Chapter- 1

Scenario of the Thesis

– Introduction
– Importance of the Research and its Significance
– Research objectives and its purpose
– Problem statement & research question
– Scope of the research
– Gap of the research
– Hypothesis of the research
– Research type and its tool
– Methodology and data analysis
– The research sample
– Review of literature
Chapter – 1

Scenario of the Research

INTRODUCTION

In the past decades, there haven’t been any researches or studies related to hotel industry trends among India and Yemen, then the principal aims of such research are to better understand the hotel industry business in both countries India and Yemen and its provide acknowledge to help in develop hotel facility and services..

This research assessed the hotel Industry trends in India and Yemen Through a data, figures presented in tables, and a comparison among 5 Star Hotels efficiency in India and Yemen through circulating questionnaire to hotels quests and the research also is statistically sound.

The findings indicated as a whole, that there are gray areas, weaknesses as well as there are also strengths of hotel industry business in both countries India and Yemen the Present chapter is its scenario as well as its provides insights for readers to have idea and experience of the thesis.

Moreover, this chapter also compasses a number of points that positively explain the techniques of the research and its importance, and it reflects the essential lines of the thesis like scope of the thesis and its gap, the research methodology and its type as well as the review of literature.
Important of the Research and its significance

Research and studies of evaluation of hotel efficiency and its performance is very rare or it may be absent in the research and studies centers as well as in the libraries of both countries India and Yemen universities and also at tourism authorities body. Today the hotel business is became complicated by the dynamics of change and competition, hence, the past performance and hotel achievements is very important to evaluation the present of hotel industry in India and Yemen.

The study covers a period stretching from the independence of India in 1947 and from 1970 in Yemen as a general overview and study, and from 1998-2008 in particular study in both countries.

A big number of research scholars, students, hotel staff, and others may harvest a lot of benefits from this elaborative work.

Research Objectives and its purpose.

There are many objectives related to this research, it can be summarized as follow;

1. One of the main objectives of this survey also is: conducting a comparative analysis and evaluation of efficiency in India and Yemen in the context of five star hotel sector.

2. To measure the capacity of 5 star hotels in both countries India and Yemen.

3. To understand the level growth of 5 star hotels in both countries during ten years 1998-2008.

4. To examine the current state of hotel industry in India and Yemen.
5. This study tries to provide in depth understanding the performance of hotel industry in India and Yemen, and it may help in improving the Indian and Yemenis’ hospitality business.

6. One of the main objectives of this survey also is to conducting a comparative analysis and evaluation in the context of efficiency of 5 star hotels in India and Yemen.

7. One of the important objectives is to assign the development of hotel industry in the two countries with international best practice and the survey aims to make the hotel industry in both countries to be looking up beyond international standards.

8. To study the relation between the size of hotel supply in both countries India and Yemen with their efficiency toward the tourist demand side.

9. The survey try to examine the performance of hotel industry through the size of occupancy’s growth rate comparing by the size amount of FEE (Foreign Exchange Earning) and tourist might spent, and how this performance has improved during ten years (1998-2008), also this study try to know the number and size of human force working such as establishments.

10. This work also attempt to know the capacity of hotel sector in Yemen as well as in India especially 5 star hotels.

11. To study the coding demand and compare the present hotel industry in both countries to prior periods, and provide a sample forecast to the near future.

12. To study the challenges and problems in front of hotel industry in both countries.
13. To study the 18 years of hotel industry prospects in both countries.

14. To determine the strengths and weaknesses of hotel industry, especially 5-star hotels in both countries.

15. To know the number of international hotel chains in both countries.

16. This study may allow hotels organizations in both countries in realizing in which level(s) of performance they are by looking at each other and market conditions of neighboring countries.

17. To obtain information about new working methods or practices from one country to another.

18. To determine the real constraints that may hinder the development of the hotel industry in Yemen and India.

19. To understand the critical success factors in hotel business in India and Yemen and to define the weaknesses of the same in case of quality and 5 star hotels efficiency in both countries.

20. To examine and to compare the levels of customer satisfaction and guests’ perception toward the service quality of 5 star hotels in India and Yemen.

21. Finally to make this survey as a cornerstone for future studies and researches in both countries in respect of hotel industry business.
Problem statement and Research Question

The evaluation of 5 star hotels efficiency in India as well as in Yemen no specific attempt has been made to comment and highlight which state has been more sufficient and successful in promoting hotel industry business.

This study try to examine the efficiency of 5 star hotels in selecting sample of 5 star hotels in India and Yemen, and the specific research questions to be addressed are:

1. What are the trends of hotel industry in India and Yemen during ten years 1998-2008 in term of its growth and its average occupancy rate according to availability of the data?

2. What is the level of efficiency of 5 star hotels in both countries (Yemen and India). Moreover, this study also attends to propose a comprehensive framework for designing hotel service efficiency from 5 star hotels’ guests in India and Yemen point of view.

Scope of the research

The present work focuses on hotel industry trends in India and Yemen and its efficiency, moreover, a comparative study is focuses on 5 star hotels in both countries as well as their strengths and weaknesses.

When the tourists and guests were very important part of the hotel business and its survival. The decision has been taken to prepare extra work of investigation and field study survey beside chapter 5 part A- of this work to examine 5 star hotels efficiency in both countries India and Yemen throughout circulating a questionnaire among guests, these questionnaire is divided into 12 parts and every part covered a different area of hotel business and in totally there
are about 74 questions have been organized to get a feedback from the 5 star hotel guests in both countries.

**Gap of the research.**

There is a complete absence of any study done so far relating specifically to the hotel industry in Yemen as well as a comparative study between hotel industry trends in India and Yemen.

Hence, this research project has been undertaken a view to studying the efficiency and trends practices obtaining in 5 star hotels in India & Yemen and to highlight their effectiveness, strengths & weaknesses.

**Hypotheses of the research**

**Hypotheses part -1 :**

1- Average of occupancy rate of hotel industry in India is better than average of Occupancy rate of hotel industry in Yemen during 2002-2008.

2- Annual average growth of hotel Industry in India is better than annual average growth of hotel industry in Yemen during 1998-2008
Hypotheses part -2

- **Quality of Staff Service / Attitude**
  - **H01-** There is no significant difference among 5-star hotels in India and Yemen regarding their efficiency in terms of:
    - H01.1 Attentive and welcoming throughout the guest stay
    - H01.2 Staff polite & hospitality friendliness, courtesy & responsiveness
    - H01.3 Language skills
    - H01.4 Concentration and listening accuracy and hast
    - H01.5 Knowledge of staff in answering the guest questions
    - H01.6 Efficiency of staff
    - H01.7 Personal hygiene
    - H01.8 Flexible and seaminess in responding to the guest needs.

  - **H02-** There is no significant difference among 5--star hotels in India and Yemen regarding their efficiency in terms of guest satisfaction in respect of problems resolution.
Arrival

H03- There is no significant difference among 5-star hotels in India and Yemen regarding their efficiency in term of:

H03.1 Upon arrival, warm and friendly welcome
H03.2 Easy of reservation process
H03.3 Efficiency and professionalism of the check-in process & speed
H03.4 Staff Altitudes
H03.5 Arrival (Luggage handling, door/bell staff assistance)
H03.6 Accuracy of room charges
H03.7 appreciated the guest business
H03.8 Ability of the staff to anticipate the guest needs

Food and Beverage

H04- There is no significant difference among 5-star hotels in India and Yemen regarding their efficiency in term of :

H04.1 Timeliness of Service
H04.2 Varity of food menu
H04.3 Accuracy of order
H04.4 Restaurants environment
H04.5 Quality of food and beverage
H04.6  Overall the three meals experience
H04.7  Waiters/waitresses effectively
H04.8  Quality of Presentation
H04.9  Courtesy of Service

**Room service**

**H05-** There is no significant difference among 5- star hotels in India and Yemen regarding their efficiency in terms of:

- H05.1  Cleanliness of room
- H05.1  Order delivered in time promised
- H05.1  Accuracy of order
- H05.1  Quality of food
- H05.1  Quality of Presentation
- H05.1  Courtesy of service

**Guest room**

**H06-** There is no significant difference among 5- star hotels in India and Yemen regarding their efficiency in terms of:

- H06.1  Over all guest room quality
- H06.2  Room equipments and furniture’s
- H06.3  Room décor
- H06.4  Comfort
- H06.5  Heating /cooling within room
H06.6  Bathroom amenities
H06.7  Condition of room facilities

❖  **Public areas**

**H07**-  There is no significant difference among 5-star hotels in India and Yemen regarding their efficiency in terms of:

H07.1  Overall hotel environment
H07.2  Cleanliness
H07.3  Quality of shopping service
H07.4  Appearance
H07.5  Noise and pollution

❖  **Quality of services**

**H08**-  There is no significant difference among 5-star hotels in India and Yemen regarding their efficiency in terms of:

H08.1  Overall
H08.2  Reservation formalities
H08.3  Meeting facilities
H08.4  Front desk
H08.5  Telephone operator
H08.6  Mail/Message Desk
H08.7  Executive lounge
H08.8  Laundry and dry cleaning service
H08.9  Housekeeping service timely and efficiently
H08.10 Business centre (Tel & Fax MSG)
Chapter – 1

Scenario of the Research

H08.11 Conference /Banquet
H08.12 Health club
H08.13 Spa & Fitness
H08.14 Security and safety in the hotel
H08.15 Room service order taker
H08.16 Valet parking

❖ Over Rating

H09- There is no significant difference among 5 star hotels in India and Yemen regarding their efficiency in terms of:

H09.1 Over all impressions
H09.2 The guest overall staying experience
H09.3 Overall quality of the hotel facilities
H09.4 Keynote speakers
H09.5 Over all ambiance or environment of the hotel
H09.6 Overall hotel view and appearance
H09.7 Modernity & New Technology
H09.8 Overall value for the price paid

Research Type and its tool

The research type is Descriptive Practical Analytical Development and Comparative analysis, beside it is also a survey and case study considering the 5 star hotels in India and Yemen.
Methodology and Data Analysis

The present study is of analytical and exploratory nature. The use is made of secondary data collected from various sources such as Tourist statistical annual reports in countries, India and Yemen, and World tourism Organization. Furthermore data has been collected from League of Arab States through tourist statistical bulletin of Arab countries and the data also collected from text books, journals, E-books, magazines and by observations and interviews too.

The collected data are analyzed to reach at conclusions regarding the various aspects of Indian and Yemeni hotel industry sector and presented in the form of tables in the succeeding part of this work.

Moreover, descriptive of secondary data collection, and descriptive measuring of field study type study of practical work and questionnaire.

Methods of data analysis of this research has been analyzed by using descriptive, inferential statistics, and SPSS computer system (Statistical package social science) and Excel.

In measuring of field study type of practical work and questionnaire, the following statistical tools have been applied according to the level of data testing:

- Mean.
- Standard deviation (S.D.).
- ‘t’ Test.
- ‘α’ value
To test the difference of means, the following formula has been used.
Chapter – 1  

Scenario of the Research

‘t’ Calculated = \[
\frac{\bar{x} - \bar{y}}{s_p \sqrt{\frac{1}{n_1} + \frac{1}{n_2}}}
\]

Whereas as:

\(\bar{X}\) = Mean of first sample (India) 
\[= \frac{1}{n_1} \sum x_i\]

\(\bar{Y}\) = Mean of second sample (Yemen) 
\[= \frac{1}{n_2} \sum y_i\]

\(n_1\) = Sample size of India

\(n_2\) = Sample size of Yemen

To find Standard deviation (S.D.), the following formula has been used.

\[S_p^2 = \frac{\sum (x_i - \bar{x})^2}{n_1 - 1} \quad \text{Pooled sample means square} \]

\[S_1^2 = \frac{\sum (y_j - \bar{y})^2}{n_2 - 1} \quad \text{Sample mean square for India} \]

\[S_2^2 = \frac{\sum (y_j - \bar{y})^2}{n_2 - 1} \quad \text{Sample mean square for Yemen} \]

The level of significance (probability of type first error) \(\alpha\) is fixed at 5%. Moreover, if “t” value is >1.96, then there is significant deference, whereas if it is <1.96, then, there is no significant difference between means of India and Yemen.
Therefore, we may conclude that, 95% chance of research analysis is realable and proved its validity.

**The research Sample:**

In total, 280 of 5-star hotels’ guests (140 guests’ from 5-star hotels in India and 140 guests from 5-star hotels’ guests in Yemen).

With high complexity and restricts the data of feedback of the questionnaire from the 5-star hotels in both countries was collected. Moreover, data was collected in India and Yemen to examine the efficiency of 5-star hotels in both countries. This study used mostly many of 5-star hotels department services as units of analysis, since these departments are very close to the guests.
Review of Literature:

Extant analysis of Hotel efficiency is restricted to a small number of studies as observed below by Ismail A. (2002), who states that:

How can hotel be measured against another based on the varying size, product types, location types, and service in the industry? This question has plagued hospitality professionals for years. Measuring performance is important for investors, owners, and managers. Investors need to be able to measure an individual hotel’s performance in relation to the industry as a whole for many reasons—not the least of which is financial viability. Owners need to know if the hotel in their portfolio is performing up to expectations. Managers use hotel performance measurements as a yardstick of their own professional ability. Each of the groups of people interested in measuring performance will view the information in different ways, Ismail. A. (2002), pg, 308.

The evaluation tries to describe the changes in life and wellbeing of the final users. In the best case one tries to compare the situation ex-ante and ex-post and analyse the positive or/and negative evolutions. Often an evaluation contributes to the decision to stop certain activities or to add others. In the evaluation process, external factors that can interfere with the activities to reach a certain impact on the target group, are also taken into account.

Among the earliest studies, and as said by Barros, C.A.P and Santos, C.A in their research paper named “the measurement of efficiency in Portuguese hotels using Data envelopment Analyses”. and referring to Baker and Riley (1994) who suggested the use of ratios to analyze the performance of the lodging industry.

Also, they, referred to Wijeyasinghe (1993), who proposed the use of break-even analysis to analyze the effectiveness of tourism
management, and referred to Bruthenton and Mooney (1992) and Donaghy, Mc Mahon, and Mc Dowell (1995) who suggested yield management to analyze the efficiency of Hotel management, more in line with this article.

Moreover, Barros, C.A.P and Santos, C.A mentioned that:

Bell and Morey (1995) who analyzed 31 corporate travel departments with a DEA-CCR model and Cross-section data on inputs and outputs. The inputs used were the actual levels of expenditure for travel (air, hotel and rental cars), nominal’s levels of other expenditure, the level of environmental factors (case of negotiating discounts, percentage of legs with computer flights required), and actual levels of support cost for labour (technology). Furthermore, Morey and Dittman (1995), analyzed the efficiency of 54 U.S. hotels with DEA-CCR using Cross-Section data on inputs and outputs. The inputs used were room division expenditure energy costs, salaries, expenses for property, Salaries and related expenses for variable advertising, non salary expenses for administrative work, and non salary expenses for administrative work. The outputs used were total revenue, level of service delivered, Market share, and the rate of growth. Barros, C.A.P and Santos, C.A

Bhatia A.K (1991), in related work, that, The other principle sources of quantitative data about tourism were the records of individual passenger transport and accommodation operators, the former giving numbers of travelers staying in hotels and similar accommodation establishments. These sources continue to be still utilized for quantitative data about tourism by many countries. In the absence of a clear-cut definition of the term ‘tourism, these sources rarely distinguished in any way between the actual and other travelers and also between different groups of tourists. These were thus of limited value in the assessment of the volume and the value of tourism. Tourism had not yet received recognition as an economic phenomenon and, therefore, not much efforts were made to systematically and scientifically measure it
Dwyer, Forsyth, and Rao (2000, 2001) present a comparative study of 19 destinations. The price competitiveness index proposed in this study is based on exchange rate adjusted purchasing power paucities. This variable has been customary in econometric analyses of tourism demand where it tends to appear under a different name (viz relative prices; Sec. Song and Witt, 2000, p.44). Instead of just ranking destinations in terms of price competitiveness, the econometric demand Modelers is more ambitions. They want to explore the actual influence of the price-of-tourists variable on the volume of demand. Kaplan and Norton’s (1993), Balanced Scorecard.

And according to Medlik, S. and Ingram, H. (2000) Performance is a relationship between the inputs and outputs of an hotel, including tangible goods and intangible services. Tangible goods include food and drink to be consumed by the customer, while the services produced by an hotel are less tangible and are often subjectively judged by the customer.

As a consequence, it is more difficult to measure intangibles objectively and to ensure that hotel services always satisfy the customer. It is much easier to use absolute measures of performance such as profit, return on investment and assets. Similarly, hotels need to know how efficient they are in relating inputs to outputs (e.g. costs to sales), especially with labor costs, which are often the largest single element of cost for an hotel. One way of integrating the tangible and intangible measures that drive performance is through Kaplan and Norton’s (1993) ‘Balanced Scorecard’, which is shown in Figure (1.1).

Because the running of an hotel nowadays is such a complex activity, managers need to be able to monitor the business from a number of perspectives:

_Financial perspectives:_ How the hotel looks to shareholders. _Internal –
**_business perspectives:_** The activities in which the hotel must excel.  
**_Innovation and learning perspective:_** Ways in which the hotel can improve and create value.  
**_Customer perspective:_** The hotel from the viewpoint of customers.

According to Sanjeev, G.M in his research paper titled “measuring efficiency of the hotel and restaurant sector: the case of India” which mentioned in his work which available in (www.emeraldinsight.com) that, **Morey and Dittman (1997),** have analyzed the efficiency of 54 units of a hotel chain using the DEA methodology. They have differentiated the inputs on two bases: exogenous and controllable. Exogenous inputs include number of rooms, average market occupancy market average daily rate (ADR) and unionized whereas the controllable
inputs considered are room expenditure, food and beverage expenditure, etc.

The outputs chosen are room revenue, average guest satisfaction related with the physical facilities and average guest satisfaction related with the services provided.

Anderson et all (2000), measured the efficiency of 48 North American hotels using the DEA methodology. They considered the following variables as input-full-time equivalent employees, the number of rooms total gaming related expenses, total food and beverage and of her expenses. The chosen outputs are-room revenue, gaming revenue, food and beverage revenue and other revenues.


... existing hotel performance measurement systems in the hotels were weak in three areas. First, hotel information systems were deficient in their ability to measure and monitor multiple dimensions of performance. This has been exacerbated by their focus on occupancy percentage, profit indicators and ROI, Second, despite the high level of managerial interest in measuring human resource, and marketing issues existing performance systems are unable to deal with these issues adequately. Third, effective performance systems have to be tailored to suit the specific needs of each hotel group. In an effort to overcome the current limitationsm Philips P.A.

and referring also to Brown and Mc Donel (1995), as said also by Philips P.A.in his research paper titled;” hotel performance and competitive advantages: contingency approach”,, thought that it might be useful for hoteliers to consider the balanced scorecard approach by Kaplan and Norton (1993).despite its popularity, the balanced scored
once hailed as the breakthrough method of assessing performance, has several shortcomings. For example, name organizations have failed to define the measure of success that really needs to be emphasized. Instead, performance indicators are used that tend to be easy to determine. Users have also found it extremely difficult to communicate the scorecard to all levels within the organization. This last point is hardly surprising, as the scorecard was initially developed to put a focus on shareholder value.

More ever, same research paper above which has been done by Philips P.A. mentioned also that, Understanding the Key forces of supply and demand within a competitive environment are essential, if one aspires to obtain and sustain competitive advantage (Phillips, 1997). Unfortunately, hoteliers have tended not to perform in-depth strategies analysis at the corporate level. Typically supply-side statistics are usually limited to room stock, whereas demand-side statistics are usually confined to occupancy percentages. This results in only a limited interpretation and identification of changing supply and demand patterns. Phillips (1997) proposed a novel approach that provided greater insight than traditional supply and demand statistics. Phillips’ (1999) Hotel Performance model attempts to address some of the hotel specific problems identified by Brander Rown and McDonnell (1995) and Phillips (1997). The major weaknesses of existing performance measurement systems are their focus on individual techniques rather than upon processes.

In related article, Anderson R.I. Fish, et al, (1999) analyzed the efficiency of 48 U.S. hotels for the year 1994 with an econometric stochastic translog cost function. The total cost was regressed in output (total revenue and other revenue), inputs (the number of full time equivalent employees the number of rooms, total gaming-related expenses, total food and beverage expenses and other expenses), and the
factor prices: the price of labour provided by total hotel revenue per full time or equivalent employees the room price was estimated by hotel revenues divided by the product of number of rooms, the occupancy rate, and days per year, and the price of gaming food and beverage, and other expenses was provided by estimating each as a percentage of total revenue. The use of a translog model with 21 parameters and 48 observations was the most intriguing aspect of this article.

**Ritchie, Crouch and Hudson (2001)** aim at developing operational measures for a rich assortment of the components covered by destination competitiveness as suggested by **Ritchi and Crouch (2000)**. They develop a comprehensive list of indicators combining subjective consumer measures and objective industry measures for each of 32 destination competitiveness components. The itemization is considered to be a step leading toward a composite destination competitiveness index and a subsequent tool for simulating destination performance. Similar to Ritchie and Crouch, **Dwyer and Kim (2003)** introduce another holistic approach of determinants and indicators that define destination competitiveness. Their indicators which are categorized into subgroups labeled endowed resources, supporting factors, destination management, situational conditions, demand factors and market performance indicators, were generated during workshop with tourism industry stakeholders in Australia and Korea).

Some of the recent studies witnessed use of DEA, Malmquist productivity index and other innovative measures to evaluate the efficiency of the hotel sector. **Avkiran (2002)** has studied the productivity of 23 Queensland’s hotels using the DEA model. The inputs considered were the number of full-time employees, member of part-time employees, number of beds and the outputs were the total revenues and room rates, **Hwang and Chang (2003)** used DEA and Malmquist productivity index to measure efficiency of 45 hotels in 1998 and the
efficiency charge of 45 hotels from 1994 to 1998. They put forth two main findings. They found that the managers were operating at 7.9.2010 percent efficiency and that only 20 of the 45 hotels improved the managerial efficiency once time. Sun (2004) has assessed the hotel performance of 47 international tourists for the period 1997-2001 on various dimensions. He has used a production approach to design three performance models, namely managerial performance, room department performance and catering department performance.

The first production model consists of four inputs: total operating expenses, number of employees number of rooms, and total area of the catering department; and four outputs: total operating revenues, average occupancy rate, average production value per employed in the catering department and average production value per employee in all departments. The second production model consist of three inputs: the total area of the catering department, number of employees in the catering department, and catering related expenses area. The output is the catering revenue. The third performance model is designed to explore the occupancy performance of a room service department in using number of employees and number of rooms to generate room revenues and average daily rate (ADR). The production model consist of two inputs: number of employees working in the room department; and two outputs: room revenues and ADR.

And also regarding to the related topics, that, as it is said by Singh P.K.(2008), in his book titled “HRM In hotel and tourism industry”, that One of the mean reasons that organizations needs constantly to take stock of its workforce and to assess its performance in existing jobs for are:

- To improve organizational performance via improving the performance of individual contributors.
And the personal role is usually that of assistance in the setting of objective standards of evaluation / assessment, for example:

- Defining targets for achievement;
- Explaining how to quantify and agree objectives; - introducing self assessment;
- Eliminating complexity and duplication.

In addition, *Johns, Howerof and Drake (1997)* analyzed 15 U.K. hotels over a 12 months period with a DEA-CCR model. The outputs used were number of nights sold; total covers served, and total beverage revenue. The inputs were the number of room nights available. The total labour hours, total food and beverage costs and total utilities cost. In another articles, *R.I Anderson et.al (2000)* analyzed the efficiency of 31 corporate us travel management departments with DEA-CCR and astochastic frontier. They defined output by the number of trips, the inputs used were total air expenses, total expenses, car expenses, labour expenses, hourly labor, part-time labour, fee expenses, technology costs, and building and occupancy expenses. Inputs were converted into prices by dividing the three input categories by the number of trips. The price of labor is estimated by the labor expenses divided by the number of trips; the trips of were obtained by dividing the travel expenses by the number of trips and the price of capital was obtained by dividing the capital expenses et al. also analyzed the efficiency of 48 hotels and estimated the AE and TE using cross-section data on prices, inputs and outputs. The outputs used were total revenue and other revenue. The inputs used were full-time equivalent workers, the number of rooms, total gaining related expenses, total food and beverage expenses, and other expenses. The prices used were a proxy for the employee’s wages (total hotel revenue per full-time employee) and room price (total revenue divided by the number of rooms).
As it has been pointed by Metti M.C., Halim's (2001) evaluated the degree of effectiveness of the SQ (Service Quality) philosophy in achieving better HR practices in the Room Service Division of five-star hotels in Egypt and that differences in the implementation of approaches to the philosophy within SQ hotels revealed, as well as some significant differences between SQ and non-SQ hotels. And that factors were also identified that affect the implementation of the SQ philosophy to achieve better HR practice with the model modifying the HR aspects of the Malcolm Baldrige and National Quality Award had also been developed to provide simplified guidelines of effective implementation.

Moreover, Metti pointed out that largely in support of Lashley (1998), Nickson et al. (2002) conclude that HRM in hospitality is more 'best fit' than 'best practice'. And that a 'best fit' approach to designing HRM contingent upon the particular notion of 'good service' seems apposite and hence practices will differ across market segments, and between tangible and intangible aspects of service production. “Although good practice has been identified by Haque (1999a) and Kelliher and Perrett (2001) in up market organizations, it may also be found small firms.”, Metti added.

Metti continued to add that for many firms high pay, extensive training and job security are unlikely to be cost effective and that poor practice may reflect a number of reasons but it is not immutable, and the 'high road' is not the only route to competitive advantage. And that Case study illustrates an example of Lashley's (1998) command and control style at Pret à Manger.

Finally, Metti tried to sums up and concludes that while moving towards greater customer responsiveness and an SQ philosophy may be a longer-term objective in port-Communist countries such as Slovakia, hotels have ground it difficult to move away from the traditional rigid 'socialist' type of personal management. And that they have yet to reach a point in terms of current practice that is fully adequate to the new economic environment, and remain a long way from achieving a 'western' model of HRM.