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An Overview of Change Management in the Hospitality Industry

Jennifer Lee

PART ONE

An organization operates based on shifting circumstances, both internal and external. Such a dynamic environment demands adaptability within the organization and consequently, capabilities to absorb inevitable change. Such focus requires the commitment of an organization's staff. In the hospitality industry, this is especially so, considering the labor-intensive operations that respond to the volatile sales and the seasonality of a perishable good.

This paper considers critical issues in change management that are relevant to the hospitality industry. Research studies in change management over the last several years will be identified and analyzed. In addition, case studies which support common findings will be included.

Background

Studies in organizational change can be found as far back as 1998. In an ever-changing industry environment, the subject is still signified. Organizational change can be forced upon due to external industry factors or by internal management decisions. In the lodging industry, change is predictable due to the mobile forces of capital sources, industry structure, investment performance, and most relevant, operational performance (Singh, 2000). These influences are expected to produce managerial implications. The Society for Human Resource Management (SHRM) conducted a Change Management Survey in 2007 and reported critical detriments to implementing necessary organizational change (Norris, 2008). Due to the human touch of the hospitality industry, change management is a powerful topic in customer relations (Kale, 2005). Therefore,

successful change management holds the ability to strengthen an organization's competitive edge in terms of its operation.

Purpose

The purpose of this paper is to identify elements of organizational change that impact operational performance within a hospitality organization. The findings will provide an outline of key operational elements to consider when managing an organization during such a tumultuous period.

Justification

The results may be applied to the hospitality industry and may also contribute to the working research in organizational change. Applications to the hospitality industry include the identification of manageable challenges in the analysis of organizational change. In 2000, projected expenditures on change management services were expected to exceed \$6 billion by 2003 by International Data Corporation, a research firm (Goff, 2000). The many ways in which change can cost an organization a fortune validate the priority of controlling costs throughout the process (Kale, 2005). A classified understanding of organizational change could enrich existing correlations to operational performance. Change management education offers a framework from which preparations may be constructed in order for ongoing operations to achieve optimal fluidity. Some research emphasizes the psychological impact of organizational change (Sullivan, 2004; Welch & McCarville, 2003) and therefore, possessing knowledge of expectable difficulties can empower a manager with the confidence to achieve commendable progress.

Additionally, this paper produces relatively unexplored implications for operational performance within the research of organizational change. Not only is past research generalized for all business industries, but it is also largely directed in the area of organizational behavior. This may reflect the traditional bias that organizational change is to be managed by human resources alone (d'Orleans, 2008). This paper will add the dimension of a hospitality business's performance to existing findings.

Constraints

Past studies and opinions sometimes include valuable information that is not necessarily confined to the hospitality industry. When such information is discovered, it is substantiated by its relevance to traits of the hospitality industry. Considerable academic material is derived from a human resources perspective. This traditional perspective is then translated into implications for operational performance.

Glossary

Change Agent: One who works in the official “capacity for change... manag[ing] (Raub, Alvarez, & Khanna, 2006).” Specifically, one who does so with the responsibility of executing the organization’s intended results for change.

Change Management: “A set of strategies designed to smooth transitions & helps employees accept and embrace change (Norris, 2008).”

Organizational Change: Change that is designed by the executive management to face or prepare for challenges to its organization (Levy, 1986).

Operational Performance: The efficiency to which a business unit or organization delivers expected results within a standardized context.

PART TWO

Literature Review

Ideally, organizational change must achieve the intended outcome of the change-making decision (Kale, 2005). Unfortunately, how organizational change will play out is unknown. Therefore, it is uncertainty which marks the period of transition. What can be affirmed is that successful management of change lies primarily in the users of the adopted change; those who are expected to change as well in a manner that justifies the necessity of new ideas (Kale, 2005). It would not be in any organization's interest to sacrifice quality or to succumb to avoidable losses during this period.

The Human Touch and the Psychology

Change may be viewed in terms of how a newly designed idea will improve operational performance. Because inhuman characteristics exist, sometimes the decision to implement change appears to neglect the human touch required to successfully execute the process. As a result, the change agent may fail to prepare for effectively responding to employee resistance (By, 2005). In contrast, the psychological management of an organization recognizes what the organization may sense during the transition period (Kale, 2005). Due to the forceful nature of labor in hospitality, change management produces psychological implications on operations. Organizational change may involve financial and intangible transactions, but the human impact on change is immeasurable. Due to the service nature of the hospitality industry, change is only as successful as its quality, personified by the organization's employees (Otterbacher & Howley, 2005). Therefore, in the view of organizational management, the end consumer appears to be the

internal user, whose duties and performances are both casualties and drivers of change (Varey, 1995)*Uncertainty*

As in other areas of life, change in the workplace brings about discomfort to employees. Such anxiousness and aversion can be attributed to limited information and the complexity that may go into understanding the change process (Norris, 2008). In contrast, the change agent may plan for unreasonable adherence to unpredictable circumstances (By, 2005). This is a divergence of attitudes towards change that deserves examination.

Sullivan quotes a Chinese proverb: “We do not always see things as they are; we usually see things as we are (Sullivan, 2004). In the given context, this proverb relates to the saying, “if it is not broke, do not fix it.” The failure for an organization and its internal users to buy into the promises of change begins with what they know of existing circumstances. What they have been doing works. A new process may deliver better results, but until experienced, the limits to improvement are unknown. The longer an organization has acclimated itself to its current operations, the more challenging it is to demonstrate the validity of an uncertain change (By, 2005). Meanwhile, the change agent seeks to overcome the operational barriers to change swiftly. Unfortunately, the employees find it difficult to abruptly abandon their reliance on known operational procedures (Siu, 2007).

In addition, what will be required of the internal users is not verifiable. Therefore, the immediate reaction that a change agent faces is a team comfortable and secure with a known environment, ready to fight off any thing new. They know that it is not just an object of change they are battling. They are wise to the accompanying knowledge that

their “behaviors” (Sullivan, 2004) will require change as well. Welch and McCarville describe the employees’ resistance as one that is driven by doubt or suspicion (Welch & McCarville, 2003)(Teare, 1997). Turnley and Feldman (1998) present the employees’ perceived level of control and certainty, as well as values and established boundary lines as the proponents of keeping things the way they are. For example, each person’s role in achieving organizational harmony, including their interactions with the rest of the team, has been established through tasks that have been proven against existing benchmarks (Welch & McCarville, 2003). In essence, this harmony becomes the “precedent (Flood & McCarville, 1999b).” What employees determine are “personal compacts” that solidify into a collection of “psychological contracts (Welch & McCarville, 2003).” Therefore, any notion of change is greeted by employees with “suspicion” or mistrust (Welch & McCarville, 2003). Any unfamiliar orders are threats to the psychological contract. The impact of labor in hospitality reinforces the psychological implications which appear to threaten the balance within an organization. The significance of uncertainty is that the lack of employee confidence drives the operational performance of change, already marked by uncertainty in other aspects. To employees, the organization’s current system design is measurable and adequate; the concept which must be sold is that the change will improve operations.

Expectations

Without communication of what the change process or its results will be, employees may draw their own assumptions. This is a danger, because employee apprehensions (Welch & McCarville, 2003) determine mental contracts as well. The management of organizational change can confirm or dispute these underlying

presumptions. Alternatively, without stipulated performance objectives, employees may not find an incentive to contribute to the change's success. In actuality, it may be mental contracts that have led to the need for organizational change (Varey, 1995). The objectives may best be justified by reexamining the organization's vision or mission (Norris, 2008)(Teare, 1997). By foregoing an explanation of why the change is needed and of what to expect when the process is completed, employees are left to conjure their own thoughts. As a result, the employees may not identify an advocacy for change.

By failing to appreciate the workforce's psychological resistance to change, the change agent faces another danger. In addition to misinterpreting the cause for change, employees may misinterpret the nature of how the change is to occur. While the change agent may prepare for a continuously evaluative process, employees may feel trapped in a rapidly moving operation. The result is that the employees find change threatening to their existing stable conditions (By, 2005).

Direction for Change Agents

First, it must be established that a change agent must believe in the change in order to achieve quality performance during the transition. Unfortunately, due to the traditional perception that resistance always follows change, many in the position of a change agent fail to buy into the idea. This distraction from an organizational objective would explain an inattention to performance objectives.

Effective change agents recognize and coordinate the resources that lie in the end users, the employees caught up in the transition. A systematic method of executing change while upholding performance would be a strategy which makes the most of dual powers. The first would be the power that lies in the change being introduced and the second would be that which lies in belief and commitment from the employees.

It is important then, to appreciate the internal users of change and what explains their resistance. In accepting this understanding of the organization, one can move forward in devising ways in which commitment can be drawn out of a group of people.

Communication

In 2007, the Change Management Survey by SHRM ranked communication breakdown and employee resistance as the greatest challenges to overcome during the period of organizational change (Norris, 2008). Rather than two separate elements, communication can actually be a tool for battling resistance itself.

In the context of implementing a customer relations management system, Kale (2005) attributes three factors that may lead to failure during the transition period. These are: a lack of upper management support, the difficulties employees encounter during data integration, and ambiguous articulation of organizational objectives or metrics to

evaluate progress (Kale). These factors center around communication as well. Without justification for change or support during an uncertain period, the employees are simply given orders to abandon reliable tradition, resulting in the employee's impression of reckless alienation.

Welch and McCarville's description of change resistance is expressed as an adverse reaction to a broken contract is telling. A change agent is likely to have been given an explanation for change or at least has the experiential or judgmental talent to understand what it might be. Resisters to change have an unspoken understanding of what the mandates of a contract are. However, the psychological aspect of the contract negates the existence of anything mandatory. In addition, past personal compacts merely support a contract to continue performing the same tasks without any regard to progression or improvement.

Resisters to change also feel a neglect of communication regarding what is expected for the organization and for the employees (Flood & McCarville, 1999b). The misrepresentation or lack thereof what is to come can lead to both "disappointment and dissatisfaction." This again establishes the employees, the end-users, as the consumers of change. Their satisfaction is determined by the disparity between given expectations (whether expressed or not) and what they actually experience. A change agent may also communicate expectations of the employees. Without being given expectations of how they are to weather the change, employees may misinterpret their performance during the transition.

The struggles that a change agent may encounter can source from both individual employees and from management. The obstacles that may come from individual

employees should be identified, since they are combatable. The discovery of deficiencies within management can provide insight into successful change management. The research studies discussed regarding change resistance and challenges are categorized in

Table 1.1.

Table 1.1 Research Study Themes: Change Resistance & Challenges

Forces

Uncertainty	By Flood & McCarville Norris Sullivan Teare Welch & McCarville Siu
Expectations	By Teare Turnley & Feldman Varey

Insufficiencies

Upper Management Support	Kale
Communication	Flood & McCarville Kale Norris

Conclusion to Literature Review

Seeing employees as the valuable human force of an organization that they are, their resistance is understandable. The justification of change is that the old way was not enough, there is a better way to do things. Recognizing their role in both the old way and the new way draws the immediate conclusion that they, themselves, were not doing enough, or that they need improvement (Flood & McCarville, 1999b). Such an implication may not offend a key player whose job it is to be creative and perpetually contrive new ideas. But to a front-line end-user of the system, change can be interpreted

quite differently. Welch and McCarville support this understanding of employee perception with their description of “resentment and dissatisfaction (Welch & McCarville, 2003).” Appreciation for the mental processes of the organization helps to understand change resistance.

The value of strong change management is that it not only prepares the organization to accept change but to also commit to the most precise implementation of the change. The executive decision to proceed with change may have been valid, but it is the team of internal participants of the change process who will execute the change with results closest to its intended results.

In a more forward view, building the capabilities to weather organizational change may strengthen an organization in the future. While change is planned for and implemented by the management of an organization, the force for change may come from the external environment. Take for example, the Macao gaming industry. In 2002, the casinos were forced to comply with new regulation that would take the haphazard practice of gaming into a standardized system for governmental purposes (Siu, 2007). In a mature industry such as hospitality, external forces for change may arise more abruptly than in burgeoning industries such as technology. As mentioned in the introduction, the challenge of organizational change is the limited time in which operational performance must be brought to stabilization. It can be said then, that by the time a mature industry faces another form of evolution, operational procedures will have reached a high degree of establishment. When these external forces occur, new competitors entering the industry will not face the challenges of organizational change. In Macao, new casinos had a significant advantage in the time it took for them to establish their positions in the

market, because existing casinos required substantial time to restructure their existing operations. Therefore, developing the organization's psychological preparation for change may produce a competitive edge when an entire industry transforms its operations.

PART THREE

Solutions to Change Management

In some senses, the transition itself is akin to a temporary operation. When RIL prepared for their re-branding campaign, the organization assumed redefined mission and vision statements for the organizational change itself (Carter & Beeton, 2004).

Managerial implications for organizational change seem to restructure and to redefine operational performance (Kale, 2005). In addition, the fundamental key for the change agent to navigate a team through uncertainty is to first recognize the distinguishing characteristics of change management. In addressing an undefined and unpredictable period of time, uncertainty demands methods of managing change that may seem to the change agent to be “revolutionary (Kale, 2005).” The key is to remember that the overall objective of strategic navigation through change is to uphold operational performance.

Uncertainty and Expectations

Communication and Goals

The communication breakdown found in organizational change appears justified in the case of RIL Hotel’s rebranding process (Chiang, 2007). The hotel’s employees expressed great appreciation for their change agents’ communication efforts. In some ways, the transition is to a degree exploratory for both the change agent(s) and the employees he or she is leading. The previous operation of completing tasks may have been more measurable and as a result, goals were demanded in a more concrete or invariable form. By recognizing the uncertainty felt by employees, the change agent may be better prepared for the communication breakdown and employee resistance cited in SHRM’s 2007 Change Management Survey (Norris, 2008).

While the loss of performance due to resistance cannot be measured beforehand, resistance surely does not improve operational performance. By articulating goals that employees view to be achievable, a group belief in the cause of change can negate the obstacle of resistance. Without faith in the organization's common goals, employees are verbally agreeing to what they are required to agree to. Their actions are not necessarily in compliance of desired performance (d'Orleans, 2008). They are going through the motions of their work without performing. Therefore, their tasks must be tied to the broader goals of the change process (Teare, 1997). This is especially so given the indefinable nature of the results. In addition, training can provide a means to both relieving uncertainty, boosting confidence, and preparing for mistakes (Carter & Beeton, 2004). Building the capabilities to achieve these objectives enrich an organization's performance and competitive edge (Otterbacher & Howley, 2005).

Introduce change.

The introduction for change must be communicated to employees, beginning with a common justification. This may be best articulated with the organization's vision and mission (Gill, Flaschner, & Shachar, 2006; Norris, 2008), which can prove beneficial to forming individual perceptions within an organization (Carter & Beeton, 2004).

Expectations may be shared, along with goals and/or benchmarks (Norris, 2008). However, given the need for employee buy-in along with the uncertainty of implementation, it may be best to create unconventional measures of success. As mentioned, the transition itself may be viewed as an operation in itself. Therefore, achievements may be described in terms of the performance of the transition process. In addition, when describing the change process's impact on the employees, goals should be

expressed in terms of improvement and/or growth (d'Orleans, 2008)(Teare, 1997).

Communication here can be the solution to both Welch's idea of broken contracts and to drawing out the more understanding champions of change from within the workforce.

The change agent can illuminate the impediment to understanding reality. A contract that is best for an organization or best for its people must relate to performance, not mindless adherence to known boundaries.

Finding a broader, forward-looking, positive message that suggests internal and external growth, a change agent may articulate a powerful communication that achieves buy-in from the employees. By doing so, the fear of uncertainty and making mistakes is reduced while reiterating the broader goals of the organization. As the hospitality industry has aggregated into tightly managed corporations, current operational performance itself may be the concern that has required organizational change. The change should be supported with an explanation of what its success or failure means for the team (Kale, 2005). In the past, performance evaluations were based on standard expectations of each employee's tasks. In the implementation of change, the performance of the process is evaluated based on expectations of the entire organization's results.

It is understandable for employees to favor their current tasks, because they are proven doable and have known results. This contrasts with newly distributed tasks, which are often implied informatively (Goff, 2000). They may fear the possibilities of making the mistakes that accompany new procedures (d'Orleans, 2008). A more reasonable approach may be to create an environment that gravitates them towards the intended change, what d'Orleans refers to as employing a pull tactic, versus a push

(d'Orleans, 2008). This puts the change agent in a role of influence versus instruction (Goff, 2000). D'Orleans explains that the change agent's mission is to demonstrate the appeal of the change process and to be available for the employees.

What follows is the reassurance to employees that mistakes are generally acceptable as part of the learning process (d'Orleans, 2008). In fact, this is why the change agent's plan was developed for adaptability, and it is adaptability which stabilizes performance during change (Gill et al., 2006) (Otterbacher & Howley, 2005). The importance of adaptability increases with the magnitude of the change being implemented (By, 2005). Therefore, gaining the entire workforce's commitment towards change improves the speed and accuracy of navigating uncertainty (Kale, 2005). In addition, discussion with employees may identify particular resources that may be useful for preparation during the transition (Flood & McCarville, 1999b).

The time invested into initial communication can reduce employee concerns that may affect their performance had they otherwise been ignored. An example of a concern found may be how to continue providing the best service possible or how to maintain a strong revenue flow. In actuality, the movement for change may very well meet the employee's desire to provide the best customer service (Flood & McCarville, 1999a; Kale, 2005). In addition, the invitation to open and honest communication can establish valuable trust between the change agent and the workforce (Varey, 1995). It may be that trust can increase buy-in from the employees.

Manage communication.

Communication must continue throughout the change process in a way that includes all employees on the status of the transition (Gill et al., 2006; Goff, 2000). Once employees understand how their work will be changing, they may need to know how expectations will change throughout different phases (Kale, 2005). Providing such a timeline may contribute to the reduction of uncertainty. There are also reassurances to communicate to champions of change. By reminding them that their skill for weathering scrutiny is rare, it reaffirms how valuable their input is to the process of change (d'Orleans, 2008).

Change management continues with follow-up communication. Understanding and support can be further demonstrated by proactively asking employees what unexpected challenges they have encountered. This may avoid the costly and unmitigated difficulties that were faced in data integration presented by Kale's study (Kale, 2005). The validation behind continual communication is found in RIL's transition strategy (Carter & Beeton, 2004) by having eased its employees' concerns. In addition, it is an opportunity to help employees realize their individual goals for the change process (Flood & McCarville, 1999b). Most importantly, follow-up communication is an opportunity to provide employees with an evaluation of their performance during the transition (Gill et al., 2006).

The culmination of all concerns that a change agent attempts to understand may engage enough employees to buy into the change process sooner than later (d'Orleans, 2008; Raub et al., 2006). Again, the preservation of time is needed to keep operational performance stable during the transition.

Upper Management Support

The absence of support from top management has been attributed for the failure of change implementation (Kale, 2005). While executive decision makers choose paths for change for long-term organizational goals, change agents are responsible for the short-term transition period. Maintaining operational performance is necessary but in order for change to be implemented accurately, the employees must be adequately prepared to accept the forces of change (Kale, 2005). Therefore, the change agent must first recognize that the justification for change is wholly understood by upper management, while his/her workforce is given the orders to step outside their comfort zone without reason.

Team of Executive Leaders

Since there are key stakeholders who head each arm of the organization, they may collectively formulate a strategic plan for the change process (Norris, 2008). While uncertainty is a central fear, peripheral input from integrated departments may provide the insight needed to prepare employees with as much information and guidance as possible. Particularly, a manager of operations who is concerned with performance may find support and insight from human resources (Raub et al., 2006). This implication is more significant in the hospitality industry, given its human service dimensions (Gill et al., 2006) (Varey, 1995). Together, a transition team may identify potential areas for mistakes or other unexpected consequences (Norris, 2008), which may assist in planning for better execution.

In the hospitality industry, operational performance is often strongly tied to customer service. Kale found that given the opportunities for customer interaction, high

risk for poor customer service existed during change management (Kale, 2005) (Otterbacher & Howley, 2005). This recognition may have been behind RIL's re-branding strategy of STS and RTP Hotels, given the organization created a transition committee well over a year prior to implementation (Leong Choon Chiang, 2007). The transition committee emphasized agreeing upon the most symmetric information possible, as each member may be approached with questions by the same employee.

By sharing views on the organization's current culture, change agents from each department may actually reduce their burden for success (Varey, 1995). Disrupting the cemented culture of an organization and forcing an entire workforce to accept an unfamiliar climate are challenging requirements for change (By, 2005). Together, change agents may also contribute ideas for motivation, communication, and training (Kale, 2005) (Varey, 1995). In addition, they may find confidence in being part of a transition team versus feeling alone in a critical mission. The transition team may also provide the change agent with the type of support that may transcend down to the change agent's department. Such support is valuable given the likelihood of critical scrutiny on the change agent by his or her employees (d'Orleans, 2008). The recurring priority in this teamwork is again, to maintain the most fluid operational performance during the transition period (Carter & Beeton, 2004).

Team of Internal Leaders

Leaders for change may also be found within the workforce and if so, their potential contributions may be invaluable. First, they are sources of wisdom in communicating and managing the internal customers of change. Their front-line experience may provide practical insight that managers cannot grasp outside their

conventional managerial experience (Goff, 2000; Norris, 2008). For example, employees in Carter and Beeton's study were found to have job security concerns and questions about job empowerment and benefits that the managers clearly did not foresee (Carter & Beeton, 2004). Second, they have closer relationships to the strongest resisters to change and therefore, likely understand them better than managers can. These internal marketers of change can promote change in terms of how it will strengthen, signify, and value the employee's existing role in the organization (Kale, 2005). A

In the view of employees as internal customers of change, the internal champions of change take on the role of a salesperson, who may also be rewarded for their leadership skills (Kale, 2005). These champions can also be considered "sponsors [of change] (Flood & McCarville, 1999a)." Employee buy-in of change is important in the hospitality industry, because without believing in the new service that is to be provided, external customers cannot benefit from the implemented change (Varey, 1995). It can only be helpful to have others to share the burden of leadership (Raub et al., 2006). It is important, however, to tie in internal champions' goals to organizational goals. Otherwise, they may act in their own selfish interest which can hurt the transition (Flood & McCarville, 1999a). Along with upper management support, the discovery of change leaders can realize the possibilities for maintaining operational performance during the period of change.

A Support Team Offering Immediate Response

Collectively, change agents and their associated leaders can greatly break the foundation of psychological resistance within their workforce. With earnest support from key stakeholders, the concerns of remaining resisters can be addressed immediately. This

type of quick response again minimizes the valuable time lost to performance when there is a lack of communication.

Communicate Understanding and Support

The impetus for change is often validated by production and design considerations that are meant to improve operational performance once the change is complete. Meanwhile, the validation for managing change implementation is made by psychological considerations, centering on what change means to the employees (Kale, 2005). Without consultation or explanation, a change agent must recognize that employees consequently view change as uncomfortable, confusing, and complicated (Norris, 2008). This understanding is crucial, because in a labor-intense industry such as hospitality, employees are the proprietors of change. Appreciating what it is that resists employees from change is the beginning to building a bridge towards certainty. By revealing the need for change management, the change agent may identify the employees' perceived polarization between their stake and management's stake in the change process.

Top management is likely more knowledgeable of the supportive analyses that correlated the organization's existing and/or achievable competencies with the organization's long-term goals. It would empower the change agent to thoroughly understand these intentions for the organization's performance (Gill et al., 2006). Such information would be beneficial to creating a supportive environment for the employees who are the end users of change. A discussion would also contribute to justifying the change and reducing fears and uncertainty. In Carter and Beeton's case study of RIL's re-branding operation, this type of discussion allowed change to proceed with minimal

resistance (Carter & Beeton, 2004). Perhaps, the team of change agents can present the case for top management to demonstrate support for front-line employees. Here would also be an opportunity to assure that top management's expectations are realistic, avoiding unreasonable pressure to perform which otherwise, increase anxiety within the organization (Flood & McCarville, 1999a).

Conclusion

While change management continues to center around organizational behavior, the findings of this paper place human resources in an alternate context. Rather than a source of direction during organizational change, human resources take on a more supportive role. As a result, the change agent is empowered as the director of change.

From embracing the undeterminable course of change to planning for unexpected challenges, it seems that humility is needed within a successful change agent. The case for organizational change likely calculated in operational performance in the far future and overall course of the business. However, the immediate obstacles to short-term performance are great and require prompt response.

The next aspect to understand is that change management is analogous to a business operation in itself. The change agent employs human resource skills to acquire the right salespeople. Together, they promote and sell change to the customer, who is the employee involved in the transaction. In order for the change agent to achieve the most advantageous results, the employee must perceive sufficient value in accepting change in order to be willing enough to put forth their efforts.

In summation, the change process must be treated as an operation itself in order to maintain the organization's organizational performance. This concept is illustrated in **Figure 1.1**. What distinguishes the change process from an actual long-term business operation is that operational performance is sensitive to time. The opportunity to recover from lost performance is limited but great in the hospitality industry, where human contact is in greater presence. If a single implication can be prioritized in change

management, it may be communication. Communication appears to be the greatest assistance to change agents in a period of restricted time.

In a hospitality operation, the impact service has on operational performance is magnified by the individual human touch found in its workforce. The change agent's preparation for transition begins with an assessment of current conditions, such as organizational culture. The change agent follows by managing the workforce's psychological influences, integrating their contributions into more controlled elements of the operation, such as financial aspects, tangible conditions, and other parts of the operational design. As the change process develops, the change agent evaluates the operation by communicating with the workforce. This conceptualization of the change management is outlined in **Table 2.1**.

Adaptability is a key theme in organizational change and its impact on operational performance. Change comes about in order to improve future and overall performance. However, the ability to manage performance during change lies in an intuitive adaptability to shifting expectations.

Figure 1.1 Operational Performance Under Change

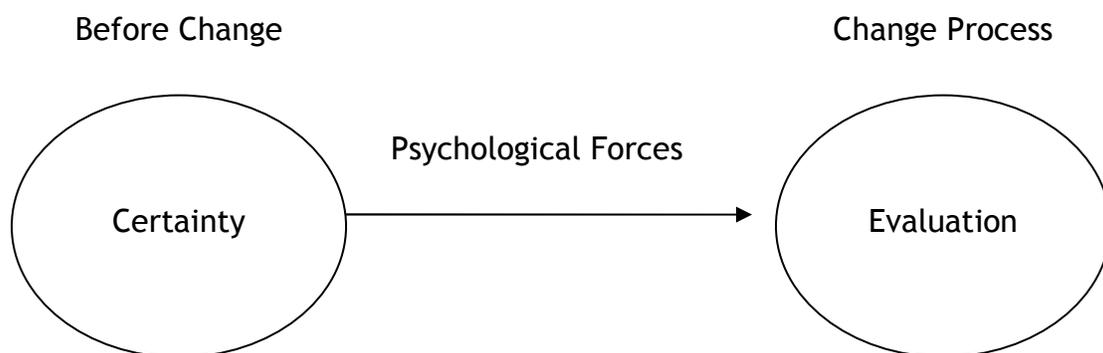


Table 2.1 Managerial Implications for Change Agents

Communication and Goals

Introduce change:	<ul style="list-style-type: none"> • A working set of expectations with moving standards (By; Carter & Beeton; d’Orleans, Gill et al; Norris; Otteribacher) • A shared path to mutual success (d’Orleans; Gill et al; Kale; Norris; Otteribacher)
Manage communication:	<ul style="list-style-type: none"> • Elimination of uncertainty (Carter & Beeton; Chiang; Flood & McCarville; Norris; Varey) • Evaluation for accuracy (Gill et al; Kale)

Understanding and Support

Executive leaders:	<ul style="list-style-type: none"> • HR valuable in hospitality industry (Gill et al; Raub et al; Varey) • Agreement on symmetric information to distribute to employees (Leong) • Internal analysis before planning (By; Norris; Varey)
Internal leaders:	<ul style="list-style-type: none"> • Front-line employee insight (Goff) • Non-threatening proximity of authority and motivation to employees (Carter & Beeton; Flood & McCarville; Kale)
Communication:	<ul style="list-style-type: none"> • Immediate response to performance inhibitors (Carter & Beeton) • Bridge between stakes of management and employees (Flood & McCarville; Gill et al)

Implications for Future Research

Given the importance of communication in this topic, further direction in change management could be provided by a determinant of how to evaluate mutual understanding within an organization. With a more precise tool to evaluate

communication, a change agent could better manage operational performance in a time-sensitive period. Because evaluation follows implementation, research contribution could be made in exploring how to measure the success of change management. Observing the implications found in this study, the results may be descriptive and dependent on relational elements.

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