

Review Review Review

Strategic Management in the Hospitality Industry, by Michael Olsen, Joseph West, and Eliza Ching-Yick Tse; John Wiley and Sons, New York, New York. 450 pp. Cloth. \$49.95.

WHY IS IT THAT ALMOST EVERY book on strategy in the hospitality industry begins with a hundred or so pages of "who cares" history combined with filler on the competitive environment, environmental analysis, and SWOT? Why is it that the next hundred-plus pages are historical theory, classic analytical models and tools, and definitions of theory *ad infinitum*? Then, why do the last hundred-plus pages give case examples that have the previously mentioned theory superimposed on them in an effort to pull it all together? Finally, why is it that either buried somewhere in those last 100 pages—or maybe nowhere at all—are one or two pages on what actual strategy and strategic management in the real world is all about? Could it be that those practicing, real managers and executives just do not have the time or interest to give an author the benefit of their decades of real-world strategic-management experiences, as well as the current thinking that comes from hands-on experience?

That said, it is good to read a text like *Strategic Management in the Hospitality Industry* (Second Edition) and see many changes in content from the first edition that connect with reality. Once beyond the definitions, graphics, and, yes, four of eleven chapters on competitive and environmental topics, the text presents excellent case examples from the real world. The discussion on integrating strategic changes and growth strategies (Chapters 8 and 10) are where the text gets closest to the real-world action and dynamics of today's strategic thinking in the hospitality indus-

try. Chapter 9, on "Managing Service Quality," provides a good discussion, but that topic appears to be out of place between two chapters on developing real business strategy. The content of Chapter 10, "Globalization, Multinationals, and Corporate Strategies," comes closest to fulfilling the promise given in the book's title. Chapter 11, "Leadership and Strategy: Challenges for Tomorrow's Managers," contains excellent discussions on the linkages of strategic decisions to forces driving change and stakeholders. The case examples which follow this chapter, "The Norman Conquest" (referring to Norman Brinker, Dean of Casual Dining) and the case study on Marriott International, are excellent. Also, the case study on Hilton before and after Stephen Bollenbach, at the end of Chapter 8, gets to the heart of strategic management.

The book effectively combines classic articles and chapters written by several individuals in a comprehensive treatment of strategic management. Its strengths include placing the subject in a framework at both the property and corporate levels, providing linkages between competitive and environmental issues to strategy decisions, and offering the previously mentioned case studies. The book would have been even better had the rationale for employing strategic decisions been delineated in greater depth. For example, the text suggests that domestic corporations used the same strategies (e.g., franchising, joint ventures) to expand in the global marketplace as they had used domestically. That's true enough, but the real strategy decisions were driven by other factors, such as financial risk, market saturation, and incentives. For example, as both Holiday Inn and Marriott (among others) developed outside the United States, those firms preferred

positions of either zero equity or only limited equity. Moreover, their strategy was based on a determination of risk factors for each locale. Recently there has been a great willingness by NYSE-listed, United States-based corporations to invest a greater degree of equity internationally on an opportunistic basis. An analysis of this type of in-depth discussion of strategic-management decision making would greatly add to the text. Also, the readers will benefit more if the examination of the role of market and product segmentation in the strategic-management process were expanded. Short of the annual investment conferences at UCLA and NYU, or a 12-inch reading packet, this second edition represents one of the best collections of concepts and discussions on strategic management in the hospitality industry available today.—**Ronald A. Nykiel, Ph.D., CHA, CHE, Conrad N. Hilton Distinguished Chair, University of Houston.**

The Mayflower, Madam

When Monica Lewinsky returned to Washington, D.C., to testify once more for the U.S. Senate's impeachment hearing, she lodged in the nearby Mayflower Hotel. At \$235 per night, that room may have been one of the most expensive in town. The tariff was more than twice the D.C. area's January ADR of \$105.05—and more than three times the \$71.30 average national rate for an upper upscale hotel room, according to the PricewaterhouseCoopers hospitality and leisure group and Smith Travel Research. The U.S. Senate is chipping in, though, appropriating \$126.00 to cover one night of Lewinsky's lodging bill—a tiny amount compared to the millions spent on the impeachment investigation.—*G. W.*

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