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**Online Instructor's Manual**  
*to accompany*

# **Introduction to Hospitality, 7e** **Introduction to Hospitality** **Management, 5e**

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# Chapter One

## Introducing Hospitality

### **I. Chapter Objectives**

*After reading and studying this chapter, you should be able to:*

1. Discuss the history of hospitality through the ages
2. Describe the characteristics of the hospitality industry.
3. Explain corporate philosophy and Total Quality Management
4. Discuss the many facets of service and why it has become such an important part of the hospitality industry.
5. Suggest ways to improve service.
6. Discuss current trends in the hospitality industry

### **II. Key Teaching Elements/Chapter Outline/Lecture Suggestions**

	<b><u>Page</u></b>	<b><u>Object.</u></b>
<b><i>Prelude</i></b>		
A short introduction to the hospitality industry	4	1
<b>Hospitality Through the Ages</b>		
The word hospitality comes from hospice, an old French term meaning “to provide care/shelter for travelers.”	4	1
Hospice de Beaune in Burgundy, France was established as a refuge for the poor in 1443 and still exists today. The sale of wine from its estates every November determines the prices for the next year’s Burgundy wines.		
<b>Ancient Times</b>		
The Sumerians (what is now Iraq) were the first to record elements of hospitality as they provided locals and travelers taverns where they served beer, food, and provided a place to stay.	4	1
Between 4,000 and 2,000 B.C.E., early civilizations in Europe, China, Egypt, and India all had some elements of hospitality offerings, such as taverns and inns along the roadside.		
<b>Greece and Rome</b>		
The Code of Hammurabi (circa 1700 B.C.E) made mention of tavern owners responsibilities. Increased travel made some form of overnight accommodations necessary and taverns and inns sprang up everywhere. By the time Marco Polo traveled to the Far East, there were 10,000 inns with the best in China.	5	1

### **Medieval Times**

Charlemagne established rest houses for pilgrims in the eighth century and innkeepers in Florence, Italy formed a successful guild in 1282 that had 86 members by 1290. 5 1

A stagecoach journey from London to Bath took three days with several stopovers at inns or taverns called ‘post houses.’

In the late sixteenth century, a type of tavern for commoners called an ‘ordinary’ were serving food for a fixed price. The food was ‘ordinary’ and there was no choice in the meal plan.

### **Coffee Houses**

Coffee and tea became popular in the 16<sup>th</sup> century and coffeehouses became a way of life. 6 1

With water being dangerous, these flavored drinks became popular very quickly.

### **The New World**

The “ordinary” as taverns were called in the early days of the American colonies, were gathering places for residents, hold meetings, and conduct business. The tavern was an important part of the new world. George Washington used the Frauncis Tavern as his Revolutionary War headquarters and it still operates today. 7 1

Even future presidents owned and operated taverns as the new colonies were being established.

### **The French Revolution**

The French revolution changed the course of culinary history as it was nobility that employed most of the country’s chefs. With the elimination (literally) of the noble class, French chefs began the immigration to other countries and especially to the Americas. 7 1

Thomas Jefferson installed a French chef in the White House, which influenced interest in French cooking in the new colonies.

Many of the immigrant chefs found New Orleans and changed the culinary direction of the region with their style of cooking.

### **The Nineteenth Century**

In 1856, Antoine Carême published La Cuisine Classique detailing numerous dishes and sauces. This led to the re-invention of the restaurant and its classic fare. By 1848, a hierarchy of eating places existed in New York City. There was a restaurant, level of service and price for everyone. 8 1

### **The Twentieth Century**

Several restaurant chains began in the 1900’s, including the classic White Castle with its sparse décor yet popular menu. In 1959 the Four Seasons opened as the first elegant American restaurant that was not 9 1

French in style.

Following World War II, America took to the road and expanded rapidly with hotels, motels, fast food, and coffee shops. With the expansion of air transportation, hotels and restaurants sprang up to meet the needs of the expanding nation.

In the 1980's, hospitality, travel, and tourism continued to increase dramatically. The baby boomers began to exert influence through their buying power. Distant exotic destinations and resorts became more accessible.

### **The Twenty-First Century**

The hospitality industry continues to mature with increased market segmentation and consolidation. More people are traveling, especially from and to China, Brazil, and India. 10 1

The recession slowed the industry, but as we emerge from it occupancies are up along with revenue per available room. Now companies are driving the margins to squeeze out a reasonable profit.

### **Welcome to You, the Future Hospitality Industry Leaders!** 10 1, 2

The hospitality industry is one of the most fascinating, fun, and stimulating to work in, plus you get paid quite well and have excellent advancement opportunities.

The hospitality industry is one where it does not take long before advancement opportunities come along. A degree plus experience enables almost anyone with the *service spirit* to enjoy success.

One of the reasons that Marriott International is so successful is given by Jim Collins writing in the forward of Bill Marriott's book ***The Spirit to Serve: Marriott's Way***. He writes that Marriott has timeless core values and enduring purpose...including the belief that people are number one..."take care of Marriott people and they will take care of the guests." People with a *service spirit* are happy to do something extra to make the guest's experience memorable. As one human resource director says, "Creating memorable experiences for others and being an Ambassador of the world, adding warmth and caring."

The National Restaurant Association (NRA) forecasts a need for thousands of supervisors and managers in the hospitality and tourism industry. 13 1, 2

### ***The Pineapple Tradition***

The pineapple is a symbol of welcome, friendship, and hospitality. Imported from the West Indies, pineapples were often served to royal families and the elite. 14 1, 2

### **The Interrelated Nature of Hospitality and Tourism**

The hospitality and tourism industry is the largest and fastest growing industry in the world. An exciting aspect is that the industry comprises so many different professions. 14 1,2,6

Common dynamics in this diverse industry include the delivery of services and products and the customer-guest impressions of them. 14 1, 2

Whether in direct contact with a guest (front of the house) or working behind the scenes (back of the house), the most challenging aspect of working in the industry is creating powerful impressions that have the ability to affect the human experience. 14 1, 2

People who provide services to travelers have the responsibility of representing their communities, creating memorable experiences, and meeting the needs and wants of people away from home. 15 1, 2

Restaurants fill the biological need to eat as well as the need to socialize and to be entertained. 16 1, 2

In managed services, foodservices are provided to institutional clients, meeting the needs of the guests as well as the client itself. 17 1, 2

Studies show that as many as 57 percent of consumers now use the Internet to book their travel, a percentage that vastly changes the landscape of the hospitality industry. In fact, technology could be the thin line between a successful business and bankruptcy for many organizations.

Restaurants use more than 30 different technology applications to provide faster, more cost efficient and productive business operations for guests and staff.

Many studies already showed that high-speed Internet is one of the most important in-room amenities that enable guest satisfaction in a hotel.

### **Characteristics of the Hospitality Industry**

Open 365 days a year, twenty-four hours a day, the hospitality industry tends to work longer hours than most other industries. Those in senior positions can expect to work 10-12 hours a day regardless of the time 19 2

or day.

Due to the industry running twenty-four hours a day, it relies heavily on shift work. Essentially there are four shifts including 11 p.m. to 7:30 a.m., known as the graveyard shift. 19 2

Hospitality industries are in the business of providing guest satisfaction at a price. The difficulty here is that the product is **intangible**; that is, the consumption and production occur at the same time making them **inseparable**. This helps explain why the product is also perishable; that is, a room or meal not sold tonight cannot be saved and sold tomorrow. 19 2

The other unique characteristic of this industry is the **perishability** of our product. For example, we have 1,400 guest rooms in inventory that are available to sell, but we only sell 1,200 rooms. What happens with the 200 unsold guest rooms? Nothing! We have permanently lost the revenue from these rooms. 19 2

One other unique characteristic of the hospitality industry to consider is the **variability** inherent within those that produce and consume. For instance, on the production side of the equation, each employee has different levels of skill, knowledge, ability, and passion for what they do and therefore we often see variability in the quality of work. And the same holds true for the guest!

In the hospitality industry, we are in business to make a **return on investment** for owners and/or shareholders and society. People invest money for us to run a business, and they expect a fair return on their investment.

### ***Careers***

There are hundreds of career options for you to consider, and it's fine if you are not yet sure which one is for you. The text will explore careers in lodging, foodservice, recreation, and special events to name a few. 20 2

### **Hospitality Industry Philosophy**

We have seen a change in current corporate philosophy. It used to be that corporate philosophy focused on the manager's ability to plan, organize, implement, and measure performance. Today there is a more stringent shift toward managers' counseling associates, giving them resources, and helping them to develop and think for themselves. This shift has proven effective in that it promotes **empowerment**, and strong ties to **Total Quality Management (TQM)**. Major changes include increased corporate ethics, morals, fairness, and equality. 23 2, 3



***Service Philosophy Is a Way of Life***

“Spirit to serve” comes from deep-rooted values. Service should be a commitment to continuous improvement and overcoming adversity. Our culture influences the way we treat associates, guests, and the community, and that affects the success of everyone.	24	2, 3
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***Sustainable Hospitality***

The concept of sustainability involves “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” <b>Sustainability</b> is the ability to achieve ongoing economic prosperity while protecting the natural resources of the planet and maintaining an ideal quality of life for its people and future generations.	24	2,3,6
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**Success in Service**

To achieve success, exceptional service is required. The satisfaction of external customers ultimately measures a company’s success since they are the people who are willing to pay for its services. To ensure success, one must also ensure guest loyalty.	25	2, 4
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Given that approximately 70 percent of the U.S. and Canadian economies and an increasing percentage of other countries’ are engaged in <b>service industries</b> , it is critical to offer guests exceptional service.	25	2, 4
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This is the <i>age of service</i> , and the hospitality industry is getting revamped because guest expectations have increased and the realization is that “we buy loyalty with service.”	25	2, 4
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A guest is anyone who receives or benefits from the output of someone’s work.

For success in service, it is necessary to focus on the guest, understand the role of the guest-contact employee, weave a service culture, promote high-touch instead of high-tech, and thrive on change. Guest loyalty is the key.	25	2,3,4
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***Moments of Truth***

Every hospitality organization encounters hundreds of moments of truth (guest encounters) every day. Service commitment is a total organizational approach that makes quality of service as perceived by the customer.	28	3, 4, 5
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### ***The Focus on Service***

Giving great service is a very difficult task; few businesses give enough priority to training associates in how to provide service. The Educational Foundation of the National Restaurant Association (NRA) developed programs to enhance hospitality students' professional development. One of their courses is Foodservice Leadership. 29 3, 4, 5

Guest service is a central focus of hospitality. It is what hospitality is all about—what we do. Our job, first and foremost, is to enhance the lives of those people (guests, passengers, etc.) to whom we are dedicated to serve. Our job is to make the lives of others better in a small way or big way; it makes no difference.

Quality guest service requires that we understand our guest's needs. The guest needs to feel welcome, comfortable, and they need to feel important.

### ***Service and Total Quality Management***

In the area of service, TQM is a participatory process that empowers all levels of employees to work in groups to establish guest service expectations and determine the best way to meet or exceed those expectations. TQM works best when managers are also good leaders. 29 2, 3, 4

The difference between TQM and quality control (QC) is that QC focuses on error detection, while TQM focuses on error prevention.

### ***The Disney Approach to Guest Service***

The Disney mission statement is "We create happiness." Disney's commitment to service means they understand their product and the meaning of the brand, they look at the business from the guests' perspective, and they consider it their responsibility to create an exceptional experience for each guest. 34 1, 3, 4, 5

New managers are provided technical training, guests are asked to take surveys, and encouraging cast members to be innovative in their daily approach are all models used by Disney to provide guest services above and beyond what is expected.

### ***Career Paths***

The career path of most individuals is not necessarily in a straight line. The path is often a combination of paths such as food and beverage, rooms division, marketing, human resources, or finance and accounting. Progression from department to department earns you the experience necessary for the next step. 38 2, 6

## **Career Goals**

If you are not sure of which career path to pursue, that's OK. Now is the time to explore the industry to gain the information you need to decide which career path to follow. A great way to do this is through internships and work experience.

39 2, 6

## **Is the Hospitality Industry for You?**

We also know that it is an exciting and dynamic industry with growth potential, especially when the economy is strong. In the hospitality industry we are often working when others are at leisure.

39 2

Ensuring that guests receive outstanding service is a goal of hospitality corporations.

The personal characteristics, qualities, skills, and abilities you'll need are honesty, hard work, being a team player, being prepared to work long hours spread over various shifts, the ability to cope with stress, good decision-making skills, good communication skills, being dedicated to exceptional service, and having a passion and desire to exceed guest expectations.

Recruiters look for *service-oriented* people, who “walk their talk,” meaning they do what they say they're going to do. Good work experience, involvement in on-campus and professional organizations, a positive attitude, a good grade point average—all show a commitment to an individual's studies.

## **Self-Assessment and Personal Philosophy**

The purpose of completing a self-assessment is to measure our current strengths and weaknesses and to determine what we need to improve on if we are going to reach our goals. Self-assessment helps establish where we are now and shows us the links to where we want to go, our goals.

40 4, 5

Your *philosophy* is your beliefs and the way you treat others and your work. It will determine who you are and what you stand for.

## **Now is the Time to Get Involved**

For your own enjoyment and personal growth and development, it is very important to get involved with on-campus and professional hospitality and tourism organizations and participate in the organization of events. Recruiters notice the difference between students who have become involved with various organizations and students who have not, and they take that into consideration when assessing candidates for positions with companies.

40 4, 5

## **Professional Organizations**

Becoming a student member in hospitality related organizations show your commitment to your career and become a basis for recruiters to see your professional attitude. 41 4, 5, 6

## **Trends in Hospitality and Tourism**

Major trends in the hospitality industry include Globalization, Health, Safety and Security, Diversity and changing Demographics, Service, Technology, Sustainability and Green Travel, Legal issues, Travel with a Purpose, and Social Media and Mobile. 41 2, 6

### **III. Teaching Techniques/Classroom Exercises**

*Note: The content of these exercises is such that they may also be used as essay questions.*

#### **Exercise One:**

Have students describe the Hospitality Industry. Their descriptions should include industry characteristics and scope, including travel, lodging, foodservice, and recreation.

#### **Exercise Two:**

Have students research and discuss the corporate philosophy of a company of their choice, preferably one in the hospitality industry. Be sure to include things such as corporate culture, missions, goals, objectives, and strategies.

#### **Exercise Three:**

Over the past several years, there have been numerous mergers and acquisitions throughout the hospitality industry. An appreciation of “who owns what” and the company growth pattern can help readers understand how integrated the industry is.

### **Check Your Knowledge, p. 20**

- 1) *Question:* Identify and explain two differences between the hospitality business and other business sectors.

*Answer:* Hospitality businesses are open 365 days a year and 24 hours a day. The hospitality industry depends heavily on shift work. (p. 19)

Other characteristics are the constant strive for outstanding guest service, the intangibility, and the perishability of the product.

- 2) *Question:* List and describe the four shifts in the hospitality industry.

*Answer:* Morning Shift: 7 a.m. – 3 p.m. This is the early shift and may begin an hour or so earlier or later but typically runs 8 hours.

Mid Shift: 10 a.m. – 7:00 p.m. Great for experience and is typically covered by those who need minimum supervision such as supervisors. This shift requires

coordination with morning shift and evening shift.

Evening Shift: 3 p.m. – 11:30 p.m. Particularly common with hotels and food and beverage employees.

Graveyard Shift: 11 p.m. – 7:30 a.m. Commonly known as the night audit, this shift often involves several accounting functions that are best done during slower business times and operations. (page 19)

- 3) *Question:* Identify some of the highlighted characteristics of the hospitality industry.

*Answer:* The hospitality business produces guest satisfaction, an intangible, and its product is perishable. (page 19)

### **Check Your Knowledge, p. 24**

- 1) *Question:* Describe Marriott’s “Spirit to Serve”

*Answer:* It is the “Marriott Way” serving the associates, the customer, and the community. These are the cornerstone for all Marriott associates who strive to fulfill the values that originate from deep inside the people themselves; they are authentic, bone-deep, and passionately held. These values drive Marriott culture. (page 24)

- 2) *Question:* Define the term corporate philosophy and how it is currently understood, especially in the hospitality industry.

*Answer:* Corporate philosophy embraces the values of the organization, including ethics, morals, fairness, and equality. (page 23)

- 3) *Question:* What is sustainability, and how does it relate to the hospitality industry?

*Answer:* Sustainability is the ability to achieve ongoing economic prosperity while protecting the natural resources of the planet and maintaining an ideal quality of life for its people and future generations. (page 24)

### **Check Your Knowledge, p. 28**

- 1) *Question:* Explain why service in the hospitality industry is so important. Give an example from your own experience as a guest, if possible.

*Answer:* It is critical to offer guests exceptional service. This is the *age of service*, and the hospitality industry is getting revamped because guest expectations have increased and the realization is that “we buy loyalty with service.”

Student answers will vary.

- 2) *Question:* List the five things required for success in service.

*Answer:* Focus on the guest, understand the role of the guest-contact employee, weave a service culture into education and training systems, emphasize high-

touch as well as high-tech, and thrive on change – constantly improve the guest experience.

- 3) *Question:* What is a moment of truth?

*Answer:* A “moment of truth” involves face-to-face or physical encounters with service. A moment of truth occurs between the customer and the service provider.

### **Check Your Knowledge, p. 33**

- 1) *Question:* What is the Malcolm Baldrige National Quality Award?

*Answer:* The Malcolm Baldrige National Quality Award is the highest level of national recognition for quality that a U.S. company can receive. The award promotes an understanding of quality excellence, greater awareness of quality on a critical competitive element, and the sharing of quality information and strategies. The Ritz-Carlton Hotel Company has won this award on two occasions – both in 1993 and 1999 for groundbreaking levels of service.

- 2) *Question:* Explain Total Quality Management.

*Answer:* TQM is a participatory process that empowers all levels of employees to work in groups to establish guest service expectations and determine the best way to meet or exceed these expectations.

- 3) *Question:* List several ways a leader can empower employees.

*Answer:* Empowerment is a feeling of partnership in which employees feel responsible for their jobs and have a stake in the organization’s success. Managers can empower employees by doing the following: take risks, delegate, foster a learning environment, share information and encourage self-expression, involve employees in defining their own vision, and be thorough and patient with employees.

### **IV. Answers to Chapter 1 Review Questions**

- 1) The satisfaction of customers ultimately measures a company’s success, since they are the people who are willing to pay for its service. A key objective of service is to create guest loyalty – keep them happy during their stay and they will keep coming back.
- 2) A mission statement is a short statement of central purposes, strategies, and values of a company. It should answer the question, “What business are we in?” Some mission statements are very simple: “To WOW the guests.”

Moment of Truth is a term coined by Jan Carlson of Scandinavian Airline System. They are guest encounters and an approach that makes the quality of service, as perceived by the customer, the number one driving force for the operation of the business. Every hospitality organization has thousands of moments of truth every day. This challenges employees to maintain their quality service. Service commitment is a total organizational approach that makes the quality of service, as perceived by the

customer, the number one driving force for the operation of the business.

- 3) The Disney service model:  
It begins with a **Smile**.  
Make **Eye** contact and use body language.  
**Respect** and welcome all guests.  
**Value** the magic.  
**Initiate** guest contact.  
**Create** service solutions.  
End with a “thank you.”
- 4) The Ritz-Carlton Hotel won the Malcolm Baldrige National Quality Award for its principles of quality service commitment to guests. The Gold Standards of these core values include three steps of service:  
A warm and sincere greeting.  
Anticipation and compliance with guests’ needs.  
A fond farewell, using guests’ names if and when possible.
- 5) Pages 41 to 44 lists several of the more prominent trends facing the industry today.  
Answers will vary.

## **V. Mini-Case Discussion Question Answers**

### **Being Promoted From Within**

1. Students will have various answers. The likely cause is the previous relationship with their new supervisor. Familiarity might allow the staff to believe that they are immune to supervision with their ‘friend’ in charge.
2. Tom should assess the current challenges with the staff and meet with them to discuss (or require) their cooperation in compliance. It’s time that Tom takes charge.
3. Perhaps tell Tom that he could maintain a ‘friendly’ relationship with his co-workers, but as a supervisor he could no longer be ‘friends.’

## Chapter Two

### The Hotel Business

#### **I. Chapter Objectives**

*After reading and studying this chapter, the student should be able to do the following:*

1. Describe hotel ownership and development via hotel franchising and management contracts.
2. Explain the diamond rating classification of hotels.
2. Classify hotels by rating system type, location, and price.
3. Discuss the concept and growth of vacation ownership
4. Discuss sustainable/green lodging.
5. Identify trends influencing the hotel business.

#### **II. Key Teaching Elements/Chapter Outline/Lecture Suggestions**

##### **Hotel Development and Ownership**

The lodging industry is a more than \$155 billion industry that includes approximately 53,000 properties with almost five million guestrooms. Franchising and management contracts are the two main driving forces in the development and operation of the hotel business.

**Page    Object.**

xx            1

##### ***Franchising***

Franchising in the hospitality industry is a concept that allows a company to expand more quickly by using other people's money, rather than acquiring its own financing.

xx            1

Under a franchise agreement, the company or *franchisor* grants certain rights – for example, the right to use the company trademark, operating procedures, reservation systems, marketing know-how, purchasing discounts, etc. – for a fee. In return, the *franchisee* agrees to operate the restaurant, hotel, etc., within guidelines set by the *franchisor*.

xx            1

Holiday Inn, Ritz-Carlton, and Howard Johnson's all grew in the 1950s and 1960s through franchising. One of the key factors that led to the success of Holiday Inn was that they were the first company to enter the mid-price range and that they were located near important freeway intersections and in the suburbs. Budget hotel properties (Motel 6, Days Inn) grew during this time period.

xx            1

Franchising was the primary growth and development strategy of hotels and motels during the 1960s through the 1980s. Challenges to the franchise arrangement include the maintenance of quality

xx            1, 2