An Empirical Study of
Service Quality Implementation

DENIS HARRINGTON and GARY AKEHURST

The strategic importance of quality management has grown in importance in recent years. However, although the competitive implications of adhering to a quality agenda have been much alluded to within the literature, the evidence from a review of published studies suggests that service quality and strategy issues have been addressed as separate concerns by researchers. This study examines the components which facilitate the quality implementation process. The factor analysis of data emphasises the importance of 'senior managerial commitment' and 'employee resourcefulness' in quality implementation initiatives and offers support to the growing literature arguing for a greater consideration of the human dimension in quality implementation programmes. It is proposed that further research needs to be carried out to examine managerial attitudes towards the service quality implementation process and to assess some of the practical issues involved in introducing quality initiatives in hotel organisations.

INTRODUCTION

The hotel industry has undergone significant reform in recent years. The combined effects of the Middle Eastern war and a world-wide economic recession, together with the effects of technological advancement and globalisation have increased competitive pressures on hotel organisations. Together these pressures have altered the possibilities for service delivery and have heightened the importance of promoting a quality ethic. In line with developments in other service industries, greater emphasis has been placed on the positive business and competitive advantages of subscribing to the quality management philosophy.

Denis Harrington is at the Waterford Institute of Technology, Department of Business Studies, Cork Road, Waterford, Ireland. Gary Akehurst is at the University of Portsmouth Business School, Locksway Road, Southsea, Hampshire, PO4 8JF, UK.

The research on quality management has evolved considerably in recognition of the fact that quality customer service is a prerequisite for competitive differentiation in a wide variety of markets. Customers have become more discerning and are shifting their loyalties between companies in the anticipation of continuing improvements in product and service quality. As a consequence, the management of quality has emerged as a fundamental component of an organisation's overall strategic efforts. Indeed, the improvement of product and service quality has been widely discussed in the literature as an appropriate competitive strategy for achieving sustainable competitive advantage [Morgan and Piercy, 1996: 1]. Heskitt, Sasser and Hart, [1990, Fahy, 1992], for example, has argued that internal processes should be managed in a way that is consistent with the firm's 'internal strategic service vision'. This strategic vision should be viewed as a way of bringing together the firm's target market, service concept, operating strategy and service delivery system so as to enhance the value of service provided for customers. In this way, managers are encouraged to continuously examine current processes against the demands of customers in the marketplace and are increasingly updating their operations in line with market requirements. Indeed, in recent years the way in which product and service quality have been viewed in the marketplace has changed dramatically. Quality, it is held, has replaced price as the determining factor in consumer choice, and 'managing the quality dynamic' is more important than ever before. In this respect, quality management 'is presented as a comprehensive approach to improving the total effectiveness, flexibility and competitiveness of an organisation – in short, the way of running the business' [Rajagopal, Balan and Scheuing, 1995: 336].

Writing from the context of his own work on competitiveness, Porter, [1987], argued that improvements in quality are meaningless without an understanding of their competitive implications. This echoes the quality perspective provided by the Malcolm Baldrige National Quality Award, [1994], which states that: 'customer-driven quality is a key strategic business issue which needs to be an integral part of overall business planning' [p. 6]. The emphasis on strategic considerations reflects a broader organisational concern for understanding and responding to the requirements of a transient and value conscious consumer and calls for greater strategic awareness to achieve consistency in the provision of services.

IMPLEMENTING QUALITY FOR COMPETITIVE ADVANTAGE

A review of the available material suggests that although the competitive and business implications of adopting a quality orientation have been much

considered, issues relating to service quality and strategy have, to a large extent, been addressed as separate concerns. Only relatively recently have attempts been made to examine the links between strategy and service quality [Powell, 1995]. There has been a suggestion that service quality and strategy issues have been addressed separately within the literature. The strategy literature has not been concerned with service quality; while the service quality contributions lack a strategic dimension. Despite the significant attention paid to quality in recent years, strategic management practice and research remain a key area for extension of the quality concept [Pruett and Thomas, 1996]. As Powell, [1995: 16], remarks: 'TQM's impact on strategic management research and practice remains unclear and underexamined, and the existing empirical studies of TQM performance ... lack rigor and theoretical support'.

Recent commentators have thus began to emphasise the importance of developing service quality so as to provide a differential advantage over the competition and have attempted to examine managerial perceptions of the strategic importance of quality to the organisation [for instance, Clark, Tynan and Money, 1994, Zairi *et. al.*, 1994]. Kerfoot and Knights, [1995: 234], lend credibility to the requirement for adopting such an approach claiming:

> The pursuit of quality in recent years ... could be seen essentially as a search for competitive advantage through differentiation strategies. This has occurred largely as a result of a concern among companies to differentiate themselves from competitors.

However, there has been a reluctance to examine the ways in which quality strategies can be implemented so as to achieve competitive (differentiation) advantage. Writers have failed to address the challenges associated with implementing quality management programmes particularly under conditions of uncertainty. The challenge according to Hill and Wilkinson, [1995], is not whether, but rather how, to implement in the current harsh climate of economic conditions, where many companies are considering delayering and are finding this difficult to reconcile [Longbottom and Zairi, 1996].

Indeed, much of the published work shares a concern for a greater understanding of the challenges associated with implementing quality initiatives [Krishnan, Shani, Grant and Baer, 1993; Wilkinson, 1992; Rust and Oliver, 1994; Monks, Sinnott and Buckley, 1996]. Specifically, in their work examining new directions in the theory and practice of service quality management, Rust and Oliver, [1994], conclude: 'Managing service quality more effectively in the future requires developing a better understanding of how service quality works and capitalising on some fundamental,

underlying trends that will create new areas of emphasis' [p.13].

Similarly, Wilkinson and Wilmott, [1995: 1], considered that: 'few studies ... address its actual meaning, or reflect upon its practical implementation or social significance'.

There has also been a lack of concern for understanding the role and importance of middle level managers in the management of quality programs [Harrington and Akehurst, 1996]. There is a growing consensus that middle-level managers have an important influence on the success or otherwise of implementation initiatives. It is well established that the commitment of middle managers is essential if quality initiatives are to be implemented effectively. Olian and Rynes, [1991: 324–5], make the point forcefully when they claim that the characteristic of successful quality implementations is that the support of middle managers is gained. Because of their critical role as channelers of information both to and from work teams and those who can choose to share or, alternatively, to jealously guard power, middle managers can make or break a quality effort.

It is not the concern of the authors to pursue discussion of all the factors which may constrain an organisation's ability to nurture a quality culture; rather the intention is to examine middle managerial concerns regarding the development of quality initiatives. The contention is that the middle managerial role in facilitating the articulation of a quality ethos is fundamentally undervalued and misunderstood in a great many organisational settings. It is here argued that the middle management function considerably influences the extent to which organisations are successful in effecting a chosen strategic direction. Hence, if such strategic actions encompass a quality dimension, it is reasonable to argue that the middle layer of management contributes greatly to the success or otherwise of such initiatives. Nebel and Schaffer, [1992: 235], writing within the context of the hotel industry, place the strategic significance of the middle managers role firmly in perspective when they argue:

> Since an individual hotel is itself a profit centre, it's middle manager can be thought of as its CEO ... .individual managers of most medium-sized and larger hotels have ample opportunity to engage in a variety of strategic decisions affecting the profitability of their hotels.

Moreover, although the literature shows a concern for understanding the attitudes/opinions of top/senior management on organisational quality endeavours [for instance, Clark, Tynan and Money, 1994], there are obvious lacunae in the treatment of middle managerial concerns for the quality process. Indeed, a consideration of middle managerial attitudes towards quality development and implementation is particularly relevant in today's

competitive business climate. Recent years have witnessed a fundamental shift away from hierarchical and bureaucratic structures towards leaner, flatter configurations. The new quality ethos emphasises the need for entrepreneurial designs which value performance and creative intent over procedures and command and control type arrangements. Hence, in many organisations the middle layer of management has disappeared and the corresponding vacuum has created organisational tensions where none had previously existed [for instance Rees, 1995]. It is therefore of research significance to illuminate a middle managerial perspective on the debate regarding the strategic significance of quality to service firm competitiveness and survival.

Industry Context

The context for undertaking the research is the UK hotel industry. As with other service industries, the economic realities of change and increased competitiveness have meant that in recent years quality issues have assumed greater strategic importance within the hotel sector. The pressures for increased international presence, and market share, amongst hospitality companies has heightened competition within the industry and has led to a greater consolidation of ownership within the hotel sector. Writing about the changing nature of competition within the industry, Price, [1994: 129], comments:

> Multidivisional and multinational organisations have become increasingly important and influential components of both the commercial and institutional sectors. Mergers and take-overs within the industry and the entry of 'new players' has changed the structure of the industry, with the effect that a shrinking number of very large groups increasingly employ a growing proportion of the industry's workforce. Competition for customers and staff has become increasingly international.

In this changed industry environment, it is important to explore the implementation of quality management initiatives, given quality's role in achieving competitive advantage through differentiation. Indeed, writers are voicing a concern for a greater understanding of the service quality discourse as it applies to hotel organisations. In a recent article, Callan, [1994: 496], emphasises the point when arguing the case for hospitality providers to move along the road of 'Total Quality Management' to satisfy the shifting demands of a discerning public, see also Callan, 1996. Similarly, Olsen, [1992: 229] points out, there is a need to evolve from a sole dependence on the development of previously published work in other industries to 'the identification and analysis of observed and hypothesised relationships peculiar to the hospitality industry'.

Drawing together the foregoing observations, it is proposed to inform the debate on the management of service quality by examining the quality implementation procedures in a selected number of UK hotels. The study has elucidated the views of hotel middle managers on quality implementation initiatives in their organisations, and seeks to determine the factors which middle managers consider important when implementing quality initiatives in their organisations.

METHODOLOGY

Within the literature, it is accepted that when a measuring instrument is developed, the subjects utilised should be those for whom the instrument is intended [Churchill, 1995]. Hence, since the reported study is concerned to develop an instrument to measure service quality implementation practices in UK hotel organisations, the survey was directed towards general managers. It is argued that these respondents would be regarded as holding middle managerial positions in their organisations and would be best placed to respond to the survey. They are also the arbiters of quality at their hotels and have significant responsibility for the implementation of proposed quality initiatives; thus, they are the subjects used within the context of this research study. It is to general managers in three star (3*) hotels that the survey is directed.

In attempting to address the research objectives, it was necessary to devise a *Quality Implementation Practices Questionnaire*. This was achieved through a consideration of the following issues, (i) examination of the conceptualisations that the literature has to offer on implementation issues [Piercy, 1994]; (ii) empirical research on implementation to establish approaches to studying quality implementation [Nutt, 1986]; (iii) observations emanating from discussions held with managers and academic colleagues concerning quality implementation; and (iv) the wider literature on quality and strategic management [Wilkinson, 1992; Redman, Snape and Wilkinson, 1995]. This resulted in the generation of twenty five items (25) for the initial pool. Through further discussions with the project supervisors and colleagues, the initial pool was refined to nineteen items (19). This was carried out in an attempt to overcome problems of non-response identified in earlier stages of the study.

Under the assumptions of the factor analysis procedure, it was necessary to achieve a response rate of at least one hundred (100). Hence, it was decided to make the measuring instrument as simple as possible so as to attract an effective response. All the items were in the form of statements on a seven-point Likert-type scale, anchored on 1 = strongly disagree, through 7 = strongly agree. The seven point scale was encouraged because it was

hoped that it would discourage respondents from using the mid-point, by making it less obvious than a five point scale.

Following the initial development of the scale, it was administered to a random sample of managers in selected UK hotels. Specifically, the test required managers to indicate the extent to which they believed the content of the questionnaire represented the key issues associated with quality implementation. Although difficulties were experienced in answering some of the questions in their present form, on the whole, they appeared satisfied with the questionnaire. Responses across the items were well distributed and managers indicated that the instrument was comprehensive enough to address the key issues involved.

Green *et al.*, [1988], argue that exploratory studies are characterised by a great amount of flexibility and ad hoc versatility; hence by implication there is also a certain degree of flexibility regarding the size of sample used. However, the procedures governing the application of factor analysis to data are less flexible. In particular, Bryman and Cramer, [1990: 258], offer the following advice when conducting a factor analysis of data. The authors suggest, in accordance with Gorsuch, [1983], that there should be an absolute minimum of five subjects per variable and not less than 100 individuals per analysis. Bryman and Cramer, [1990: 258], further argue that 'if the main purpose of a study is to find out what factors underlie a group of variables, it is essential that the sample should be sufficiently large to enable this to be done reliably'.

Given the relatively low response rate achieved to an earlier part of the reported research and the fact that a large proportion of respondents were small–medium operators, it was decided to examine three star hotels for the main part of the study. This is because one and two star properties are generally smaller and are owner managed. There is therefore less time available for managers to complete research questionnaires. Also, it was felt that as the research was concerned with middle managerial concerns for quality implementation, a focus on this part of the market would provide more illuminating results: owner managers are less likely to have middle level managers available to steer through strategic decisions. Additionally, with all hotels operating within the same segment the sample would be homogenous in the sense of avoiding additional variables in the analysis [for instance, Figueiredo *et al.*, 1995]. Further, the decision to target these hotel establishments attempts to take account of the fragmented nature of the industry and is in line with research carried out by other writers in the field [Reynolds and Ingold, 1994; Callan, 1996]. Taking these considerations into account, it was decided to utilise a sample of 500 (3 star) hotels for the study: it was held that this size of sample would be large enough to provide a reasonably

representative sample of the three star hotel market and also to comply
with the observations set out by Bryman and Cramer, [1990].

Nutt, [1986], proposes four approaches to the study of implementation,
namely, the prescriptive approach; the tool approach; the case study
approach; and the factor identification approach.

As outlined within the literature review, the prescriptive literature
supports the use of particular models in the study of implementation [for
instance, Bourgeois and Brodwin, 1986]. These models offer important
insights into the various approaches by which strategy implementation can
be achieved. However, there are drawbacks since, as Nutt, [1986], points
out, 'these ideas are based on logic rather than on data that supports the use
of specific guidelines, recommendations, and assertions'.

The tool approach presents a set of procedures which purport to deal
with potential resistances to planned organisational change. However, the
approach is not considered in this instance since it regards the process of
strategy implementation as inherently 'technique driven', facilitated as it is
by the proper application of procedures to overcome resistance to change.
Here it is argued that the study of implementation practices requires a
deeper understanding of the issues which are important when managers
actually implement strategy, rather than prescribing methods and
procedures by which strategy implementation may be achieved.

The case study approach attempts to overcome such problems in that it
examines the ways in which managers endeavour to carry out
implementation. Again, however, the nature of the case study approach
presents difficulties in terms of the researcher's ability to reveal specific
insights into the procedures used to effect implementation: researchers
frequently experience difficulties in isolating particular procedures during
interviews with managers.

Because of limitations associated with the use of the other approaches
and the need for an assessment of quality practices across the industry the
factor identification approach was chosen for use in this study. The factor
identification approach seeks to elicit such information by soliciting
managerial opinion on those factors which are important when implementing
organisational strategy. This procedure is useful in so far as it is possible to
examine implementation practices across a large number of organisations
and has benefits in that the researcher can uncover specific details about the
nature and operation of implementation in participant organisations.

RESULTS AND DISCUSSION

Of the 500 companies canvassed, 138 responded to the survey, of which 133
were useable for analysis purposes. This represents an effective response

rate of 27 per cent. This is comparable with average rates quoted for mail questionnaires in the literature. Over fifty per cent (56 per cent) employed less than 50 people and over two thirds (68 per cent) of respondents turned over less than £350,000. This can be seen to be relatively consistent with the findings of the HCTC, [1994], who showed that almost three quarters of hotels in the UK employed between one and ten persons.

Table 1 outlines the means and standard deviations for the individual items in the scale and for the overall scale. The average scores range from 3.61 for item 3 to 6.60 for item 7. Item 3 has the largest standard deviation, at 1.83. Issues on which the scores are relatively low are items 3 (incentives are provided to lower level employees to encourage them to provide quality service for the customer) and 7 (outside consultants assist with the implementation of service quality standards). It would seem that many of the respondent firms do not provide incentives to staff to encourage them in their efforts to provide quality for the customer. Also the role of consultants in assisting the quality effort does not appear to be significant.

INSTRUMENT RELIABILITY

There are a number of methods available to test the reliability of empirical measurements. These are: a) the retest method; b) the alternative form method; and c) the internal consistency method [Nunally, 1978]. For practical reasons, the internal consistency method is most used, partly as a consequence of the limitations involved in using the first two approaches. There are practical difficulties involved with the retest method. Firstly, it is difficult to arrange two independent administrations of an instrument on the same group of people. Secondly, the test-retest approach has problems relating to respondent memory. The generation of alternate forms of the measuring instrument is also problematic particularly at the early stages. Thus, the *internal consistency method* predominates, especially in field studies as they require only one instrument and one administration of the test.

In determining the *reliability* of the multi item scale, item to total correlations and coefficient alpha [Cronbach, 1951] were calculated. As explained earlier, for each item contained within the scale, an initial item–total correlation was calculated to determine which variables did not have a strong relationship with other variables. If each item were to be maintained, the overall scale alpha is *.8762*. This comfortably exceeds the threshold recommended by Cronbach, 1951; Nunally, 1978. The results of the reliability analysis are outlined in Table 2.

Further scale purification was carried out where all items with item-to-total correlations of less than 0.50 were eliminated. This resulted in the elimination of items 1,3,7,8,11 and 12. Significantly, items relating to

TABLE 1

STUDIES OF QUALITY IMPLEMENTATION

Author	Context	Key Findings
Krishnan *et al.*, 1993 (US)	In-depth analysis of quality implementation: telecommunications firm and literature review simultaneously; lack of support from top management.	Quality implementation failed due to: confusion over role of quality; different programs operating
Reger *et al.*, 1994 (US)	Conceptual Analysis	Posit that inconsistencies between content of quality initiatives and core company values can make implementation difficult.
Witt and Muhlemann, 1994 (UK)	Conceptual Analysis	Emphasised importance of three key issues in implementation of service quality: service package; human aspects and measurement issues.
Kerfoot and Knights, 1995 (UK)	Conceptual Analysis	Highlighted contradictions in the operation of quality practices.
Redman *et al.*, 1995 (UK)	Survey	Fewer than half reported improvements from introducing quality initiatives; implementation is not a problem-free process.
Kochan *et al.*, 1995 (US; Canada; Germany & Japan)	International Survey	Found support for introducing quality as part of a larger transformation of the organisation of work. Emphasised importance of gaining commitment of organisational stakeholders.
Monks *et al.*, 1996 (Eire)	Survey	Top down approach to quality implementation. Lack of attention given to human resource issues during implementation.

TABLE 2

MEAN RESPONSES, AND STANDARD DEVIATIONS –
SERVICE QUALITY IMPLEMENTATION ISSUES

Item		Mean	Std Dev
1.	Customer feedback is essential when implementing standards of service quality.	6.60	.79
2.	There is sufficient training in service quality procedures.	5.00	1.59
3.	Incentives are provided to lower level employees to encourage them to provide quality service for the customer.	4.11	1.71
4.	We regard the customer as a vital business asset to be managed for the long-term.	6.11	1.27
5.	We provide front-end employees with the authority and power to solve customer problems.	5.13	1.63
6.	Senior management consistently reinforce the benefits of providing service quality for the customer.	5.26	1.69
7.	Outside consultants assist with the implementation of service quality standards	3.61	1.86
8.	Technological systems are used to support the service which we provide to customers.	5.28	1.35
9.	We work across departments to bring about quality service for the customer.	5.60	1.63
10.	Sufficient time is allowed to implement quality standards.	4.35	1.64
11.	Costs are a serious concern when implementing quality standards.	4.71	1.61
12.	Quality standards are introduced only in so far as they can achieve improved financial performance for the firm.	4.24	1.83
13.	The quality of service offered to the customer is reviewed on a continual basis.	5.40	1.72
14.	The quality effort is closely linked to the overall strategy of the organisation.	5.73	1.39
15.	Concern for quality exists at all levels of the organisation.	5.04	1.82
16.	Sufficient resources are set aside to help implement quality standards.	4.39	1.68
17.	Every attempt is made to understand customer expectations prior to implementing quality standards.	5.33	1.55
18.	Senior management actively support and promote the implementation of service quality initiatives.	5.46	1.50
19.	Our organisation clearly knows how to implement quality standards effectively.	4.76	1.65

customer feedback, technology and business performance improvement were eliminated. This is a matter of concern since quality programmes are promoted on the basis that they can lead to improvements in business performance and customer satisfaction. The results of this procedure are reported in Table 3, in the form of a corrected item-to-total correlation for each item, and a scale alpha were the item to be deleted. If each item were to be maintained, the overall scale alpha is now .9352. This is an encouraging result since Nunally, [1978: 245], argues that for hypothesised measures of a construct, time and energy is saved by using 'instruments that have only a modest reliability, for which purpose, reliabilities of 0.70 or higher will suffice'.

TABLE 3

RELIABILITY ANALYSIS FOR ENTIRE SCALE

Item	CorrectedItem-Total Correlation	Alpha if Item Deleted
1.	.1648	.8781
2.	.6342	.8649
3.	.2891	.8777
4.	.5534	.8687
5.	.6162	.8654
6.	.7365	.8605
7.	.2797	.8789
8.	.3642	.8741
9.	.6703	.8634
10.	.6564	.8639
11.	−.1484	.8919
12.	−.2164	.8973
13.	.7032	.8617
14.	.6616	.8649
15.	.7039	.8613
16.	.6569	.8637
17.	.7314	.8615
18.	.7459	.8613
19.	.6587	.8638

Alpha for entire scale: .8762

Also, the standardised item alpha has been computed to show that the high coefficient alpha score obtained is not simply the result of the instrument having a large amount of items. On examination, the standardised item alpha (.9354) does not differ in any significant manner from the alpha coefficient score. This again confirms the reliability of the instrument.

FACTOR ANALYSIS

In order to apply the factor analysis approach a number of issues had to be addressed. Firstly, the appropriateness of data for factor analysis was examined using Bartlett's test of Sphericity. The test result for sphericity was sufficiently large at 1183.05 with a corresponding small level of associated significance 0.00000. The Kaiser-Meyer Olkin (KMO) measure of sampling adequacy was also employed to measure the strength of the relationship among variables. The test result at .91409, can be classed as meritorious and provides further justification for using factor analysis.

A number of different methods were considered to determine the number of factors which should be extracted. First a *scree plot* derived from an analysis of responses to the interval-scaled questionnaire established one extremely high eigen value, and suggested two cut-off points to the analysis of data. Second, the latent roots criterion was employed. The choice of criterion depends on both the size of the average commonalties and the number of variables and subjects. Bryman and Cramer, [1990], advise that where the number of variables is less than 30 and the average communality is greater than .70, then it is appropriate to use the latent root criteria. In the present study, the number of variables used amounts to 19, and the average communality is .7362, emphasising the appropriateness of the approach for use in extraction of relevant factors. Similarly, Child, [1976], suggests that this approach is particularly suitable for principal components designs and is reliable when the number of variables is less than 50.

The reasoning behind the latent root criteria is that 'since the total variance that any one variable can have has been standardised as one, any factor which explains less variance than a single variable is excluded' [Bryman and Cramer, 1990: 262]. Since there are two factors with latent roots greater then one, the latent roots criterion would suggest a two-factor solution for the service quality implementation data. Given the foregoing discussion outlining the rationale for using the latent root approach, it was decided to employ it for use within the study. Table 4 outlines the variance explained by each factor, and the relevant eigenvalues arising out of the analysis.

The Principal Component Analysis (PCA) was the factor method applied. The PCA method is particularly appropriate since 'each principal component factor explains more variance than would the loadings obtained from any other method of factoring' [Nunally,1978: 357]. However, it was not sufficient to rely solely on the PCA method for interpretation of data. As Child, [1976: 51], remarks:

> Most factor analysts are now agreed that [PCA] solutions are not sufficient. In most cases, adjustment to the frames of reference

TABLE 4

RELIABILITY ANALYSIS FOR PURIFIED SCALE

Item	Corrected Item-Total Correlation	Alpha if Item Deleted
1.	Deleted	
2.	.6342	.8649
3.	Deleted	
4.	.5534	.8687
5.	.6162	.8654
6.	.7365	.8605
7.	Deleted	
8.	Deleted	
9.	.6703	.8634
10.	.6564	.8639
11.	Deleted	
12.	Deleted	
13.	.7032	.8617
14.	.6616	.8649
15.	.7039	.8613
16.	.6569	.8637
17.	.7314	.8615
18.	.7459	.8613
19.	.6587	.8638

Alpha for entire scale: .9352

improves the interpretation by reducing some of the ambiguities which often accompany the preliminary analysis ... it is advisable to guard against reading too much into preliminary analyses.

FACTOR LOADINGS

Table 5 below implies that two factors have been constructed by analysing data on items 1 through 19. This shows the correlation coefficient(s) between the various items and the derived factors. Thus, the correlation coefficient between item – 'senior management consistently reinforce the benefits of providing service quality for the customer' and factor 1 is .63, indicating the importance of the item in measuring factor 1. Other items also loaded onto factor 1; these loadings are from a low of .61 to a high of .81. A total of three items loaded on to factor 2. Two items related to training and devolvement of power loaded highly on to factor 2, showing correlation coefficients of .90 and .93 respectively. A further item emphasising the importance of managing customer concerns also loaded on to factor 2, with a correlation coefficient of .57. Table 5 also portrays a percentage of total variance of the original variable as explained by each factor. Factor 1 and 2 summarise 56.6 per cent and 9.6 per cent of the variance respectively.

TABLE 5

FACTOR MATRIX AFTER VARIMAX ROTATION

Item	Factor 1	Factor 2
1.	Deleted	
2.		.90030
3.	Deleted	
4.		.56774
5.		.92805
6.	.62512	
7.	Deleted	
8.	Deleted	
9.	.66658	
10.	.69233	
11.	Deleted	
12.	Deleted	
13.	.64648	
14.	.60717	
15.	.78445	
16.	.81433	
17.	.77161	
18.	.78758	
19.	.77879	

Together the two factors account for 66.2 per cent of the total variance and were labelled 'senior managerial commitment' and 'employee resourcefulness' respectively.

• *Factor I: 'Senior Managerial Commitment'*

This factor captured the overall level of senior managerial commitment which existed towards the implementation of quality procedures. It loads on variables directly concerned with securing senior managerial support for quality, but also addresses the ways in which senior managers support cross functional co-operation, and the continual evaluation of implemented initiatives. Hence, it is considered appropriate to label factor I as 'senior managerial commitment' as it encompasses variables pertaining to the degree to which senior management are supportive of quality procedures. It is an extremely important factor as it explains 56.6 per cent of the variance. Respondents here show an understanding of the importance of senior managerial involvement in the implementation of quality programs.

The factor loaded directly on variables concerned with the extent of managerial commitment towards the implementation of quality initiatives. Specifically, the factor correlated with those senior managerial related variables concerned with the support and reinforcement given by senior managers to the implementation of quality procedures. However, indirectly it was noted that the first factor also loaded on to variables which were strongly influenced by the extent and degree of commitment available from

senior managers. Two variables relating to resource provision loaded relatively highly on the first factor. These variables are heavily influenced by the commitment of senior managers to the quality process; when managers are fully committed to quality, they provide sufficient resources to support it's implementation. Relatedly, the continual assessment of customers' concerns regarding quality provision is an initiative which also requires the commitment of senior management. Thus, two items relating to the management of customer concerns and expectations also load the first factor. The establishment of suitable internal organisational arrangements to facilitate the introduction of quality initiatives is also a consideration which is guided by the commitment and support of senior managers. Again it was noted that two variables concerned with cross departmental co-operation loaded relatively highly on the first factor. Two further items relating to the linkage between quality and overall strategy and the overall effectiveness with which respondent organisations implement quality also loaded on the first factor. It was felt that these variables were also influenced in important ways by the extent and degree of commitment shown by senior managers to the quality process.

Senior managerial commitment is essential if quality initiatives are to be implemented effectively. This is an issue which permeates, albeit indirectly, middle managerial opinion in the first stage of the study, and is a consistent theme in the literature on service quality. In the first stage of the research study, respondents, who comprised middle managers in UK hotel organisations, emphasised the strategic importance of subscribing to a quality orientation and highlighted some of the strategic benefits of doing so. Quality was correctly seen as a key mechanism through which uniqueness could be lost or gained and hence, was recognised as a critical consideration for management.

A clear concern for top managers when faced with operationalising quality initiatives is how they achieve consistency between development and implementation in their respective organisations. The derived factor labelled 'senior managerial commitment' addresses such an implementation gap and places emphasis on a commitment-based approach to the implementation of quality procedures. The commitment-based approach is facilitated by ongoing dialogue and is informed by members at all levels within the organisation.

Most often resistances to implementing customer quality strategies are encountered at the senior managerial level where managerial values, ingrained over the years, are opposed to introducing changes. The introduction of systems based on ongoing dialogue is, therefore, a difficult exercise for many organisations. It is argued however that commitment is an important first step in encouraging openness and consensus in quality

implementation. Through dialogue and effective feedback, managers can shape cultural rituals, communications and reward systems, areas which directly influence the introduction of quality initiatives. Inconsistent behaviours can be identified and senior executives can engage debate on quality issues at all levels within the organisation. Moreover, information can be collected from both customers and employees which helps shape future quality endeavours. Hence, Wilkinson and Wilmott, [1995], suggest that in recognition of the need to evolve systems based on open communication and commitment, and in an attempt to broaden it's application to non-manufacturing activities, quality management has developed a 'soft side' in which there is a need for increased employee involvement, commitment and group problem-solving.

However, such organisational configurations based on openness and cross-functionality can prove difficult to manage during, and even after, implementation. This point is particularly relevant for hotel organisations who for the most part departmentalise work procedures, and rely on specialists to effect decision making. Consequently, crossing lines between departments in hotel firms is a problematic exercise for specialist operators who encounter difficulties placing customer queries in context. Formal structural arrangements, in these instances, impede successful process integration between functions. Senior managers therefore have to encourage cross-functionality from the top and support it's implementation through the mediums of regular staff meetings, internal newsletters, informal discussions and electronic communications.

Previous research is also consistent with the above argument in favour of increased commitment from senior management towards quality implementation. In their pioneering work on service quality, Zeithaml, Parasuraman and Berry, [1991: 137], make the case very clearly for top managerial commitment to the implementation of service quality when they write: 'Only senior management can build the cultural foundation for quality service in the organisation ... top management must provide a strong internal service to unleash a company's true capacity for service excellence'. Recent research activities have also highlighted some of the above issues and emphasise the need to understand senior managerial views on quality [for instance, Clark, Tynan and Money, 1994]. The results from stage 2 however also suggest that implementation of service quality procedures does not conform to a top-down, imposed-led approach. Specifically, the results show that decisions regarding quality implementation need to be shared between managers and employees.

This result can be seen to contribute to the developing literature arguing for closer integration between management and employees in the quality development process [Kerfoot and Knights, 1995; Snape, Wilkinson,

Marchington and Redman 1995; Monks, Sinnott and Buckley, 1996]. Particularly, Lockwood and Ghillyer, [1996], argues that the achievement of such integration is an integral element of any commitment to service quality. Other writers also argue for a more integrated perspective. For example, Hope and Hendry, [1995], warn against a 'programmatic' approach to introducing quality initiatives. Specifically, they argue that unless due care and attention is given to the introduction of quality procedures, then confusion may arise as to the true purpose behind the proposed changes. Indeed, in instances where change is articulated in a radical fashion, staff often feel manipulated, leading to uncooperative behaviour.

• *Employee Resourcefulness*

Factor II has been labelled 'employee resourcefulness' as it loads on the ways in which employees can assist and manage the implementation process. The effective delivery of service quality rests on the degree to which employees manage the interface with customers. Their competencies and skills in effecting such a task are strongly related to both the quality and degree of training offered by the organisation, and also to the extent to which management distributes power and authority within the company. This would be a credible explanation for the loadings of the items concerned with the provision of employee training, and the distribution of decision making authority. In combination, these variables assist the process of managing customer expectations, hence the loading of this item on the above factor. This factor accounts for the remaining 9.6 per cent of the variance.

Three items were discerned to load on this factor, two of which were directly concerned with the training and authority given to employees to solve customer problems. The variable relating to the distribution of authority to solve customer problems loads highly on this factor. This was not an unsurprising result given that the provision of service quality is reliant on the effectiveness with which employees manage the interface with customers. However, their competencies and skills in effecting such a task are strongly related to both the degree and quality of training offered by the organisation. Hence, the high loading of that item concerned with training in service quality procedures. Together these items are critical for effective management of the encounter with customers; as a result, the final item loading on this factor relates to the importance of managing (long-term) the interface with customers.

The case for involving employees in the implementation of quality initiatives has been made previously, both in conclusion to the first stage to the study and in the overview of the literature set out earlier. Firstly, in the

analysis of first stage results it was noted that managers showed an awareness of the contribution which employees bring to the service exchange and were equally appreciative of the fact that high quality service is a process which is shaped by the extent of employee involvement as much as it is driven by senior managerial commitment.

Secondly, the results are in line with developments within the literature which increasingly emphasise the requirement to examine in more detail the challenges, and associated difficulties, with employee involvement in quality implementation [Wilkinson, 1992; Lawler, 1992; Simmons, Shadur and Preston, 1995]. As Guest, [1992], points out, quality is inextricably linked to human resource considerations because of the importance of a committed workforce to the achievement of quality goals; because the effectiveness of the quality initiative is highly dependent on management's treatment of the workforce and because quality with it's emphasis on commitment and involvement implies a high trust organisation. Hence the significance of the 'employee resourcefulness' factor identified above.

'Employee resourcefulness' means the degree to which employees are 'resourced' with the necessary skills and responsibilities to effect quality service for the customer. There are a number of issues of importance here. Firstly, 'skills' refer to the quality and frequency of training provision within the organisation. Also of significance in this respect are the procedures in place to evaluate, and if appropriate, reward, individual performance. Equally important are the 'responsibilities' conferred on employees by those in senior positions within the firm. In particular, one is here examining the level and extent of distributed decision making that exists throughout the organisation.

By equipping workers with the necessary skills and capabilities, they are in a better position to develop strong cross-functional links and provide high quality service in response to customer demands for greater flexibility. They are also productive, being motivated as they are by a sense of involvement with the organisation for which they work. Such are the requirements of a modern competitive marketplace which places a high premium on the knowledge and capabilities of organisational employees. As Snape, Wilkinson, Marchington and Redman, [1995], conclude in an article on quality management: 'The perspective of employees ... may be difficult to ignore when it comes to the practicalities of quality implementation in many organisations' [p. 49].

The results of the factor analysis can be seen to be consistent with arguments for involving workers in quality implementation issues, and support the proposition that when decisions are distributed from the top of the organisation, employees are better positioned to exercise their responsibilities in a timely manner. The findings therefore reinforce the

need for managers to involve employees in decisions regarding the application of quality procedures if they are to bridge the gap between outlined policy and implemented procedures. As identified in the discussion on senior management, top down procedures for implementing service quality are not sufficient if operationalised without the consideration of, and input from, key front-line employees.

However, when interpreting the results it is also necessary to address some wider issues relating to the 'employee resourcefulness' factor. Firstly, managers should be cognisant of the wider consequences of involving employees in decisions regarding quality implementation. Often managers work on the assumption that employees, like themselves, are desirous of increased involvement in decision making, and it's accompanying rewards. Frequently, however, employees express dissatisfaction with the notion of having increased responsibility within the company. This arises from both a fear of being burdened with the consequences of a poor decision, and from that of having to take a more active line on managerial matters.

The notion of employee involvement may also raise concerns in relation to the way in which employees are appraised and rewarded for outstanding performance. Employee involvement operates most effectively when it evolves into an overall organisational effort to improve service quality for the customer. However, employee involvement can have a reductionistic focus. By placing emphasis on individual performance as the basis for overall system effectiveness, employees direct effort towards improving their own individual performance at the expense of the external customer. Where in fact, frequently, it is beneficial for the overall system if employees make individual sacrifices from time to time.

CONCLUSION

The reported results add emphasis to the need to closely align human resource considerations with overall strategic concerns in the achievement of quality objectives. The findings derived are important in that the managers questioned generally place less emphasis on standards and specific procedures in effecting quality; instead, they stress the important human aspects to quality implementation. The factors identified thus have significance both in the empirical weight which they confer on studies arguing for greater consideration of human resource issues in quality implementation, and also in the practical relevance which they hold for hotel organisations concerned with implementing service quality programs. The results also offer support to the growing emphasis which is being placed on the 'soft' aspects of quality management and lend credibility to the evolving literature which suggests a consideration of people

management issues in quality implementation. As Hill and Wilkinson, [1995: 12], argue, quality's major exponents have 'not fully developed a particular stance on issues relating to people management'. They add that this is an important consideration especially since 'the success or failure of quality depends on the way it is made to work by employees at all levels, from the front line through all levels of management' [p. 12].

However, it is not sufficient to assume that although managers subscribe to the notion that two general, human related dimensions underpin the quality implementation process, that this is necessarily *practised* in the organisations investigated. Because of the nature and method of enquiry, that is, the survey approach; the derived factors represent managerial perceptions of reality. The findings may therefore be sensibly interpreted as a test of managerial awareness of a body of knowledge as opposed to operational practice. Consequently, further research will need to be carried out to examine managerial attitudes and opinions to the *actual* practice of quality management in hotel organisations. This will need to be carried out for a number of reasons: firstly, it is necessary to augment the survey findings with qualitative data to examine for consistencies/inconsistencies in the reported research; secondly, the data derived from the interviews with managers allows for a detailed examination of the derived factors and provides the opportunity to evaluate whether 'senior managerial commitment' and 'employee resourcefulness' *are* of importance or are *perceived* to be important by managers; finally, it allows the researcher to develop an overall assessment of quality practices in the investigated hotels, and provide for a more detailed appraisal of the nature and extent of quality management within the industry.

REFERENCES

Bourgeois, L.J. and D.R. Brodwin, 1986, 'Strategic Implementation: Five Approaches to an Elusive Phenomenon', *Strategic Management Journal*, Vol.5, pp. 241–64.

Bryman, A. and D. Cramer, 1990, *Quantitative Data Analysis for Social Sciences*, London: Routledge.

Callan, R., 1996, 'Attributional Analysis of Customers' Hotel Selection Criteria by Grading Scheme Categories', *Proceedings, Fifth Annual Hospitality Research Conference*, Nottingham Trent University, April 10–11, pp.116–43.

Callan, R.J., 1994, 'Quality Assurance Certification for Hospitality Marketing, Sales and Customer Services', *Service Industries Journal*, Vol.14, No.4, pp.482–98.

Child, J., 1976, *Factor Analysis*, London: McGraw-Hill.

Churchill, G.A., 1995, *Marketing Research: Methodological Foundations*, London: Dryden Press.

Clark, F., C. Tynan and A. Money, 1994, 'Senior Managers Views on Quality: a Strategic Perspective', *Journal of Strategic Marketing*, Vol.2, pp.61–84.

Cronbach, L.J., 1951, 'Coefficient Alpha and the Internal Structure of Tests', *Psychometrika*, Vol.16, No.3, September, pp.297–333.

Fahy, J., 1992, 'How Service Firms Can Attain a Sustainable Competitive Advantage', *Irish Marketing Review*, pp.29–37.

Figueiredo, K., J. Rivera Latas and D. Gomes, 1995, 'A Strategic Service Vision in the Hotel

Industry: Some Conclusions From Case Studies', in R. Teare and C. Armistead (eds), *Services Management: New Directions, New Perspectives*, London: Cassells.

Gorsuch, R.L., 1983, reprinted in A. Bryman and D. Cramer, 1990, *Quantitative Data Analysis for Social Sciences*, London: Routledge.

Green, P.E., D.S. Tull and G. Albaum, 1988, *Research for Marketing Decisions*, London: Prentice Hall International.

Guest, D., 1992, 'Human Resource Management in the UK', in B. Towers (ed.), *A Handbook of Human Resource Management*, Oxford: Blackwell.

Harrington, D. and G. Akehurst, 1996, 'An Exploratory Investigation into Managerial Perceptions of Service Quality in UK hotels', *Progress in Tourism and Hospitality Research*, Vol.2, No.3, pp.135–50.

Heskitt, J.L., W.E. Sasser and C.W.L. Hart, 1990, *Service Breakthroughs: Changing the Rules of the Game*, New York: The Free Press.

Hill, S. and A. Wilkinson, 1995, 'In search of TQM', *Employee Relations*, Vol.17, No.3, pp.8–25.

Hope, V. and J. Hendry, 1995, 'Corporate Cultural Change – Is it Relevant for the Organisations of the 1990s', *Human Resource Management*, Vol.5, No.4, pp.61–73.

Hotel and Catering Training Company (HCTC), 1994, *Catering and Hospitality Industry – Key Facts and Figures*, London: HCTC.

Kerfoot, D. and D. Knights, 1995, 'Empowering the "Quality Worker"?: The Seduction and Contradiction of the Total Quality Phenomenon', in A. Wilkinson and H. Willmott (eds), *Making Quality Critical: New Perspectives on Organisational Change*, London: Routledge.

Kochan, T., R. Grant and R. Shari, 1995, 'TQM's Challenge to Management Theory and Practice', *Sloan Management Review*, Vol.36, Winter, pp.25–35.

Krishnan, A.B., R. Shani, R.M. Grant and R. Baer, 1993, 'In Search of Quality Improvement: Problems of Design and Implementation, *Academy of Management Executive*, Vol.7, No.4, pp.7–20.

Lawler, E.E., 1992, *The Ultimate Advantage: Creating the High Involvement Organisation*, New York: Maxwell Macmillan.

Lockwood, A. and A. Ghillyer, 1996, 'Empowerment: The Key to Service Quality – an Operations Perspective', *Proceedings of the Fifth Annual Hospitality Research Conference*, Nottingham Trent University, pp.208–24.

Longbottom, D. and M. Zairi, 1996, 'Total Quality Management in Financial Services', *Total Quality Management*, Vol.7, No.6, pp.579–94.

Malcolm Baldrige National Quality Award, 1994.

Monks, K., A. Sinnott and F. Buckley, 1996, 'Implementing Quality Initiatives in Ireland: The Practice in Service Organisations, *QUIS Annual Conference*, Madrid, April.

Morgan, R.E. and N. Piercy, 1996, 'Competitive Advantage Through People', *British Journal of Management*, Vol.7, pp.231–45.

Nebel, E.C. and J.D. Schaffer, 1992, 'Hotel Strategic Planning at the Business and Unit Level in the USA', in R. Teare and M. Olsen (eds.), *International Hospitality Management Corporate Strategy in Practice*, New York: John Wiley & Sons, pp.228–54.

Nunally, J., 1978, *Psychometric Theory*, New York: McGraw-Hill.

Nutt, P., 1986, 'Tactics of Implementation', *Academy of Management Journal*, Vol.29, No.2, pp.230–61.

Olian, J.D. and S.L. Rynes, 1991, 'Making Total Quality Work: Aligning Organisational Processes, Performance Measures and Stakeholders', *Human Resource Management*, Vol.30, No.3, pp.303–33.

Olsen, M.D., 1992, 'Strategic Management in the Hospitality Industry: a Literature Review', in C. Cooper (ed.), *Progress in Tourism, Recreation and Hospitality Management*, London: John Wiley & Sons, Inc., pp.215–31.

Piercy, N., 1994, 'Marketing Implementation and Internal Marketing', in M. Baker (ed.), *The Marketing Book*, London: Heinemann, pp.586–606.

Porter, M.E., 1987, 'From Competitive Advantage to Corporate Strategy', *Harvard Business Review*, Vol.74, No.6, pp.61–78.

Powell, T.C., 1995, 'Total Quality as Competitive Advantage: a Review and Empirical Study', *Strategic Management Journal*, Vol.16, pp.15–37.

Price. L., 1994. 'Poor Personnel Practice in the Hotel and Catering Industry: Does it Matter?'. *Human Resource Management Journal*, Vol.4. No.4. pp.44–62.

Pruett. M. and H. Thomas, 1996. 'Thinking About Quality and it's Links with Strategic Management', *European Management Journal*. Vol.14. No.1, pp.37–46.

Rajagopal. S., S. Balan and E.E. Scheuing. 1995, 'Total Quality Management: Quick Fix or Sound Sense. *Total Quality Management*, Vol.6. No.4, pp.335–44.

Redman. T., E. Snape and A. Wilkinson. 1995. 'Is Quality Management Working in the UK?', *Journal of General Management*. Vol.20, No.3. Spring, pp.44–59.

Reger. R., T. Loren, S. Gustafson and J.V. Mullane, 1994, 'Reframing the Organisation: Why Implementing Total Quality is Easier Said than Done'. *Academy of Management Review*, Vol.19, pp.565–84.

Rees, C., 1995. 'Quality Management and HRM in the Service Industry: Some Case Study Evidence'. Employee Relations, Vol.17. No.3, pp.99–109.

Reynolds. S. and T. Ingold, 1994. 'An Evaluation of Total Quality Management Tools and Techniques in the UK Hotel Industry', *Proceedings, CHME Annual Hospitality Management Conference*.

Rust. R.T. and R.L. Oliver (eds), 1994. *Service Quality: New Directions in Theory and Practice*. London: Sage Publications.

Simmons. D.E., M.A. Shadur and A.P. Preston, 1995, 'Integrating TQM and HRM'. *Employee Relations*, Vol.17, No.3, pp.75–86.

Snape. E., A. Wilkinson, M. Marchington and T. Redman. 1995, 'Managing Human Resources for TQM: Possibilities and Pitfalls'. *Employee Relations*. Vol.17. No.3. pp.42–51.

Wilkinson. A., 1992, 'The Other Side of Quality: "Soft" Issues and the Human Resource Dimension'. *Total Quality Management*, Vol.3. No.3. pp.323–9.

Wilkinson. A. and H. Wilmott (eds), 1995. *Making Quality Critical*. London: Routledge, pp.1–32.

Witt, C. and A. Muhlemann. 1994, 'Service Quality in Airlines', *Tourism Economics*, Vol.1. No.1, pp.33–49.

Zairi. M., S.R. Letza and J.S. Oakland, 1994, *TQM: Its Impact on Bottom Line Results*, London: Technical Communications.

Zeithaml. V., A. Parasuraman and L.L. Berry, 1991, *Delivering Quality Service*, New York: Free Press.

TABLE 6

ITEM LOADINGS ON FACTORS FOLLOWING VARIMAX ROTATION

Item	Factor 1	Factor 2
Senior Managerial Commitment		
Senior management consistently reinforce the benefits of providing service quality for the customer.	.63(.76)*	
Concern for quality exists at all levels of the organisation.	.79(.76)	
The quality of service offered to the customer is reviewed on a continual basis.	.65(.73)	
We work across departments to bring about quality service for the customer.	.67(.72)	
Every attempt is made to understand customer expectations prior to implementing quality standards.	.77(.76)	
Our organisation clearly knows how to implement quality standards effectively.	.79(.71)	
Sufficient resources are set aside to help implement quality standards.	.81(.71)	
Senior management actively support and promote the implementation of service quality initiatives.	.78(.75)	
The quality effort is closely linked to the overall strategy of the organisation.	.61(.73)	

Sufficient time is allowed to implement quality standards.   .69(.64)

Employee Resourcefulness
We regard the customer as a vital business asset to be managed for
   the long-term.   .57(.58)
We provide front-end employees with the authority and power to
   solve customer problems.   .93(.62)
There is sufficient training in service quality procedures.   .90(.81)

Eigen Values	7.36	1.25
Percentage of Variance	56.6	9.6**

* The figure in brackets represents the item-to-total correlation.
**The percentage variance extracted by the two factors was 66.2 per cent.