

# Innovation Processes in Hospitality Companies (A Case Study of E –Zone at Four Seasons Hotel)

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**Abstract:** The fast growing hospitality companies have been increasingly linked to the service sectors (Metcalf et al, 1999) and the service sector is among the most vibrant in economic growth. As a result, it has become necessary for companies to match-up by continuously looking for ways and processes of improving quality and reputation through the involvement of employees in concept development. Most hotel companies believed that by counting on their human resource and improving efficiency among the services and the products which are offered, could meet the needs and expectations of employees and this aspect needed to be given attention. The bone of contention is the extent to which employees could be empowered and given the opportunity to perform within their working environment. The purpose of this study is to understand the stages at which employees are involved in innovation processes in 5 & 4 star hotels in London. It is clear that there is the need for more research in to employees' involvement in innovative processes in hospitality companies in general. 5 & 4 star hotels in central London will be selected and focus on. The 5 star hotels have been selected in London because firstly, it in an area that attracts a large number of personalities ranging from stakeholders managers, customers and employees alike and emerging from different market segments. And secondly, the nature of 5 star hotels attracts diverse categories of employees with different levels of experience, skills, innovative ideas and commitment to work. The aim of this chapter is to review how hospitality innovation processes are carried out in various hospitality companies. How the various companies applied the 15 stage innovation model. It will discuss how the various companies used the stages while identifying the role played by employees in each case. Case study design of qualitative research was employed in carrying out this study. The employees of five star hotels in London central have been interviewed and sampled using purposive judgment sampling. The notion of employees' involvement in innovation process is about 90% comparatively to managers of just about 10%. Initially, the taut of management being involved more than 10% was very high. But the research has shown that the opposite is rather true. The findings has also shown that, firms do not have formal research and development departments instead they turn to rely on creative entrepreneur and living innovation personnel or generating innovation culture, in which new ideas are encourage. It is therefore, not unusual for the hotels studied, to exist within a research department. While both characteristics of the cases studied in the hotels revealed that about 90% of the stages involved team work with employees inclusive, the idea generation still rests in the hands of line management

**Keywords:** hospitality companies, service sectors economic growth, market segments, creative entrepreneur.

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## 1. INTRODUCTION

Rosen (1975) notes that good innovation will constantly aim at making things better. Successful innovation can also gain leading competitive advantage in all aspects of the business provided the business is determined to sustain itself through workable processes. Comparative advantage is important in today's world and age because the world is changing and the pace of growth is now moving faster. Scotchmer (1997) argued that new trends on how to innovation in both big and small hospitality firms is now the order of the day.

### **1.1 Innovation Concepts**

Innovation has been defined in many different forms by researchers. But for the purpose of this write-up Jones (1987) stated a definition and this definition will be adopted. He defines innovation as “the entire process encompassing the use of creativity and research into new ideas, processes, and feasibility studies to evaluate their cost-effectiveness, risk analysis and implementation of the new product service or process”. The entire process of creativity is an art of innovation which cannot be discussed without talking about the innovation as a concept. There are other concepts that are used interchangeably by most people when talking about innovation and these are creativity, change and invention. There are also, types of innovation.

### **1.2 Forms of Innovation:**

Four commonly accepted types of innovation are Product, Process, Position and Paradigm (Todd and Pivot, 2005), further explains that the type of innovation that may exist in a particular industry may depend on the domain in which the innovative idea may be developed and practiced. However, innovation is a concept and all innovation begins with creative ideas.

The definition of innovation however, as the successful implementation of creative ideas within an organization serves as the foundation for ideas generation. In this view, creativity by individuals and teams is a starting point for innovation. The first is necessary but not sufficient condition for the second. However, for innovation to occur, something more than the generation of a creative idea or insight is required: the insight must be put into action to make a genuine difference, resulting for example in new or altered business processes within the organization, or changes in the products and services provided. "Innovation, like many business functions, is a management process that requires specific tools, rules, and discipline." (Amabile, 1978)

From this point of view the emphasis is moved from the introduction of specific novel and useful ideas to the general organizational processes and procedures for generating, considering, and acting on such insights leading to significant organizational improvements in terms of improved or new business products, services, or internal processes. Through, these viewpoints as creativity is typically seen as the basis for innovation, and innovation as the successful implementation of creative ideas within an organization (Amabile, et al 1996, pi 155) says, it is clear that creativity may be displayed by individuals, but innovation occurs in the organizational context only.

It should be noted, however, that the term 'innovation' is used by many authors rather interchangeably with the term 'creativity' when discussing individual and organizational creative activity. As Davila et al (2006) commented, “Often, in common parlance, the words creativity and innovation are used interchangeably. They shouldn't be, because while creativity implies coming up with ideas, it's the "bringing ideas to life" and this is. What makes innovation distinct in undertaking it is." He further stated that innovation is:

- One with which consumers are not yet familiar—or of a new quality of a good.
- The introduction of a new method of production, which need by no means be founded upon a discovery scientifically new, and can also exist in a new way of handling a commodity commercially.
- The opening of a new market that is a market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before. There are some features or in other words characteristics that differentiates this unique concept "innovation" from

### **1.3 Innovation characteristics:**

Innovation can be categorized in a number of ways. In reality there are three categories and these are product service and process. Each of these can range from tangible to highly intangible. Product innovations are changes made to whatever is that of what the customer purchases. “For tangible products, this refers to some kind of artifacts; but intangible elements are service levels, speed of service, seat type in the case of transportation, meals and the like.” (Freeman, 1784) Process innovation refers to the way the product is made or delivered this kind of innovation can involve a change and for that matter new technology that makes the artifacts to become more consistent quality and at a lower cost. For service processes, innovation may also involve a new technology but may also include redesigning the flow of process. (Mansfield, 1985) states that, this is done to improve quality and also reduced cost in terms of the processing. Cost as mentioned in the definition, that innovation could be worth it if it adds value to the organization in question.

One emerging approach for managing an innovation process is to use the constituent element of innovation. This type of contingency innovation occurs when someone uses an invention - or uses existing tools in a new way - to change how the

world works, how people organize themselves, and how they conduct their lives. One example worth mentioning to justify an innovation that exists in the hospitality industry is the focus in the flight catering problem solving element of innovation. In this vein the international Flight Catering Association (IFCA) annually sponsored the Mercury Award, which provided a benchmark against which suppliers, caterers, and airlines world-wide are judged as to their innovativeness.

The definition of innovation criteria for example which was issued by IFCA, as the criteria to be met by the companies is: The recent introduction, or use of a process in a product or a service which improved services to the passenger. The innovation should demonstrate a change, freshness, newness and will meet customer needs (Jones, 1987). One major supplier to the industry believes that it is all about recognizing problem solutions. Some ideas introduced into the industry have been used to solve problems and sometimes the industry in question did not know or realize it. A good example of this is the development by a supplier of a tray-size wine bottles that are flat on one side. The previous bottles were shaped like all wine bottles are, so when placed on their side to fit on a tray in trolley rolled around.

#### **1.4 Trends of innovation in contemporary management (Innovation in manufacturing and service firms):**

There are well-established models of how manufacturing firms go about new product development. More recently, innovation in service firms has also been considered. Scheuing and Johnson (1989). Also a body tries to introduce a model for new service and product development based on work in financial institutions. The approach to new product development is compared with that of new service development the sequence in the new model goes beyond existing models on new product development.

#### **1.5 Types of innovation:**

Scholars have identified types of innovation, including:

Business Model innovation involves changing the way business is done in terms of capturing value e.g. Compaq vs. Dell, hub and spoke airlines vs. Southwest, and Hertz/Avis vs. Enterprise. Marketing innovation is the development of new marketing methods with improvement in product design or packaging, product promotion or pricing.

Organizational innovation involves the creation or alteration of business structures, practices, and models, and may therefore include process, marketing and business model innovation. Process innovation involves the implementation of a new or significantly improved production or delivery method. Product innovation involves the introduction of a new good or service that is new or substantially improved. This might include improvements in functional characteristics, technical abilities, ease of use, or any other dimension. Service innovation is similar to product innovation except that the innovation relates to services rather than to products. Supply chain innovation where innovations occur in the sourcing of input products from suppliers and the delivery of output products to customers. Prof. Clayton M. Christensen of the Harvard Business School maintained a database of innovative changes in the production and sale of hard-disks from (1975 to 1995) argued that there were 116 new technologies introduced, 111 of them were sustaining in nature, and every established firm in the industry was able to copy or replicate those innovations with 100% success. (Sustaining innovations also tend to be evolutionary.) In contrast there were 5 disruptive innovations. None of the disruptive products involved any new technology, yet for the established firms in the industry the adoption rate in the disruptive technologies was zero. Hesselbein, (2002),

For the leading firms, the new technologies offered their existing customers little advantage. The success of the disruptive technology often promised lower profit margins to established firms. The decision maker's values and the goals of the firm forbid giving serious consideration to technologies that will destroy an established market. These disruptive technologies were adopted by small firms that were not established in the market, and for whom adoption of the disruptive innovation represented new opportunity.

The small scale firms were satisfied. The level of satisfaction has led policy makers and managers to group for more intuitive and less theoretical analyses to which they can relate to at a practical level. In the process of using the theoretical analysis, none of quantifiable variables during the processes was found in the models. Furthermore when they do, mathematical gymnastics (such as the use of different demand elasticity for differentiated products) it embraced many of these qualitative variables, but in an intuitively unsatisfactory way.

In management, literature on the other hand, is in vast array of relatively simple and intuitive models for both managers and consultants to choose from. Most of these models provide insights to the manager which help in crafting a strategic plan consistent with the desired aims of the organization. Indeed most strategy models are generally simple; however, these models often fail to offer insights into situations beyond that for which they are designed. The situational analyses of

these models often tend to be descriptive and seldom robust and rarely present behavioral relationship between variables under study.

*Sources of innovation:*

There are two main sources of innovation. In the linear model the traditionally recognized source is manufacturer innovation. This is where an agent (person or business) innovates in order to sell the innovation. The other source of innovation, only now becoming widely recognized, is end-user innovation. This is where an agent (person or company) develops an innovation for their own (personal or in-house) use because existing products do not meet their needs. (Eric von Hippel 2000) has identified end-user innovation as, by far, the most important and critical in his classic book on the subject, *Sources of Innovation*. The type of innovation adopted and applied by businesses is achieved in many ways, with much attention now given to formal research and development for "breakthrough innovations." But innovations may be developed by less formal on-the-job modifications of practice, through exchange and combination of professional experience during the design and by many other routes. Regarding user innovation, rarely user innovators may become entrepreneurs, selling their product, or more often they may choose to trade their innovation in exchange for other innovations. Nowadays, they may also choose to freely reveal their innovations, using methods like open source. In such networks of innovation the creativity of the users or communities of users can further develop technologies and their use. Whether innovation is mainly supply-pushed, (based on new technological possibilities or demand-led (based on social needs and market requirements) has been a hotly debated topic. Similarly, what exactly drives innovation in organizations and economies remains an open question.

innovation does not just happen within the industrial supply-side, or as a result of the articulation of user demand, More recent theoretical work moves beyond this simple dualistic problem, and through empirical work shows that but through a complex process that links many different players together thus team- work not only developers and users, but a wide variety of intermediary organizations such as consultancies, standards bodies customers employees etc. (O'Sullivan, 2002). Work on social networks suggests that much of the most successful innovation occurs at the boundaries of organizations and industries where the problems and needs of users and the potential of technologies can be linked together in a creative process. Once innovation occurs, it may spread from the innovator to other individuals and groups. This process has been studied extensively in the scholarly literature from a variety of viewpoints, most notably in Everett Rogers' (2000) classic book, *The Diffusion of Innovations*. However, this 'linear model' of innovation has been substantially challenged by scholars in the last 20 years, and much research has shown that the simple invention-innovation-diffusion model does not do justice to the multilevel, non-linear processes that firms, entrepreneurs and users participate in to create successful and sustainable innovations.

Rogers (2003) proposed that the life cycle of innovations can be described using the 's-curve' or diffusion curve. The s-curve maps growth of revenue or productivity against time. In the early stage of a particular innovation, growth is relatively slow as the new product establishes itself. At some point customers begin to demand and the product growth increases more rapidly. It is not surprising, therefore, that companies such as hospitality and tourism have embraced the management of innovation gamble enthusiastically, with the primary goal of driving growth and, consequently, improving shareholder value.

In general, it is therefore not surprising that business organizations spend significant amount of their turnover on innovation i.e. making changes to their established products, processes and services. The amount of investment can vary from as low as a half a percent of turnover for organizations with a low rate of change to anything over twenty percent of turnover for organizations with a high rate of change. From this perspective innovation succeeds from strategic structures that engage the individual to the organizations' benefit. However innovation pivots on intrinsically motivated individuals, within a supportive culture, informed by a broad sense of the future.

Innovation management is the process of implementing creative thinking taught. The first stage in innovation is for someone to generate an idea. It is typically a technical insight into a product or process or a thought about unique service. In some cases ideas arise from observed problems either now or in the future. Ideas can also be stimulated by the goals of the organization or an opportunity that appears suddenly. Various stimuli can lead to the generation of an idea from reading magazines and observing problems to visiting other organizations and having informal discussions with colleagues.

Idea generation leads to opportunity recognition where someone can see an opportunity for developing the idea into a new product, process or service. The opportunity recognition stage involves the idea evaluation stage where ideas are prodded

and tested. Often ideas are improved, merged with other ideas and in many cases abandoned. An important test for an idea is that it matches the goals of the organization and available resources like people and money. If an opportunity is recognized then the idea moves to a new stage where it can be developed further. The development phase may involve prototype development and market testing. Many ideas wait at the end of the development phase for market conditions to be judged to be 'right'. There are currently many new products languishing in the laboratories of Philips and Nokia waiting for their moment to begin replacing or even disrupting existing technology. Companies typically generate far more technical innovations than they can possibly hope to bring to market effectively. The final stage of the internal innovation process is realization and in many cases exploitation where the innovation reaches the customer and moves outside of the control of the firm.

Individual companies find it hard to 'manage' innovation: while they can have considerable influence on innovation actions within their own firm, the innovation that occurs among users as they try to appropriate new products or services, and the innovative actions of other firms in similar or complementary fields are out of their control. There are wide ranges of ways that firms will attempt to engage in ideas generation activities in partnership with others in ways that will enable them to extend their influence outside, and couple their creative processes with those other industry and demand-side players. These include industry trade groups, standards processes, user-foray; joint ventures. Cabral (2003)

The innovation funnel provides a solution for explicitly defining the information requirements for managing the innovation process. The funnel illustrates how innovation goals, innovation actions, innovation teams and innovation results interact with each other to create change in any organization. The innovation funnel can be visualized as containing four arrows flowing around a funnel. Each arrow represents the flow of goals, actions, teams and results. Actions enter the wide mouth of the funnel and represent among other things, alternative ideas for change. These actions flow towards to the neck of the funnel where many will be eliminated.

The neck of the funnel is constrained by two arrows - goals and teams. These constraints loosen or tighten depending on the availability of teams and definition of the goals. Tightly defined goals can be visualized as closing the neck of the funnel with the change of fewer ideas flowing through. The availability of more teams on the other hand can be visualized as opening the neck of the funnel and allowing more ideas to be worked on. The final arrow, results flows from the narrow end of the funnel and represents information concerning the results of execution of goals, actions and teams. This arrow flows back towards goals representing the impact of results on the process of defining and redefining goals.

An important aspect of the innovation funnel is the associations generated between actions and both goals and teams. Ideas, for example, that cannot easily be associated with goals will find it difficult to proceed into the funnel. This has two effects. First, individuals and teams will focus on ideas they believe are in-line with established goals. Second, goals may be re-defined to accommodate good ideas. This is a natural learning. On the whole, innovation is vital to all successful hospitality and tourism businesses. Companies with the most distinctive, innovative products and services can remain competitive and continue to attract and retain visitors. Most hotel companies are involved in a wide range of projects and activities to help develop new and improve in the age of global competition and more sophisticated travelers, world. Most organizations encourage and capitalize on new ideas processes and/or services that are market-led and have a positive impact upon their internal image. The new ideas lead to processes and business services or products that are currently the main focus of most business minded persons. It is important for continuous improvement of existing products, services and processes in order to remain functional. Nonetheless, there are some factors that are said to have contributed to the success of innovation.

### **1.6 Hospitality Innovation:**

There are many interesting researches about innovation. For instance, most firms believe they are highly innovative. A glance through any annual report demonstrates the conviction of most gurus that a key to future success will be through new ideas, new products or new services. In reality, most firms are not as innovative as they think they are. Many so-called innovations are not "new to the world" but just original for that firm. It is also suggested that innovation should be considered as a rational and logical process. Most articles on innovation provide structured models that propose a series of steps to turn ideas into products or services in the market place. In reality, most innovation is not earned out in a structured way - nor, as this article illustrates, need it be. Innovation requires creativity. This thrives not only in structure but also in chaos, risk-taking, boundary -pushing, and non-conformance.

Innovation is essentially the development and implementation of new products or ways of doing things. This article identifies a typical 15 stage process for managing innovation. It then examines the extent to which industry practice

actually reflects this. Hidden in most real world examples of innovation, there is a more or less systematic process that firms follow, but many firms are not aware of it.

Even when they are, they do not always apply all stages of the process. Nonetheless such firms succeed in innovating. On this evidence the article goes on to propose why innovation for most firms should be a systematic process designed to fit with the nature of the innovation itself and the environment in which it is being developed. On this basis, the management of innovation can range from being a highly systematic research and development process through to a chaotic, quixotic crusade to beat competitors to the market.

### **1.7 Products or Services**

There is a reasonably well established approach to new product development (Feltenstein 1986). In reality, many new "products" in the hospitality industry are not simply products, they have service implications too. These service implications may mean modification to the processes earned out back-of-house, or directly affect the way in which customers are served. For instance, in the restaurant industry many new menu items require changes to the skill base of the kitchen personnel and their practices, impact on how items are served and cleared from the dining table, and even sometimes this can also affect dish wash and waste disposal procedures'

If most innovation involves the development of an idea that has both product and service attributes, the development process should be designed to accommodate these. Generally speaking, services are more complex to develop for a number of reasons: unlike products, services cannot easily be measured, each customer's experience of a service is unique, service purchase and consumption happens at the same time. Any discussion of innovation needs to consider the implications of this. Thinking about products and services separately does not make sense. The in-flight catering industry is a good example of this. It comprises a supply chain made up of food manufacturers, flight caterers and airlines. The industry therefore involves large number of operators engaged in a wide range of processes, delivering a wide range of products/services. The case study in this article on the pre-filled drinking glass is a good example of a major new product that requires a review of service procedures adopted by the airlines.

### **1.8 Evaluating the Innovation:**

The evaluation of a new innovation involves a four step process (steps 12 to 15). These stages could be used for either products or services.

Product/Service testing: This should be used to determine potential customers' acceptance of the new product or service while a pilot run ensures its smooth functioning. All firms agreed that operations personnel need to be involved in testing new innovations. Once developed, nearly all companies claimed to carry out 'pilot runs' to test new products/services. This can either be carried out internally, using in-house personnel, or by trailing the new product or service in the market place.

- Test marketing: This examines the saleability of the new service and a field test should be carried out with a limited sample of customers.
- Launch: With the delivery system and marketing in place and thoroughly tested, the company should next initiate the full-scale launch, introducing it to its entire market area. Different sectors tend to evaluate new services/products once on the market in slightly different ways, for instance fast food operators use market surveys, whereas foodservice contractors rely more on after sales for feedback. All companies claimed to monitor customer satisfaction on a constant basis. Post-launch review': This final step should be aimed at determining whether the strategic objectives were achieved or whether further adjustments are needed.

### **1.9 What Happens in Practice in the Hospitality Industry?**

In order to investigate the extent to which this innovation process were adopted and practiced in the hospitality industry for firms that were known to have recently engaged in developing a new product or service were investigated in depth - Disney, Guest ware, Little Chef and Pour shins. Two were British companies and two were American. The investigation was based on interviews with key personnel involved in managing the innovation process, from which a case study on each was developed. This was then reviewed by the interviewees in order to ensure matters of accuracy. The cases were then analyzed in order to establish stages in the innovation process.

### 1.10 Innovation is Contingent:

It is clear from these case studies that firms typically do not follow the 15 stage model in their approach to innovation. They may both eliminate some of the stages and they may change the sequence of activity. Why is this? There are three major reasons, relating to the nature of the innovation itself, the organization engaged in innovation, and the external environment. Products were often important and potentially highly profitable, but not major innovations, as for instance in the Little Chef Express example. It is therefore likely that fewer than fifteen stages of the innovation process will be followed with 'new to the company' products or services.

Secondly, different products have different levels of "protection" from competitors. Patent protection, as in the "spiriture" case example, is the exception rather than the rule. Most hospitality industry innovation may have some copyright protection, for instance of a logo, but little else. The less protection there is for a new product, the more likely those competitors will come into the marketplace. Hence the development process may be shortened in order to get to the market first.

Thirdly, the level of capital investment may vary widely from one innovation to another. The "spiriture" concept required significant investment in research and development, followed by further investment in manufacturing technology before a single glass could be sold. On the other hand, some organizations may go ahead with the development of new products with little market research, especially if the investment cost for creating and training the new product is often quite low. For instance, Lion Foods used their expertise in herbs and spices, in conjunction with another division of the company, to develop a new range of marinated chicken breasts specifically for use in foodservice, with very limited consultation with their potential customers.

Innovation will also vary with regards to the range of professional expertise needed. Some products or service depend on the expertise of relatively few people. But many, including the examples cited in this article, depend on a wide range of professional expertise. The greater the range of expertise needed, the more likely it is that the process will involve more stages.

## 2. METHODOLOGY

A case study is but one of several ways of doing social science research. Robert, K. Yin. (2003). In general, case studies are the preferred strategy when it comes to how or why questions are to be answered, where the investigator has very little control over events and when the focus is on contemporary phenomenon within some real life context. ( Ghauri and Gronhaug, 2002). Case study design of qualitative research was employed for this research. It is in this vain that a single case study has been chosen for this research. For Case study -research normally precedes interviews.

Judgment or purposive sampling was employed. Judgment sampling involves the choice of subjects who are in the best position to provide the information required. It is used when a limited number or category of people has information that is needed to do the research, which in this study are clearly stated.(sakaran, 2000). To do any kind of probability sampling will therefore not be meaningful. Although, using judgment sampling may reduce the extent to which the findings can be generalized, due to the use of experts that are conveniently available, it is in this study, the only viable way for obtaining the information needed. Therefore, the employees of five star hotels in London central area that have been interviewed have been sampled using purposive judgment sampling. A non-contrived study setting was used and the respondents were interviewed in their natural environment. All the employees were interviewed during work hours for the simple reason of convenience for the interviewees this is because of the fact that the employees need to be on duty, it was not possible to interview them in any other place than in their work environment. At this point a quick tour was taken round the hotel premise. Permission was not granted neither photographs could be taken nor for recording to be done since it was against the hotels policy due to confidentiality. Care was taken in the designing of the interview guide that questions followed each other, naturally in order to avoid jumping from one subject to another and to create a conversational-type interview. This style of interviewing encourages the participants to talk freely and open up around the area of interest. All the interviews have been tape-recorded after careful negotiation and the actual interviews lasted anything between 45 minutes to 2 and 1/2 hours, depending on the motivation of the respondents to answer the questions and give examples as well as additional information. In most cases, the interview was followed by a brief tour around the hotel identifying the areas that have received some form and types of innovation in the previous years. A sample of the interview schedule details can be found in **table1**. All the interviews were translated verbatim as soon as possible after the interview. The tapes and transcriptions were than kept in a secure place to ensure confidentiality. An example of those transcriptions can be

founded in the findings. A transcribed version of the recorded version has been added to the appendix. It has been suggested by Easterly, & Thorpe and Lowe (1993) that there are two major qualitative data analysis methods, which are content analysis and grounded theory. Content analysis was used to test hypothesis, and it is mainly implemented by analyzing frequency. Since the data gathered in this case is non-standard, and the objective of the study is to provide a general screening of the level of employees' involvement in innovation process in 5 star hotels in London. For this reason the method of grounded theory was therefore considered to be the most appropriate as it is useful in processing non-standard data (Glaser and Strauss, 1998) and it is particularly good for dealing with transcripts.

### **3. RESULTS OF THE FINDINGS**

The type of innovation is a renovation of a smoking room to Educational resource centre in short (E -Zone). This type of innovation is not new to the world but new to the four seasons hotel. Stages where employees' are involved in the 15 stage processes model will be identified.

The hotel managers were asked to discuss the background information and answer the questions on the strategic plan of the hotel, who is involved in the strategic planning process; this includes the recent product which was launched two months ago.

Four seasons hotel generally operates mid-sized hotel and resorts.

Currently, it is operating 74 properties in 32 countries nationwide. (Exhibit 1 shows an overview of property locations). From 1996, through 2000 inclusive, four seasons revenue increased from 58% to 67% during the same period. In 2001 revenue per room was 32% higher than that of its US. Competitors and 27% higher than that of its European competitors (Exhibit 2. provides a summary of financial performance).

#### **3.1 The nature of strategic planning in the hotel:**

Four seasons hotel strategic planning is earned out by the central management team from home office, resident in Toronto, Canada. And this strategy is based on three things, people. Product and profit. The 3 ps are to be perused in the order of arrangement and this is referred to as corporate goal. These corporate goals are directed onto one philosophy which runs through all the properties. This is based on the Golden Rule

The Golden Rule focuses on human resource management. General Manager meets with each manager of each local property once every three months to discuss new ways of doing things. And this is "called best practice data base". Four seasons strategic team is made up of all the directors of the various properties president and regional vice presidents, senior general managers of the various geographical locations/ Cities and resorts. At this level no employee is involved. This is because Isabel explained that research has shown that most of the line managers are more involved with customers and employees and during interaction they are able to gather information that which when brainstormed can generate new ideas.

Managers" A" explained that "human resource management at four seasons started and ended with the Golden Rule, which stipulated that one should treat others as one would wish to be treated." The golden rule is actually, key to the success of the firm. Founder and the CEO Sharp emphasized, it and it is appreciated in every town and village as well as in the cities around the world. Basic human needs are the same everywhere,"

Kathleen Taylor, president, worldwide operations, provided an example of how four seasons implemented the golden rule" We give employees several uniforms so they can change when they become dirty. This goes to their dignity but it is uncommon in the hospitality industry. People around the world want to be treated with dignity, respect. And in most organizational cultures this does not happen. (Exhibit 3) summarizes the firm's goals, beliefs, and principles.

#### **3.2 The culture:**

Manager "C" explained, "Four seasons ability to become somewhat of a cultural chameleon with an analogy to Disney;" Unlike Disney, whose brand name is so strong that it is associated with the United States, four seasons does not rigidly define what the product is. The four seasons brand is associated with intangibles. Our guests are not looking to stay in a Canadian hotel" In general four season managers were wary of being perceived as an "American company". They found it useful in Europe to position four seasons as Canadian company it was.

"We have been obsessed by the service standards, Isabel noted



"People who come from the outside are surprised that we take them and the role they play in our culture so seriously. But they are essential; talk to me about standards and you talk to me about religion". Another manager added. "Over time the standards help to shape relationships between people and those relationships contribute to building our culture".

### **3.3 Hotel innovation strategies:**

is part of our strength as a result each hotel is tailor made and adapted to its national environment, noted she said this has been noted by David Crowl, vice president sales and marketing, Europe, Middle East and Africa Sharp once told me that one key of our strengths is diversity, Me Donald's is the same all over, we do not want to be that way. We are not a cookie-cutter company, we try to make each property represent its location, and in the rooms we have 40-50 square meters to create a cultural destination without being offensive.

### **3.4 Structure:**

A general manager is responsible for supervising the day to day operations of a single property oversaw each four season's property. Manager in charge of technology "said," general managers had a bonus of 30% of base compensation.

A quarter of the bonus was based on people measure (employee attitudes, 25%) on product service quality, and 50% on property profit. Season's management believed that the firms' general management structure was a key component for its ability to deliver and maintain the highest and most consistent service standard at each property in a cost effective way. At this stage, the employees are not involved the management structure is solely designed by management team. Exhibit 4 describes the structure.

### **3.5 Special departments for innovation:**

The general manager said it is every ones responsibility to be innovative and generate ideas within each department Direct line committee responsible for idea generation This committee is constituted by a representative from each department This committee meets once every month to discuss upcoming ideas from the employees from the various departments. The committee is also responsible for generating competition among staff as well, said the property manager, Canary Worth, four seasons.

### **3.6 New product development:**

The new product developed in the hotel within the past six months is the E-Zone (educational and training zone), which is 2 months old at the time of conducting this research. When asked why the need for this E -Zone, one of the managers stated: "we decided many years ago that our distinguishing edge would be exceptional, personal service- thus where the value is. In all our research around the world, we have never seen anything that led us to believe that customized service was not the most important element of our success".

Manager "D" added "service like those" "what I think of as intelligent service- can't be scripted. As a result, we need employees who are as distinguished as our guests. If employees are going to adapt, to be empathetic and anticipate guests need, the distance between the employee and the guests has to be small and it is education and information that can bridge the gap". And this calls for a resource centre to be established to bring the employee knowledge level to be at par with the standards. Furthermore, the employees are motivated to take control of their own development if the employee development stage is improved; we believe our employees will go the extra mile for each individual guest.

### **3.7 Employees' involvement in idea generation:**

The human resource director was responsible in generating the idea, and spear headed the whole concept. The idea of having a training and resource centre instead of a smoking room. The idea was then given back to the direct line committee for all the employees to discuss. This stage, again involved the screening of the idea as well.

During the normal monthly meeting time, 10 persons ended up by suggested about 100 names. This number suggests the level of employee participation in the idea screening stage. Manager D commented that the total number of employees is 220 and 100 names as against 220 might suggests the level of confidence employees have in the management. E - Zone, was suggested among the numerous names but as usual only one could be approved. At this stage almost all the employees were involved since the idea directly concerns them and apart from that a competition was organized to determine which department will come up with the best name. This gesture, indirectly committed all employees at all levels. At the end of this stage the concept needed to be tested.

### **3.8 Concept Testing:**

There was an internal testing of the concept by three departments, to see whether the idea can be feasible. The departments' involved at this stage are a) information technology department b) purchasing department c) engineering department, and all the necessary small teams. At this stage, there was this second suggestion that the hotel needed a place for storage so the smoking room must be used for storage. But going back to the corporate philosophy the needs of employees must be put into the lead. As mentioned earlier, that the corporate goals are stated in their order of importance, the people product and profit in support of pursuing this goals priority must be given to people.

### **3.9 Project authorization:**

Project authorization is solely done by financial and marketing departments. In this respect, the literature review expatiated on the finance department as solely in the lead concerning the authorization of projects in most firms. When asked why, an explanation was given. "This is because there are financial implications, commitments in every investment. The line committee is responsible from each department were involved but not all said manager. The room had to be aired several times due to the smoke; the engineering team had to spear head. The painting and the room station positions was selected by the employees group. The employees were asked to start using the E -Zone.

### **3.10 Business Analysis:**

The business analysis, Managers A& B both explained and based on the discussions on the case study, the impression created was that this particular stage is strictly done by the financial and marketing directors of the four seasons At this stage, employees are not invited to be part of this process. When asked why, she explained; this has to do with decisions looking at the relevant resources available.

Secondly, it has been stressed by manager "C " previously that there are categories of projects that can be authorized by the finance department and others, that are done by the central office depending on financial implications taking into consideration the cost involved in relation to other ongoing projects and also looking at the size of the room and the type of tables, computers telephone facilities, books, etc and also to make sure that the room will be decorated and habitable due to its long use as a smoking room, and specious enough to attract the employees. Thus making sure that the room will be functional habitable to serve the purpose for which it is created. At this stage, the project needs to be authorized.

### **3.11 Expertise involvement:**

Innovation which is not new but just new for these hotels demand that the furniture and computers other necessary inputs be made available. This had been contracted out for an agent to supply. . This aspect within the stages of the process, have involved the space available initially, was too small for 5 computer, someone with expertise on furnishing the centred to suite the room,

Looking at were to installed it. But the room was looking congested latter, 3 of them were taken away to make room for the shelves and books. Since the room had been used for smoking over a long period of time, it had to be treated and aired for some time.

### **3.12 Employees' involvement in training:**

The room is now set for use but require that the employees are given orientation and training on how the resources at the E - Zone should be used. This involved the use of information from the various websites how to brose and search for information using the firm's patent agreement. This patent issue is of very importance to innovative companies. Because, as explained in the literature, patent, is one of the causes of innovation failure.

The idea to protect the patent law at four seasons hotel arose. There was the need for staff to receive adequate training in relation to the does and don'ts of the patent and also, how to buy books online, to determine go and no go areas. At this stage, almost all the employees participated in the training section so they were deeply involved. Having taken the staff through the training section on how the resource centre should be used the next stage calls for a specific launch. E -Zone.

### **3.13 Launching:**

The opening ceremony was grand .Posters were put-up for the launching ceremony, employees award ceremony was celebrated, every employee was given a key card to enable them have assess 24 hours, brand music was made available, food and drinks provided, and the time was carefully selected to make room for staff on any shift to attend on the whole about 60 staff were present out of 220 staff strength of Canary Worth four seasons.

The centre was made open for twenty -four hours, even if staffs are off duty. Telephones are not made available when asked; the human resource manager said it may be interrupting with the learning activities furthermore. The staff restaurant is designed to provide employees with telephones during break or launch time. At this stage the employees were involved contributing to the planning and preparation process for the launching, Putting up posters, arrangements for the service of food and a drinks etc. There was nothing like reviewing the launching. And at this stage all the employee were involved. Pictures of the 2 stations of the E -Zone centre for training can be found at the end of the case study. The **table 2** gives a summary of the second case with the levels of employees and managers in the process.

## **4. DISCUSSION OF THE FINDINGS**

### **4.1 The hotel environment:**

Firstly, five managers mentioned that the hotel environment lend its self to all kinds of people that are professional and non professional workers due to the nature of expertise services that it offers to guest and the type of industry in which it find itself “hospitality”. Five managers made note of this as already illustrated in the case study. For this reason staff is made-up of a wide of experience and talent, which calls for their involvement in team work.

Secondly, One of the hotel managers liken the hotel to a large community a town or a village, “we have all the facilities to attract different calibre of people who may desire to work in the hotel because of the interesting nature, wide array of services and products that are on offer. This turn to attract people with diverse nature of experiences skills, knowledge, talents and ideas that when tapped can be brought to bear on the innovative processes in the hotel environment. Thirdly, the difficulty we face in this area is that staff turnover is high even though most of them may not be skilled. Also, most of the employees would want to be changing jobs from one career to the other that might be due to low wages or lack of interest low qualifications, job mobility attitude, or mere lack of commitment in a particular task could be the likelihood of high staff turnover.

Lastly, this has an adverse effect where a staff generates an idea and lives it for someone else to follow. Once the idea is generated among other things, it makes it difficult for another person to carry out the vision. The ideal situation is where an idea is generated, it should be spear headed by the one that introduces it. Two managers explained saying that “to maintain an adaptive, learning atmosphere at all times and at all levels, the firm has created self -managed teams and cross- functional product development teams, so that multiple perspectives will be brought to problem solving within the firm. Teams cut across the traditional boundaries of the firm. A single team will include representatives from engineering, financing, research and development, marketing, information systems, and human resources” These teams are kept small so that they are highly flexible, adaptable and easy to manage.

Because the hotels are in the hospitality industry they serve a large number of people from different line of perspectives. Manager “B” argues that line managers including all other employees are given the chance to operate at their own levels within the teams that they belong. This enables them to display creativity and also come up with ideas through the supervision of their line managers or the direct supervisors.

An employee explained from the engineering team that for them as employees they have really found it very dynamic on the part of management to move from dictatorship to the team work. This enables them to come out of their shells with their own ideas and to solve little and big problems that may be within their jurisdiction. Infect, it is just like empowerment”. Employee or staffs turn to believe that it is solely the responsibility of management members to plan and design strategies for the entire firm, and for this reason they have little or nothing to contribute to organizational goals and management processes. But because of the team work almost all the employees are involved.

### **4.2 Organizational characteristics:**

The size of the company is a factor in the process adopted. Many operators in the hospitality industry are relatively small they cannot support the overheads of research and development department. The trend towards partnerships and joint ventures reflects the fact that innovation may often require capital investment and necessitate sufficient economics of scale to keep unit cost down to acceptable level. Further investment in technology before a single product can be sold may also be necessary. On the other hand, some organization may go ahead with the development of new product with little market research, especially if cost the investment cost for creating and training is low For instance the case of four seasons hotel the hotel company has the economies of scale since it has 73 properties in 32 locations currently and still

expanding, one can argue that it has the economies of scale and also, has invested in its front office reservation system, and so capable of supporting the cost of research.

#### **4.3 Type of innovation:**

Four managers responded by saying “there had been numerous innovations including renovations of various sections in the hotel for the past 5 years. The renovations ranged from introducing take away toiletries for guests, in the rooms, changing the floral arrangement every week introducing oyster cards in the guests rooms best employee’s award for the year among others. But the most significant and recent one within the last eight months is the educational centre. This is the idea of changing the smoking room to employees’ resource training centre (E-Zone) for staff or employees. Even though, there was a second proposal concerning the same smoking room. The nature of the idea was to favour the kitchen and stores. Manager A explained that just before the law of no smoking was launched on 15th February, 2007. The idea of changing the smoking room to a store room for the kitchen staff was also made open by another employee (“G”).

#### **4.4 Product features:**

The originality of the product or service is a factor if a distinction can be made between products that are new to a firm and those which are new to the world. About 10% of products fall into the new to the world category. These are major new products like profiled drinking glasses. There were new methods of delivering older products, such as multimedia training new markets, or, new ways of doing business. What four seasons considered as innovation in the two case studies, E-ZONE and ZEST is infarct considered as extension or repackaging of existing products. This has been explained by the managers interviewed. Saying, the main innovation that was carried out by the hotel is not for commercial purpose or product. But rather for internal purpose as stated in the literature in chapter 3, It is as part of our philosophy that says; “treat others as you would want to be treated” that lead to the concept. According to three managers the corporate members believed that if employees are well cared for, the gesture will be passed on to the guest out there”.

#### **4.5 The original idea generation:**

Idea generation leads to idea generation leads to opportunity recognition where someone can see an opportunity for developing the idea into a new product, process or service. The opportunity recognition stage involves the idea. An important test for an idea is that it matches the goals of the organization and available resources like people and money. For example, in the innovation under study, in four seasons hotel the idea generation was carried out by the human resource manager, two months before the no smoking law was passed.

#### **4.6 Products service testing:**

This should be used to determine potential customers’ acceptance of a new product or service while a pilot run ensures its smooth functioning. All firms agreed that operations personnel need to be involved in testing new. Innovation once developed, nearly all companies claimed to carry out pilot runs to test new products/services. This can either be earned out internally, using in-house personnel, or by trailing the new product in the market place. In the case of the cases studied, the product was tested internally by using the staff of the firm. This is because the product was meant for in-house use; E-ZONE (employees resource centre) and ZEST, (staff cafeteria).

#### **4.7 Idea screening:**

Idea generation and screening can be drawn from external sources, or internal consultation and brain storming can add to the idea pool. In the case of the two cases study, ZEST and E-ZONE, the ideas were generated through internal consultation and brain storming. Where there is a structure, the department most likely to generate new ideas and screen in many firms is the sales and marketing departments. In the contrary, the departments that generated the ideas are the food and beverage department and personnel departments’. In the majority of firms however, ideas are likely to be generated in an ad hoc way, either from a listening and talking to customers or the brainwave of an individual. In the case of the two hotels used for the research, about 80% of the interviewees admitted that they also use guest comments card and also listen and talk to customers in solving some of the problems related to the needs of the guests. The idea screening moved hand in hand with the idea generation and developing the new service concept. It may be necessary to screen idea to ensure that it is feasible before it is designed and authorized. These hotels in question also screened the ideas through the staff council team meetings and so.. At these stages, about 89 % of the employees were involved in the idea screening process. Employees also, made a contribution at this stage saying that in support of what the previous employee said. “Indeed some of the employees are so committed to the job role and apart from this some of the employees are fairly old

but very experience and such group of employees will find it a bit reluctant to fallout completely and go to the class rooms for training. Therefore the idea of an internal training centre is a step in its right direction

All the hotel managers agreed that the idea generation is every ones responsibility within the firm both employees and management. This is because top management believes that as much as the firm's strategy support innovation, it is essential to include efforts to develop and train employees with regard to innovation and corporate entrepreneurship. Two managers illustrates that to maintain an adaptive, learning atmosphere at all times at the organizational level, the hotels have created self managed work teams and cross-functional product-development teams, so in effect, multi perspectives will be brought to problem solving. For the above reason, at four seasons hotels, teams cut across traditional functional boundaries; a single team include representatives from engineering, research and development, finance, marketing, information systems and human resources. Manager B also argues that, the teams are kept small to make them flexible, and adaptable, and easy to manage. He believes that the management hierarchy in four season's type of organization tends to be flat, meaning that there are not a lot of levels of management between the employee and top management manager. The level at which projects are approved is also, key factor in determining support for innovative activities. The small teams and the ideas brought forward was deemed appropriate before they were processed this is particularly true with small and big firms as well.

#### **4.8 Other sources of ideas generation:**

Most powerful idea source is customer feedback .Four season employee explained that, the main idea of having voted for the educational resource centres for staff is the thought of having given an opportunity to employees to update their skills experiences and knowledge to become well informed about contemporary issues. Issues that are related to the hospitality profession can enhance the employees self confidence

The 7 employees further added that, this will further bridge the gab between employees and guest because, this gesture in other words, will encourage them the employees to discover their potentials and work towards it. "This will make us become more productive". He made reference to many complements received from some clients as an individual. This he said came about as result of professionalism at work. Furthermore, he said "infarct it is an alternative means to offer continuous training to employees while they still working on the job apart from going on study leave.

##### **4.8.1 Business analysis:**

This should represent a comprehensive investigation into the business implications of each concept. It should involve a complete market assessment + drafting of a budget for the development and introduction of each proposed new product or service. The type and nature of product development carried out by the two hotels did not go through any market assessment. This is because the product is meant for use internally by staff but not for commercial purposes therefore one cannot say that any employee was involved. The non commercial nature of the innovation could not permit this particular stage to be properly assessed .This has brought significant difference between the literature review and the stages used by these hotels.

##### **4.8.2 Project authorization:**

This step occurs when top management commits corporate resources to the implementation of a new idea. In small person or department in the companies, it is likely that about 90% have just one department in the company to authorize all the innovative projects. This is usually the managing director or the committee leader. The ad hoc way in which ideas are generated is also reflected in how funding is agreed for projects and research for new services/products is carried out. In the case of the hotels under study, the committees are given powers to authorize projects that are proposed and supported by staff and management. Furthermore, team leaders are also given some level of authority depending on the resources available

On the other hand depending on the cost involved the finance departments solely responsible for authorization of projects. In cases where the teams are used for implementing the managers said a team normally involves representatives of various employees from various departments and so they are involved in project authorization. This can be seen in the tables on the summary of stages of employees' involvement

##### **4.8.3 Marketing programme:**

The introductory marketing programme should be formulated and tested in conjunction with prospective users. Especially, with services, it is best if the marketing program is devised in conjunction with the service development. In product

development, the marketing program may often be entirely separate from the development process. In the case of four seasons hotel the renovated product E-ZONE, ZEST, cafeteria which contained a service element but not profit oriented, had to be tested using the day and the night staff. This is to establish whether the menu planned for the staff is actually meeting all the requirements suggested during the screening stage. At this stage all the staffs are involved including employees.

#### ***4.8.4 Personnel training:***

This applies mainly to service development. To complete the design phase, all employees should be familiarized with the nature and operational details of the new service. Research in flight catering showed that 91% of airlines engaged in personnel training. In the same vein four seasons hotels are involved in personnel training when a new product is introduced. This is because the new product involved self service machines computers with specific instructions and other accessories that employees are not familiar with; they may need training to be able to use the new facility effectively and efficiently. The seven employees said for the reasons stated above, they had to be taken through orientation and training with which about 85% of employees participated.

#### ***4.8.5 Launching:***

With the delivery system and marketing in place and thoroughly tested, the four seasons should next initiate the full-scale launch, introducing it to its entire market area. Different sectors tend to evaluate new services/ products once on the market in slightly different ways, for instance, fast food operators use market surveys whereas foodservice contractors rely more on after sales for feedback.

However all companies claimed to monitor customer satisfaction on a constant bases. In the case of the study undertaken in four seasons hotel, the situation is different slightly. This is because, the product which was renovated was meant for use by employees and not for customers or clients, the launching was done in a grand style, with posters, dance band, food and drink, together with the best employees staff award ceremony for the year, it was a kind of inauguration of the staff learning centre and staff cafeteria for staff in both cases.

#### ***4.8.6 Post-launch review:***

The final step should be aimed at determining whether the strategic objectives were achieved or whether further adjustment is needed. With reference to the case study, there was no need for post launching. This is explained by the managers, commenting that the type and nature of product is for internal use. So there was no need for post- launching.

#### ***4.8.7 Innovations as motivation:***

Four managers explained that this idea will indirectly motivate the staff because the corporate strategy is based on people first, product second and profit lastly. Negative aspects of the proposed gesture; if employees are not given the needed attention, treatment and help that they deserve to be given, this will be evident in the quality of service, delivery and staff customer interaction will suffer. The manager recalled on one occasion where a guest lost his shoe lace, one of the security men gave out his to the client. One cannot attribute this gesture to the renovation of the smoking room as a training room, see **plates 1&2**. But it is all based on trust. "The standards are the same because we rely on our guest comments to enable us live by our mission statements and the golden rule.

This approach by management also unfolds many sources of new ideas and important information that is based on trust. The firm is able to introduced new products services and processes". Nevertheless, three managers had this to say; there is another type of innovation in the making, and this is to do with a contemporary Spa-within our property that will recruit permanent doctor on die tics and all the other staff would Be equipped with the professional knowledge needed for operating the Spa. The most interesting thing is the employees will not act as consultants or on part-time ways of doing things. There is a typical 15 stage process for the management of innovation. It then examines the extent to which industry practices in 5 star hotels.

#### ***4.8.8 The managers' contributions:***

All the hotel managers interviewed agreed that the idea generation is every ones responsibility in the firm. Because top management believed that as much as the firm's strategy supports innovation, it is essential to include efforts to develop and train employees with regard to innovation and corporate entrepreneurship.

Manager A said, to maintain an adaptive, learning atmosphere at all times and at the organizational level, the hotels have created self managed work teams and cross-functional product-development teams, so in effect, multi perspectives will be brought to problem solving. For the above reason, four season's hotels, team cuts across traditional functional boundaries; a single team include representatives from engineering, research and development, finance, marketing, information systems and human resources. Manager B also argues that, the teams are kept small to make them flexible, and adaptable, and easy to manage. He believes that the management hierarchy in four season's type of organization tends to be flat, meaning that there are not a lot of levels of management between the employee and top management manager. The level at which projects are approved is also, key factor in determining support for innovative activities

## 5. CONCLUSION

This study has provided an insight into the stages at which employees are involved in innovation process in 5 star hotels in London Not only did it discover the extent to which firms use small teams and employee representatives known as line management staff and clients comments to generate ideas and also to solve problems. Furthermore, the study looked at strategies firms use to commit resources in order to meet employees' needs. It is clear from these cases also that Finns typically do not follow the 15 stage model in their approach to innovation. The study also established that the degree of in-house capacity will also affect how developments are carried out as the cases illustrated, only the furniture was ordered through an agent. A systematic and a formal approach to innovation process is likely to be adopted when new product with major process, are being developed. Innovation is likely to follow a shorter, simplified development process when; Simple modifications are being made to existing products or services. Innovation is not always a major change program and also there is no license or patent protection. Competitors are actively innovating and sometimes the new product is largely a copy of a competitor's product. It is also the case that the organization may create internal conditions that either foster or hinder innovation. Often, these are strongly influence by the external environmental conditions that may encourage a systematic but rigid approach to innovation process, for example culture, mature market, external consultant, leadership, creativity and entrepreneurial skills bureaucratic procedures and people. The right people in an organization can make an impact on Corporate strategic plans can be viewed as an organizational - learning process directed at developing the skills and knowledge necessary to compete in new domains through employees. Organizational learning is at the centre of innovative activities, for example creation, sharing, utilization and the like as they build up the team spirit. For corporate innovative process to be successful, organizations also must have to commit resources such as people, money, information, equipment, and a physical location. The core competency today in hospitality firms is not production or service, but the global nurturing of the world's best people and cultivating in then the desire to learn to do things better every day through the use of small teams' organizational goals

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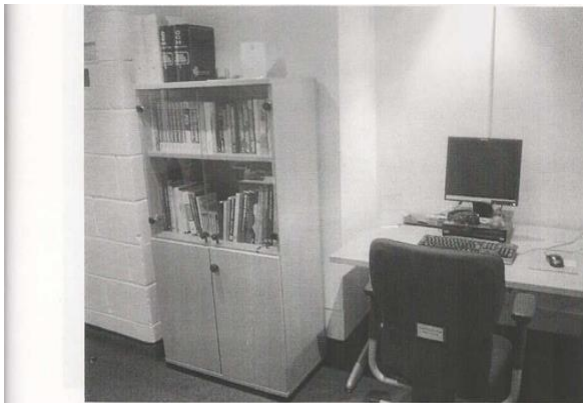
## APPENDIX - A

**Table 1: Interview details**

Friday 20 <sup>th</sup> Jul:	1:00pm	Hotel A	Manager A	60 minutes
Friday 20 <sup>th</sup> July	2:00pm	Hotel A	Employee B	60 minutes
Friday 20 <sup>th</sup> July	3:00pm	Hotel A	Employee C	60 minutes
Friday 20 <sup>th</sup> July	3:45pm	Hotel A	Employee D	45 minutes
Monday 23 <sup>rd</sup> August	1:00pm	Hotel B	Manager E	60 minutes
Monday 23 <sup>rd</sup> August	2:00pm	Hotel B	Manager F	60 minutes
Monday 23 <sup>rd</sup> August	3:00pm	Hotel B	Employee G	60 minutes
Monday 23 <sup>rd</sup> August	3:50pm	Hotel B	Manager H	50 minutes
Monday 23 <sup>rd</sup> August	4:50pm	Hotel B	Manager I	50 minutes
Monday 23 <sup>rd</sup> August	5:50pm	Hotel B	Employee J	50 minutes
Monday 23 <sup>rd</sup> August	6:20pm	Hotel B	Employee K	40 minutes

**Table 2: Shows the level of employees and managers in the process.**

Stages in the process	Manager A	Manager B	Employee C	Employee D
1. Strategic planning Stage	✓	✓	✓	✓
2. Special Department	✓	✓	✓	✓
3. New product/services	✓	✓	✓	✓
4. Original idea	✓	✓	✓	✓
5. Concept tested	✓	✓	✓	✓
6. Business analysis	✓	✓		
7. Authorization				
8. Test the design	✓	✓	✓	✓
9. Marketing program				
10. Personnel training	✓	✓	✓	✓
11. Launching/Reviewed	✓	✓	✓	✓
12. Improved/Successful	✓	✓	✓	✓



**Plate 1: Employee Resource Centre (E-Zone) A**



**Plate 2: Employee Resource Centre (E-Zone) B**