". The identification of flaws in service delivery and criticism is encouraged more than praise. The view often expressed by managers is that if Regent International and its staff do not know that problems exist then how can a solution be found? When guests raise a concern, it is to be viewed an opportunity. A duty manager in reception stated during his interview, "We want to find opportunities to define and redefine "The Regent Experience" so that our guests experience the highest standards of luxury hospitality, so that their stay with us is a truly rewarding experience".

Stories

The stories told by members of the organisation to each other, to outsiders, to new staff members, etc. embed the present in its organisational history and highlight important events and personalities. They typically deal with success, disasters, heroes, villains and mavericks that deviate from the norm. Stories distil the essence of an organisation's past, legitimise types of behaviour and are devices for telling people what is important in the organisation (Ott, 1989). The management at the selected Regent International Hotels properties regularly expresses the view that they reward innovation and the taking of risks. It is then not surprising to hear the frequently recounted stories of the guest who decided to go to the hotel gym and spa after surviving an exhausting day of business meetings. The guest was extremely disappointed to find that they had forgotten to pack their sports shoes and rang the concierge to enquire about the location of the nearest sports store to the hotel. The concierge not only lent the guest a pair of sports shoes but joined the guest on the hotel's rooftop running track, providing the guest with some company and 'going just that little bit further to provide a valuable personal touch'. Then, there is the story of the hotel guest who faced embarrassment when their luggage, containing a business suit was misplaced by the airline, with only 2 hours before an important business meeting. The guest was surprised and delighted when a hotel employee recognising the guest's dilemma arranged for a high fashion menswear store in the city to come to the hotel and fit one of their basic stock suits to the guest's physique. The day was saved and the deal was signed. The actions of these "Regent people" were seen as so innovative and unique that Regent International Hotels decided to introduce the "No Luggage Required" program. Guests who lose luggage or are missing personal belongings can take advantage of the program, which goes beyond replacing essential items, to replacing a missing tie or outfitting guests with a suit for that all-important meeting.

Even when wholly fanciful (myths), stories are important indicators of cultural values and beliefs, formal and informal rules and procedures, the consequences of deviation from and compliance with, the rules, and thus the power structure of an organisation. Stories are also guardians of cultural values and beliefs. They are an effective control mechanism because they facilitate recall of information, they tend to generate belief, and they encourage attitudinal comment by appealing to legitimate values (Wilkins, 1983). Stories are also a means by which organisations make claims to *uniqueness*, often incorporating distinctive personalities and specific organisationally relevant avenues and activities (Martin, 1983; Robbins et al., 2004). Stories regarding a staff member's rapid rise in the organisation highlight the rewards for subscribing to and practising the desired ways of thinking and

acting at Regent International Hotels. Statements of philosophy such as "exceed your guests expectations", and "attempt to surprise and delight your guests", identify the path adopted by those who have had significant success at Regent International Hotels. Staff members' attempts to excel in all aspects of their work are regularly recounted in organisation success stories to guests, the public and new staff with a degree of pride in "The Regent Experience".

Symbols

Companies use symbols, role models, ceremonial occasions and group gatherings to tighten the strategy-culture fit. Buildings can serve as totems or unity symbols of company identity for employees (Brown, 1998, p. 12). This is evidenced by the tendency for many organisations to use pictures of their buildings in advertising and in annual reports. Symbols also include types of technology used and dress codes (formal/informal). The type of language and terminology used by staff to address each other, or to refer to customers and clients, can also reflect and symbolise those values that are seen as important, which impact on strategy and performance. Abstractions such as "inspirational spaces", "exquisite service" and "excellent locations", are commonly used at Regent International to promote strategic and operational objectives in organisations. However, such terms can (and do) mean different things in different organisational cultures (Schein, 1984). Managerial reliance on a common understanding needs to be balanced with an awareness that serious communication problems can arise if different people, or sections, in the same organisation interpret those and other ideas in different ways.

The image of elegance is symbolised in the grey capital "R " that scrolls across the front of menus, is woven into the carpet in the hotel groups' properties and is embroidered on the lapels of employees tailored and starched uniforms. The "R" symbol of the Regent brand name is recognised internationally and is used to constantly reinforce in the minds of guests and the public in general that the Regent International Hotels chain and its "Regent People" provide "the discerning business and leisure travellers with the highest standards of luxury hospitality by providing understated elegance and a guarantee of quality in every aspect of guest service".

Within Regent International Hotels, staff are encouraged to provide service that is personalised, genuine and caring. Guests are greeted by name and staff are to be friendly and warm in their approach, but never over-familiar with guests. Attention is to be paid to guests' needs; in fact, a Regent International staff member should anticipate guests' needs where possible but not be intrusive. As mentioned by a banqueting manager during an interview "It is the less obvious and unseen actions of Regent International staff that can make a guest feel truly welcome". The policy of twice-daily maid service reinforces this point. Quality is symbolised by the way staff are required to pay particular attention to their dress and grooming. The expectations of staff in this aspect of their performance are detailed in the silver embossed staff handbook. Staff are told to "shower daily". It can be offensive to guests and fellow colleagues if you do not smell pleasant. Perfumes, deodorants, aftershave and men's colognes are to be very light and subtle smelling. Any jewellery worn is to be stylish but subdued and mainly confined to small dress rings, stud style earrings, and a watch. Staff are to be friendly and helpful. The "selling of strawberries" to guests refers to satisfying the guest's request and then adding a little more, a special touch over and above what would normally be expected by the guest. The hotel staff are to adopt a professional approach in all guest contact, the expectations here being presented to staff in courtesy and attitude workshops. These workshops are provided to all new appointees and staff are rostered for regular refresher sessions.

Power structures

A number of researchers have pointed to the links between the focus of power in

organisations and the perceived ability of such powerful individuals or groups to reduce uncertainty (Hickson et al., 1971). Since the core set of assumptions and beliefs underlies the perceived wisdom of how to operate successfully, it is likely that those most associated with it will be the most powerful in the organisation. Human resources, that is the staff of Regent International Hotels, are seen as being the most important resource to the organisation, without which the desired culture of quality could not be achieved. In an organisation where guest service and satisfaction is a priority, the human resources department can wield a lot of power. They play a crucial role in organisations such as hotels by ensuring that only service-oriented people are employed and remain in the organisation.

A primary source of new appointees is introductions provided by staff already working for Regent International Hotels. The management of Regent International Hotels have found that personal links reduce social variability in the applicant pool. All final appointees have two personal interviews with Human Resources staff. The emphasis is placed on identifying people who conform to Regent International Hotels highly specific standards of appearance, grooming, behaviour and personality. Staff in the Human Resources section have their interview questions carefully planned, and interviewers are highly trained and experienced so they identify the career seekers from the job seekers. Personality is what counts; prospective "Regent persons" must be confident and enthusiastic but not overly so. Preservation of the Regent International Hotels culture and "The Regent Experience " is dependent on the Human Resources section and their selection skills. At the Regent International Hotels in Sydney, Bangkok, Singapore and Kuala Lumpur, it was recognised that a culture that was customer-focused and fixated on quality had to be maintained. Regent International Hotels explicitly recognised that the quality of service that it offers is only as good as the staff that it employs. Recruitment and selection are taken extremely seriously, with applicants undergoing a detailed selection process to discover not just if they have the required analytical abilities but are enthusiastic, motivated, dedicated, extrovert and hard-working. Unsurprisingly, the overriding factor assess is, of course, their commitment to customer service. Regent International Hotels recognise that it is vital that all of their staff project a positive and professional image of the organisation. It is also important for raw recruits to be socialised into the dominant culture, with its heavy emphasis on quality, service and guests.

Once appointed, new employees undergo entry socialisation that is formal, collective and serial. Incoming identities are not so much dismantled as they are set aside as employees are schooled in their new identities. New employees are immersed in the company's history dating back to 1970 in Hong Kong when Regent International Hotels was founded, and instructed in the Regent philosophy and the standards of guest service that are expected of a "Regent person". One important point to note is that training does not finish once basis training is complete: all interactions phone and face to face are monitored and observed and regular feedback is provided to staff concerning the appropriateness and effectiveness of both their conversation and accompanying interactions in terms of style and tone.

Power also resides with each and every "Regent Person". As all staff are encouraged to contribute to the decision-making process in the Hotel properties, staff are empowered to use their initiative and determine the best way of providing a quality experience for each guest they come into contact with. Some theorists, such as Whipp (1993), have expressed scepticism about the labels that management use for this empowering process. He claims that labels such as "democratising the work-force" and "worker participation" are means to an end, not an end in themselves, and that it is a form of exploitation by another name. Whether Regent International Hotels is using staff empowerment or exploitation cannot be answered here; however, it can be said, using the information collected by observation and interview, that the use of a cultural approach had the positive effects of reducing staff turnover substantially, reducing guest concerns and heightening public and guest awareness of the distinctive quality service provided by Regent International Hotels and

their teams.

Organisational structure

Organisations such as hotels are increasingly relying on work groups to monitor their own performance, generate new ideas and better ways of "delighting" guests. The competition between work groups to excel and improve their work place has been found to be far more effective in generating both guest and worker satisfaction than a structure that relies on hierarchy, rank, rules and procedures. At Regent International Hotels, hierarchical structures have been dispensed with in favour of a flatter structure with few levels of reporting. In fact, control comes from the team structure. This structure emphasises that, whilst individuals can be successful at Regent International Hotels, the real synergy comes from team members working together to support each other and to act as "quality controllers" on other team members behaviour and work quality. The team approach promotes the free flow of ideas and suggestions of how to operate better and provide a quality experience for guests.

Control systems

The literature has been less concerned with cultural processes and rather more focussed on 'strong cultures' and how they can be created. Control is achieved through cultural strategies that operate by generating the consent of the workforce through the diffusion and popularisation of either the culture of senior management, or a culture which senior management popularise without actually sharing (Bate 1994:39). According to Kirkbride (1983:238) the values and norms are first disseminated; then there may be some denial and censorship of alternate or opposition views; finally there will be some attempt to define and limit the parameters of what is able to be discussed, and eventually people will internalise this and just avoid certain topics and lines of critique. Control is increasingly being exercised over sensory, aesthetic and emotional responses - employees are being told what to feel as well as what to think, and these feelings are played on by culture manipulators. Increasingly, employees are required to artificially generate sincere feelings.

Perhaps Oswick, Lowe and Jones (1996 p.111) are correct in stating "The job of the leader is not just the management of meaning (Smircich and Morgan 1982), but also the management of feeling (Bate 1994)".

Quality of service, and exceeding guest expectations, may be closely controlled and monitored to ensure that the organisation and its members attain high levels of service and guest satisfaction. Financial controls and reporting may be relegated to a lower priority in a service-focussed organisation.

Reward systems are important influences on behaviour, but can also prove to be a barrier to the success of new strategies. Therefore, an organisation with individually based bonus or reward schemes related to volume, could find it difficult to promote strategies requiring teamwork and an emphasis on quality rather than volume. Non-financial rewards also figure in Regent International Hotels' management systems. For example a prominently placed 'guest board' contains words of praise from satisfied guests on one side and guest criticisms on the other: both sides of the board are updated frequently. Teams work hard to identify how they can ensure those guest criticisms are rectified and not repeated.

Behavioural control is exerted through Regent International Hotels' training. Staff are taught how to enjoy their job and that they should greet guests at all times with a smile. In the attitude workshop staff are told that "smiles are what count". These smiles need to be impeccable and almost as crisp as their daily dry-cleaned uniforms. "Nothing is to be too big a chore." Their well-rehearsed behaviour has led to staff being referred to as "sophisticated McDondaldites" and Regent International Hotels has been dubbed "The Smile

Factory" and "Home of the Plastic Smile". This is not just a select few staff members practicing their public relations. The Regent International style of doing things is the American style of human relations with all its gimmicks, "Smile and the whole world smiles with you". A general manager in his interview reinforced the need for uniform behaviour with guests stating that:

"Competition in the hotel industry is aggressive and the only true differentiator is our people. Our commitment to The Regent experience is more than just an attitude. It must be a way of life at work!"

The uniformity of staff behaviour that is demanded allows management greater predictability and therefore control of their very important people. Management states that staff are considered to be "the most important ingredient in the hotel's success". Staff also appears to be considered as another economic component in the cogs that turn in the hotel group and they are the keys to increasing profits. However, staff who have accepted the Regent International culture take a different view. As one waitstaff member put it, "The most important thing is to sell yourself to the guests. Once we get them in, we can keep them coming back". This view was emphasised by a guest relations manager in her interview who stated that "A loyal guest provides the basis of successful financial results. We know that loyal employees are the key to that success". Once trained Regent International employees come to believe they are a "Regent person" and the ease with which they glide into their guest-friendly roles is, in large measure, a feat of social engineering.

Recruiting only the type of people that identify with the corporate objectives further ensures control. At Regent International Hotels, all of the front of house staff are under 30, they are youthful and have pleasant, out-going, but not overly confident personalities. The ultimate "Regent Person" displays ambition and "will leap tall buildings in a single bound when they feel that they are wanted and that they can contribute to the organisation".

The use of overt controls is avoided at the Regent as tight control discourages daring and initiative, the precise qualities that "The Regent Experience" and the "Regent Person" value and thrive on. Hotel employees are encouraged to be creative in devising solutions to challenges presented by guests. Management realises and values the fact that better ways of operating can grow from employees' creativity. Employees are engaged in solution finding rather than problem solving.

Human Resources and Their Impact on Organisation Performance

From the above discussion it can be seen that culture permeates every aspect of operations at Regent International Hotels. Culture shapes the employees' responses to guests and also management's responses to their most important asset, their human resources. As suggested by Robbins et al. (2004), culture conveys a sense of identity for organisational members, it facilitates the generation of commitment to something larger than one's individual self-interest and provides a "social glue" that helps hold the organisation together and thereby acts as a control mechanism that shapes the attitudes and behaviour of employees.

The hotel's external environment creates many pressures for change. Changes occur on economic, social, legal, environmental and technical dimensions, requiring appropriate and timely responses (Dwyer and Kemp, 1999). The hotel has an equally demanding internal environment. Employees needs for achievement, recognition, responsibility, advancement and satisfying work must be recognised and appropriately responded to. Guests needs and what they see as important are constantly changing, and once demands are met, future expectations are increased. The supremacy of guest's desires is emphasised by the competitive pressure for guests by rival hotels.

The ability to adapt and respond to this range of pressures is largely determined by the role human resources play in the organisation's culture. A strong organisational culture increases behavioural consistency; efficiency and effectiveness are achievable. In fact, a strong culture can act as a substitute for formal, mechanistic approaches to strategy. The point being made here is that a strong culture, such as that exemplified by the Regent International Hotels, achieves the same end without the need for expressed written strategies.

Formal strategy, and culture as a tool of strategy, can be viewed as two different roads to a common destination. The stronger an organisation's culture, the less management needs to invoke formal rules and intervene to guide employee behaviour. Those guides will be internalised in employees when they accept the organisation's culture.

If human resources are deemed to be important and are nurtured through an organisation's culture, the benefit to the organisation is that employees will enable the organisation to adapt and respond to changes in its internal and external environment, whilst enjoying the benefits of employee commitment to the organisation and its cultural strategy.

It is important for managers not to view organisational culture as elusive, intangible and insignificant, but rather as an important component of strategic planning and management. Culture-based strategy is the key to governing day-to-day behaviour in the workplace and in the longer term, sustaining the organisation and its members on its strategic mission.

Regent International Hotels are very culturally driven. The inherent benefit of understanding and effectively using a cultural approach to management is that it extends the benefits of collective participation into the lower levels of the hotel group in order to secure commitment to the organisation's goals and strategies throughout the organisation. In essence, top management sets the game plan and communicates the direction in which the hotels should move, but then, it gives individuals the responsibility of determining the details of how to execute the plan.

Regent International Hotels' culture is based on "soft" control. This is a much more subtle and potentially more powerful means of influencing behaviour, through shaping the norms, values, symbols and beliefs that managers and hotel staff use in making day-to-day decisions.

The difference between managers using a cultural approach, and those simply involved in participative management, is that the managers at Regent International Hotels understand that corporate culture should serve as the handmaiden to corporate strategy, rather than adopting the new faith of empowerment and the like, for its own sake.

The cultural approach at Regent International Hotels has involved personnel practices such as less-specialised career paths, job rotation and consensus decision-making, an expectation of full involvement of hotel staff in decisions, both in their formulation and implementation stages. Managers have more interaction with their subordinates who they now see as team members. At Regent International Hotels, the cultural approach has resulted in breaking down the barriers between the thinkers and the doers. The staff at the Hotel group share a strong awareness of the corporate mission and philosophy. They all know that "The Regent Experience" encourages "Regent People" to be innovative. Creativity, new ideas and initiative are encouraged at every level and in each location within the Hotel group.

The most visible cost of this approach is also its primary strength: the consensus decision-making and other culture reinforcing activities consume large amounts of time. However, the big payoff is that a new initiative can be speedily implemented, there is less gamesmanship between managers and less time and effort spent on fighting any negative feelings held by staff.

In this study the anthropologist's concept of societal cultures has been taken and applied at the organisational level. The main thesis has been that employees of an organisation develop common perceptions, which, in turn, affect their attitudes and behaviour. The strength of that effect, however, depends on the strength of the organisation's culture. It is recognised that national differences -that is, national cultures must be considered if accurate predictions are to be made about organisational behaviour in different countries. Research investigating this issue has been ongoing since 1986. Notably, Adler (1986, 1990) contends that national culture has a greater impact on employees than does their organisation's culture. Indeed, in a global chain of hotels such as Regent International Hotels, management may have to address the possibility of national culture overriding an organisation's culture. To counter this effect the management of Regent International Hotels place a special focus on combining the culture and way of life of the local community, in which the hotel is sited, with the globally applied Regent International Hotels culture. Regent International Hotels are clearly attempting to appreciate national culture whilst guarding against dilution of their distinctive Regent International Hotels culture.

Conclusions

It is recognised that there may be gaps between what is done and what is said to be done and so the espoused culture and the actual culture become loosely coupled. The formal culture is a blueprint for action that may or may not be followed. The strategies in place provide for a 'desired' reality that conforms to the formally espoused culture guidelines rather than actual reality.

The effort put into implementing or changing a culture in an organisation is not only politically motivated to create an illusion. For whilst the preparation of plans and documentation of policies and strategies does not entail great costs, the implementation and process of creating new ways of working and developing a culture can create substantial costs for the organisation. However, in order for the culture to be implemented there have to be deliberate decisions taken and human agency involved. It would be illogical to decide that structures should be in place and costs incurred if there was not a belief that some positive benefits would accrue. Compliance can be signalled by changes in 'appearance' and behaviour that signify commitment to action. The actions do not have to be successful as the focus is not on actual results and outcomes but on conformity of action and subscription to the desired culture.

As employees in the organisation have a choice whether or not they adopt the elements of the desired culture, what is clearly at issue here is the differences in intensity and vigour that each employee uses in adopting the organisational culture.

It is also suggested that a manager's capability and competence in implementing strategies to support the organisation culture, as perceived by the employees he/she is attempting to lead and influence, will also have an important influence on the degree of success of the cultural strategies, the amount of change that can be achieved and the survival and success of the organisation.

The distinctive features of Regent International Hotels that appear to explain the success of the cultural approach as an instrument of strategy are: decentralised power structures, shared goals of the organisation and its employees, organisational stability and growth, and planning that includes sufficient organisational slack (that is, unused resources) to absorb the costs of implementing and maintaining the culture of the hotel group.

The cultural approach, as judged by the managers and the staff that were interviewed for this study, has been successful. The cultural approach to strategically managing an organisation does have some limitations. Firstly, the approach only works well with informed and enthusiastic people. Secondly, it consumes large amounts of time to implement, as highlighted earlier. Finally, it can foster such a strong sense of organisational identity among employees that it becomes almost a handicap. It can be difficult to bring in "outsiders" at the top levels of the organisation and acceptance of new blood may present an ongoing problem. Organisations such as Regent International Hotels that have strong cultures often suppress deviance, find that attempts to introduce change outside of agreed boundaries are resisted, and that homogeneity and inbreeding can occur. For Regent International Hotels to avoid these problems, management need to be aware that an indoctrinal air can accompany a strong culture. Instead of achieving increased performance and satisfaction, the cultural approach to strategy may end up being just another variant of the management-centred approach and consequently, run the risk of maintaining a barrier between thinkers and doers in the organisation. Properly executed, the cultural approach to strategy can achieve a firm commitment from management and staff to the organisation's goals and strategies by capitalising on natural inclinations to want to develop opportunities in a reasoned way, without the impediment of management feeling threatened and drawing in the reins of control.

Regent International Hotels have achieved much with their cultural approach to strategy. The Regent International culture has fostered in employees a personal belief in and commitment to the hotel group's values. The work environment is guest and employee-centred. Both management and employees are open to learning and adopting change. The hotels in the group have a structure that provides a framework of agreed tasks, priorities and performance standards, and lines of clear authority, achieved through cross-functional teamwork, and effective peer relationships. Dispersed decision-making is aided by the provision of timely relevant and simple information linked to the task enabling employees to have self-control. Motivation of employees is achieved through the development of all of their competencies, through meaningful rewards, and clear promotion and career plans designed for each employee in partnership with management. Regent International employees have a clear view of the link between their role and the corporate goals and strategy, and they have the opportunity to contribute to the direction of the hotel group. The strategic use of a culture that reinforces the notion of employees not only planning for their future with the hotel group but also, having a key involvement in planning the future of the hotel group, ensures increased performance.

This study of four Regent International Hotels' properties has focussed on the integrating nature of culture and its use as a "driver" of strategy. This view of culture is highly desirable, particularly to the hotel group's management. Numerous advantages accrue to the organisation, more complex tasks are easily undertaken that otherwise could not be achieved by individuals; a wider range of new ideas is possible and mutual stimulation increases creativity; groups present an easier coordination task; inputs from a range of perspectives provides distinct benefits to problem-solving situations; and finally, culture can be used as a means of socialisation, where a common message can be given and a common perspective reinforced through group pressure.

Linstead and Grafton Small (1992) argue that a distinction can be made between 'corporate culture' and organisational culture'. The former is devised by management and transmitted and, marketed, sold or imposed on the rest of the organisation, with both internal and external images yet also including action and belief – the rites, rituals, stories and values which are offered to organizational members as part of the seductive process of achieving membership and gaining commitment'. The latter is that which 'grows or emerges within the organisation and which emphasises the creativity of organisational members as culture-makers, perhaps even resisting the dominant culture'. The researcher recognises that the culture of Regent International Hotels may be best identified as a 'corporate culture' rather than an 'organisational culture' if we accept the argument of Linstead and Grafton Small (1992). However, it is highlighted that Linstead and Grafton Small refer to a culture that is 'offered' and therefore a Regent International Hotels' employee has a choice to accept or reject the prevailing culture. However, acceptance is more likely as the lengthy hiring process reduces the likelihood that 'misfits' will have been selected into the organisation.

Additionally it must be acknowledged that the researcher in this study of the culture of Regent International Hotels, may have found what Louis (1985, p. 79) describes as "for-public-consumption culture", that is, a portrayal of the character of the organisation that top management would like to see presented, rather than one that truly reflects the existing culture. Thus, further investigation of the culture of the Regent International Hotels group and a re-examination of the evidence should be undertaken in order to find evidence that points to differentiation in the hotel group's culture. The focus needs to be on the existence of subcultures, the "islands of clarity in a sea of ambiguity" (Martin, 1992). The notion of "shared meaning" is still likely to be present however. Rather than seeing it as shared across the organisation, for a more comprehensive examination of the culture present in the Regent International Hotels group, it is more fruitful to view culture as shared with subcultures.

Although dimensions of organisational culture permeate all functional areas of business it seems fair to say that much of the management literature has neglected its importance for

strategy implementation. It is no easy task to uncover the cultural artifacts and those more basic values and beliefs that comprise organisational culture but they can represent some of the more important strengths and weaknesses of any hospitality organisation bearing on its performance. As such, they are deserving of further study in different organisations and in different locations.

The salient point of the discussion above is that strategists should perceive their organisation as a "sociocultural system". A major challenge of strategic management today is to bring about changes in organisational culture and individual mind sets necessary to support the formulation, implementation and evaluation of strategies to enhance a firm's competitive advantage. Further research particularly relevant to the hospitality industry would include identification and analysis of subcultures within hospitality organisations, exploration of the influence of deep culture on strategy formulation and implementation, and the role of individual elements of culture on organisation performance of hospitality organisations.

Acknowledgements

The author wishes to acknowledge Professor Larry Dwyer for his support during the pilot study undertaken on the Regent International Hotel's Sydney property and his co-authorship of the 2001 paper reporting that study. Professor Dwyer was also responsible for encouraging me to re-test the "cultural web" model and our findings on a wider range of Regent International Hotels' properties in the Asia-Pacific region.

Appendix A - Questions that were used as an interview guide.

1. Language used in the organisation. Is there a special jargon? Are particular metaphors used?
2. Stories or myths that are communicated in the organisation. What point(s) do they seem to be making?
3. Behaviour that seems to act as a clear ritual. What beliefs and values are being reinforced?
4. Ceremonies. What is their place in the organisation? What beliefs/values are being reinforced?
5. Important activities/interactions within the organisation. What norms apply in these situations?
6. Managerial practices in regard to matters such as treatment of subordinates and selection of staff for promotion. What signals do these practices give as to what is valued/rewarded by management?
7. What picture does the physical layout of the organisation provide? For example what does the hotel layout and style of furnishing suggest about the organisation?
8. What beliefs are held by, organisational members in regard to key areas of organisational activity?

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ⁱ The Cultural web was first applied by Johnson and Scholes in their work with trust managers in the United Kingdom National Health Service in 1994, shortly after trusts were established. See also Anthony, P., (1994) *Managing Culture*, Buckingham: Open University Press.

ⁱⁱ A strong culture is where the core values are intensely held and widely shared. The more members who accept the core values and the greater their commitment to those values, the stronger the culture is. Strong cultures have a greater impact on employee behaviour and are more directly related to reduced turnover, increased loyalty and cohesiveness.

ⁱⁱⁱ It is important to highlight that the author is referring to the study of four Regent International Hotels properties (Sydney, Bangkok, Singapore and Kuala Lumpur) and further research would be needed to establish if the organisational culture discussed here is common to all hotels in the Regent International Hotels group.