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**A STUDY OF THE GEOGRAPHIC ORIGIN,  
EDUCATION, AND EXPERIENCE  
OF  
HOTEL GENERAL MANAGERS**

**RHI 590  
INDIVIDUAL PROJECT**

**BY:  
Alan Christopher Gnann**

**April 30, 1993**

**PURDUE UNIVERSITY  
DEPARTMENT OF RESTAURANT, HOTEL,  
INSTITUTIONAL, AND TOURISM MANAGEMENT**

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## ABSTRACT

A thorough review of research focused on general managers (GMs) of hotels, reveals that there is a void in the information concerning many aspects of the backgrounds of those GMs in the U.S. hotels offering the highest levels of service. As GMs represent the pinnacle of the operational hotel manager career path, it is desirable to learn more about who these successful individuals are and to try to assess the characteristics that have led to their success. This research focused on a few of the more obvious shortfalls of data related to these GMs, namely their geographic origin, specific details about their formal education, and a look at the non-managerial and managerial experience they obtained on their rise to the top.

The GMs of 280 three-, four-, and five-star rated hotels, located in the 48 contiguous states and the DC area of America, were surveyed for the study. The survey instrument was a postal questionnaire with nine questions. The first two questions collected information about the GM's country of birth and present citizenship. The second two questions concerned the level of education attained and collected specific data about the colleges attended, areas of study pursued, and the degrees received. The final five questions collected information from the GMs regarding the non-managerial experience they received before beginning their hospitality management career and the departmental management experience they received before their first GM position.

All of the data were separated with the level of service the property offers, based on rating by Mobil, used as a discriminating factor. The service level of the property managed, coupled with the origin of the GM, provided

the framework upon which the analysis of education and experience data were made.

Results: The primary research questions posed by the study were strongly supported. These questions predicted that a greater proportion of the hotels with the highest Mobil rating of service level, as compared to hotels with lower levels of rated service, were managed by foreign born and educated GMs. The study also showed that there is no significant difference in the level of education attained between the managers of the differing levels of service studied but that significantly more of the GMs managing hotels offering higher levels of service have formal hospitality degrees. Finally, the non-management experience of all GMs were found to be similar while the management experience reported indicated that GMs of hotels offering high levels of service spend a proportionately larger amount of their pre-GM management time in the food and beverage area of hotel operations.

## CHAPTER 1 - INTRODUCTION

The past two decades have witnessed many studies about general managers (GMs) of hotels within the hospitality industry (Arnaldo, 1981; Koureas, 1985; Nebel, 1991; Shortt, 1989; Worsfold 1989a, 1989b). These studies generally attempted to define the nature of hospitality management work and to associate personality traits or work habits with successful GMs.

There seems to be a void, however, in research regarding who the successful GMs actually are. Guerrier and Lockwood (1991, 164) in their review of research done to date, highlight " . . . the lack of very simple and basic data about how many managers there actually are in the industry, where they are based and who they are." Regarding demographic research, Guerrier and Lockwood (1991, 157) also go on to say, "Ideally, a demographic description of who hospitality managers are would include details of age and sex distribution, educational background and qualifications, national background and place of birth, family background and current family status and some details of previous work experience." This study bridges a part of this void through an analysis of certain aspects about the backgrounds of the GMs of luxury U.S. hotels.

### 1.1 Statement of the Problem

Previous studies of GMs (Bentivegna, 1989; Ghei, 1992; Guerrier, 1987; Lee, 1991; Nebel, 1991; Ruddy, 1989; Silverman, 1988; Swanljung, 1981) have amassed a variety of data about the demographics and career paths of GMs. There is not much research, however, that relates specifically

to the GMs of luxury hotels. More specifically, there is no research that attempts to differentiate GMs based on origin, education and experience while taking the various levels of the hotels service into account.

### 1.2 Purpose of the Study

As the review of literature in Chapter Two will illustrate, several gaps still exist in our knowledge of GMs. This study collected information on the origin, education, and experience of the GMs of luxury U.S. hotels, and determined, through statistical analysis, how the data collected differentiated between the GMs as the level of service offered by the hotels increased.

### 1.3 Research Questions

The previous GM studies, mentioned earlier in this paper, have often alluded to several characteristics that seem to be common among the GMs. Of particular interest was the frequency of GMs with European origin and the type and level of education GMs had (Ghei, 1992; Lee, 1991; Nebel, 1991). These studies provided information that, although tangential to their primary purposes, led to many issues that seemed to deserve further research. The following research questions address the void of information mentioned earlier from the standpoint of taking the next step in learning more about who the GMs are.

1. As the service level of hotels increases, the percentage of foreign GMs increases.
2. As the service level of hotels increases, the educational levels of GMs increases.

3. As the service level of hotels increases, the percentage of GMs with formal hospitality education increases.
4. As the service level of hotels increases, the percentage of GMs educated outside the U.S. increases.
5. GMs of 4&5-star hotels are more likely to have a non-management background in food and beverage than are three-star GMs.
6. GMs of 4&5-star hotels have more non-management hospitality experience than GMs of three-star hotels.
7. GMs of 4&5-star hotels are more likely to have spent the majority of their hospitality management career in food and beverage than are three-star GMs.
8. As the service level of hotels increases, the amount of managerial experience, outside the hospitality industry, before beginning the professional hospitality career decreases.
9. GMs of 4&5-star hotels have longer apprenticeships in 4&5-star hotels than GMs of hotels offering lower levels of service (i.e., 3-Star GMs) have in their respective hotel.

#### 1.4 Importance of Study

The importance of this study lies in the potential identification of characteristics shared by hotel GMs. If there is a trend toward hiring a disproportionate number of foreign born and educated GMs for hotels offering higher levels of service, then this information would be invaluable to hospitality educators and aspiring hotel executives. In addition, if there are differences among the GMs, this information would be useful for companies to recruit, train and mentor their personnel; to, in effect, analyze potential career paths. Such a finding would necessarily result in several questions

from both education circles and industry. These data could lead to the development of domestic hospitality curriculum designed to ensure American hospitality graduates can compete for the more service intensive hotel management positions.

### 1.5 Scope of Study

This study examines the geographic origin of GMs in hotels of differing service levels. Specifics about the education the GMs received, and some basic information about the managerial and non-managerial experiences they had prior to their becoming a GM are also studied.

The study was limited to "hotels" as a particular segment of the hospitality industry, as defined in a recognized hotel rating guide (Mobil Travel Guide, 1992). In addition, differences in service level were based upon specific categories of ratings for hotels (three-, four-, and five-star), also from the same rating guide. Only hotels within the 48 contiguous states of the U. S. were targeted for the study. From the 1,161 hotels available in the above defined sample pool, all 138 of the 4 & 5-star hotels listed were sampled. A stratified random sample of 150 3-star hotels was selected for the study from the total population. The respondents for the study were the GMs of the hotels selected. The survey instrument used was a short mail questionnaire that elicited responses concerning the research topics.

### 1.6 Summary and Organization of Remaining Chapters

Chapter One has outlined the problem to be researched, the purpose of the study, and the research questions that will be addressed. In addition, the importance of the research and the scope of the study were discussed in this chapter.

Chapter Two reviews and discusses the literature related to the study of GM demographics and characteristics in the hotel industry. Chapter Three describes the research methodology used to collect and analyze the data. Chapter Four offers the presentation of research findings and the subsequent analysis. Finally, Chapter Five presents the limitations of the study, offers conclusions and implications resulting from the study, and offers suggestions for future studies of hotel GMs.

## CHAPTER 2 - LITERATURE REVIEW

This chapter discusses the related literature pertaining to studies of the GMs' in the hospitality industry dividing it into two groups. The first group of literature is specifically related to this study. The second group of literature reviews research that, although not directly related to this study, is of tangential interest and needs inclusion in a comprehensive review of this subject. Rutherford, in his book *Hotel Management and Operations*, refers to the lack of available literature in this area. Specifically, he states (1990, 35):

"Surprisingly, very little has been written about hotel general managers. Only recently has very much attention been paid to how these people's careers have developed and what sorts of skills and strengths they bring to their jobs."

A thorough review of the hospitality literature confirms Rutherford's assertion. In fact, there were no studies directly related to the geographic origin, education, and experience of the GMs in luxury U.S. hotels. In this respect, this study is unique. Therefore, only related studies, that provided the clues that there may be common characteristics shared by successful GMs, are related in this chapter.

### 2.1 The Specifically Related Literature

Lee (1991) conducted research that specifically addressed GM career paths. For the first time, however, the study took into account the different levels of service offered by the hotels, and analyzed the results based on these service levels. Lee classified his subjects as managing either mid-



range, upscale, or luxury hotels. His data were collected from a population of 160 randomly selected U.S. hotels. Surveys were received from a total of 114 hotels, representing the three service levels categorized. The subsequent response rate for the study was 71.25 percent. His findings were extremely interesting and led to many questions addressed in this study.

Lee found that there was a significant increase in GMs' education and the percentage of GMs with hospitality degrees as you moved up from mid-range to luxury properties. Specifically, the percentages of hospitality degrees were: Mid-range 29%; Upscale 38.9%; and Luxury 52.6%. The average years of experience outside the industry decreased with a move up in service level. Mid-range hotel GMs averaged 2.53 years; Upscale 1.35 years; and Luxury .61 years of non-hospitality experience. There was also an important difference in the percentage of respondents without experience in non-hospitality work as you moved up the service scale as follows: Mid-range 54.3%; Upscale 63.3%; and Luxury 86.4%. The percentage of respondents with more than four years of non-hospitality experience also decreased as service level increased, as follows: Mid-range 22.9%; Upscale 6.1%; and Luxury 4.6%.

Research by Nebel, related in his book *Managing Hotels Effectively* (1991), studied ten GMs of major luxury hotels extensively to determine the nature of hotel managerial work and the personal attributes (background and characteristics) that make GMs successful. Some interesting and possibly unexpected findings resulted from this study. Nebel found that four of the ten GMs studied were of European origin. While admittedly a small sample, these findings are suggestive of one research question proposed in this study. Forty percent, even in an informal random study of this nature seems a high percentage. Five of the ten GMs (50%) had hotel degrees and

four of those five hotel degrees (80%) were from European hotel schools. Finally, another finding was that seven of the ten GMs (70%) had extensive hotel experience before beginning their professional hotel career.

Ghei (1992) conducted research in order to construct a personality profile of successful hotel GMs. In collecting the demographic data necessary to base his study, Ghei found an interesting trend. As the level of services offered by the hotels increased (from 3- to 4-star) the percentage of foreign GMs also increased. His study included 130 four-star hotels and a random sampling of 200 three-star hotels. He found that a little less than 12 percent of three-star GMs were foreign born but that nearly one-third (30.3 %) of the four-star GMs were from countries outside the U. S.

It is these three studies (Ghei, 1992; Lee, 1991; and Nebel, 1991) that suggest many of the research questions posed in this study. The literature discussed later in this chapter have shed a great deal of light on the subject of GM characteristics and clearly pointed to the vacuum of knowledge that exists about who the most successful GMs are. This study collected information on the origin, education, and experience of the GMs of luxury U.S. hotels and, through detailed statistical analysis, showed how the data collected differentiated between the GMs as the level of services offered by hotels increased.

## 2.2 The Other Related Literature

A study conducted by Schmidt in 1961 closely resembled the present study in that it addressed origin, education, and to some degree the experience of hotel managers. The study was geographically limited to four midwestern U.S. states and collected data from only 60 managers (20 in each of three size categories; small, medium, and large). All were members of the

American Hotel Association. The "origin" defined by Schmidt was not based on nationality but on a socio-economic level focused primarily on the occupation and education of the managers' fathers. Schmidt's study had several interesting findings, but because of the age of the study they hold little significance today other than to illustrate changes in the industry over 30 years. The size of the study and its geographic restrictions are also a concern in making any valid comparisons to the present study or to the entire population of U.S. hotel managers. Finally, the issue of service level is addressed only in a cursory manner using the author's impressions of the property as a measure of services offered.

Schmidt found that 45 percent of the managers were college educated as compared to 20 percent of all managers at the time of the study. He found little or no correlation between the years of education and the size of the hotel managed. One-fourth of the managers held business degrees and one-fifth had formal hotel administration education. The managers with formal hotel administration training tended to manage small to medium properties while the business graduates managed the larger properties. Schmidt attributed this to the aspiration of hotel administration graduates to attain a management position quickly while the business school graduates wanted affiliation with larger organizational units. His study also found that more years of formal education correlated with less time necessary to attain a top management position. A particularly curious finding of Schmidt's was that the higher educated managers tended to spend more time in sales positions as opposed to the normal long apprenticeships in the rooms or food and beverage divisions and that they, in fact, had a separate career path through these sales positions. Finally, Schmidt concluded that managers who aspire

to manage larger hotels probably will achieve that goal most quickly by starting and remaining in that size hotel.

Another early study, conducted by Nailon (1968) sampled three general managers within a single hotel chain. His interest was in testing a self-completion questionnaire that could be used as a tool in analyzing hospitality managers' work. Because of this study's focus on methodology and the extremely small sampling, very little was learned about who the GMs were.

Arnaldo (1981) also conducted a study concerning GM characteristics. This study provided the groundwork for any future research on who GMs are and how they became successful. This study did not, however, take the levels of service offered by the property into account. His research had the aim of identifying (1) the personal characteristics of the GM, and (2) the GM's allocation of time and importance to ten managerial roles. Arnaldo sent questionnaires to GMs employed by 15 of the 50 largest U.S hotels. Eighteen GMs were randomly chosen from each of these companies. Of the 270 GMs surveyed, 194 provided usable responses, for a 71.9 percent response rate. During this questionnaire, GMs were asked demographic questions that were the first to shed light on who the GMs were and the paths they had taken to the top. Arnaldo reported data on the sex, ages, level and type (hospitality vs. non-hospitality) of education attained, and a profile of the GMs' career paths. Keeping in mind the age of this study, Arnaldo reported the following personal data on the GMs in his research. The vast majority of GMs were male (96%) and were between the ages of 25 and 35 (44%). The largest grouping under his education questions was hospitality majors with four-year degrees (28%) followed closely by non-hospitality majors with four-year degrees (20%). The GMs' professional profile found the majority of them had

between 11 and 15 years in the industry (34%); had been with their present company between one and five years (45%); and had held their present position only one to two years (44%).

Guerrier (1987) examined career paths of 16 hotel managers in British hotels. The aim of her study was to be descriptive and was limited to only 16 subjects. Of interest to the present study was information collected about career histories. She discovered a similar career path pattern between the GMs and noted particularly lateral movement from hotel to hotel, usually within the same company. Interestingly, however, she found that all of the GMs interviewed had made an early commitment to the hotel industry, taking their first job in the industry as teenagers or in their early twenties. From that point, she reports a clear set of stages through which all developed. This topic, however, is not germane to the present study. It is recognized that Guerrier's study may not apply directly to the U. S. industry as it focused on British GMs. The implications are, however, necessarily noted and will be considered when analyzing the present data for trends in experience among the GMs.

Bentivegna and Sluder (1989) conducted a study on 237 GMs who were members of the Connecticut Hotel-Motel Association. Again, the service level and size of the hotels managed was not considered. In addition, the geographic restrictions of this study make assumptions about the entire national population difficult. Fifty responses were received for a 21 percent response rate. Their study focused on GM backgrounds, but also gathered information that proved interesting for future studies such as the present one. Bentivegna and Sluder found that 20% of their respondents were hospitality majors. They also discovered that these GMs had an average of 16 years of industry experience. Most interesting, however, was their finding

that nearly 50% of the GMs had no experience outside the hospitality industry.

Ruddy (1989) describes research he conducted in 1988 in Hong Kong. The purpose of his study, a part of a larger ongoing research effort, was to determine the key influences in helping general managers in the Asia region to become successful. Ruddy's study also neglected to discuss the levels of service offered by the hotels surveyed. His research is based on 31 responses from GMs of local and international hotels in Hong Kong. The size of hotels represented ranged from fewer than 150 rooms to more than 700 rooms. While this study cannot be directly related to U. S. hotels, an interesting finding was that 61% of the GMs held a diploma or certificate from a European hotel school.

## CHAPTER 3 - RESEARCH METHODOLOGY

This chapter consists of six sections that break down and clearly define the design and methodology of the study. The first section discusses the research design. In the second section there are discussions on the data collection, including the identification of subjects and the sources of data. The third section explains the instrument used to collect the data and is followed by section four with a discussion of the research procedures. The fifth section describes the statistical methods used for analyzing the data. The sixth section discusses the assumptions made in the study.

### 3.1 Research Design

The primary design for the instrument used in this study was a postal questionnaire. The postal questionnaire was chosen for two reasons. First, the large sample size desired ( $n=288$ ) made personal interviews or other similar forms of data collection impractical. Second, finances and time suggested that the postal questionnaire would be the instrument of choice.

The main body of the survey, consisting of nine questions, was printed on two pages. A copy of the survey is included in the appendix. The questions were arranged as follows: first two questions sought information concerning the respondent's origin; questions three and four collected information on the respondent's level of education, the name of any colleges attended, the country the colleges were located in, the respondent's major field of study, and any degrees received; the final five questions collected information regarding the respondent's non-managerial experience,

including which hotel department accounted for the most experience, and similar information for professional hotel experience. The details of each of the nine questions are provided in Section 3.3 on Instrumentation.

The questionnaire was printed (at the Purdue University Printing Press) on a white sheet of 11"x17" paper, that was then folded along its length to obtain a four-sided printed survey sized 8.5"x11". The front cover of the printed survey included the logo of Purdue University along with the mailing address, telephone and facsimile numbers of the department. A postage-paid label, mentioning the Committee Chairperson's name and title, was printed on the back cover to expedite return. The back cover also listed instructions, obtained from the U. S. Post Office in Lafayette, on how to fold and staple the survey.

Two different cover letters were used with the surveys, one sent to those GMs whose names could not be determined and the other addressed to those GMs whose names were known. All the cover letters, as well as the addresses on the envelopes, were printed on the department's letterhead using a letter-quality printer. The cover letters were signed by both the researcher and the Committee Chairperson, handwritten firmly with a blue ball-point pen. While it appears, at first, to be a tedious and particular method, this attention to detail serves two very important purposes. First, it creates a professional impression projecting excellence and expertise giving the respondent a positive perception of the study. Second, it both introduces a personal touch and helps to set the survey apart from standard bulk mailings that all hotel executives are doomed to receive. Past studies have indicated that these factors in turn have a positive impact on the response rate of this type of survey (Dilman, 1978).



### 3.2 Subjects and Sources of Data

Four principal factors must be discussed as they play an important part in this study's research methodology and design. Because of the nature of this study, four factors influenced the selection of subjects that made up the population for the study: (1) the "hotel general manager," (2) the definition of "hotels," and (3) the ratings of the hotels, and (4) the procedures for selecting the sample.

#### 3.2.1 The Hotel General Managers

For the purposes of this study, it is proposed that hotel GMs are the central management figure within hotels. Because GMs are the executives entrusted with the overall operational responsibility for the hotel's business it is easily argued that they are the successful managers in the hotel industry. It follows, therefore, that by virtue of having attained their present position, these GMs can be classified as successful.

Finally, by focusing on hotel GMs the study becomes important because of what these positions represent. The hotel GMs, as defined for this study, depict a cross-section of the most successful managers in the hospitality industry. They represent the pinnacle of hotel managers' operational career paths. Because the GM position is what most ambitious operational managers and hospitality graduates entering the workforce aspire to be, it follows that more information about them would be useful.

#### 3.2.2 "Hotels" as defined for Study

The Mobil Travel Guide (1992) definition of "hotel" was used in this study. The Mobil Travel Guide (1992) includes seven regional editions that encompass the 48 contiguous states of the United States of America and the

District of Columbia (DC), and lists establishments providing accommodation/lodging under the following major categories: Motels and Lodges, Motor Hotels, Hotels, Resorts, and Inns. The "Hotel" category was chosen because it limited the study to a single homogenous group that simplified the comparisons within the group necessary to address the research questions posed. Selection of a single category also helped to control as many intervening variables as possible, such as operational complexity.

Two other conditions were added in order to ensure that the properties selected would display the desired range of operational and functional complexity. First, the property had to have a minimum of one hundred rooms and second, the property had to be fully operational all twelve months of the year. Table 3.1, on the following page, provides the definition of "hotel" for the purpose of the study as it was adapted from the Mobil Travel Guide (1992).

Table 3.1  
Hotels as Defined for the Study

To be categorized as a hotel, the establishment must have most of the following facilities and services: multiple floors, a restaurant and/or coffee shop, elevators, room service, bellhops, valet services, a spacious lobby, and some recreational facilities.

A hotel offers its guests a broad spectrum of lodging experiences. The following features and services apply to most establishments:

1. Year-round operation with a single rate structure.
2. European Plan (meals not included in room rate).
3. Bathroom with tub and/or shower in each room.
4. Air-conditioned/heated, often with individual room control.
5. Daily maid service.
6. Valet service (one-day laundry/cleaning service).
7. Room service during hours restaurant is open.
8. Elevator.
9. Phones in rooms.
10. Bellhops.
11. Oversize beds available.

Adapted from: Mobil Travel Guide (1992).

### 3.2.3 Three-, Four-, and Five-Star Rating of Hotels

From the literature, discussed in Chapter Two, there was reason to suspect that as the service level of the hotels changed, many characteristics of the GMs that manage them also changed. In order to study this hypothesis, it became necessary to measure service levels. To differentiate levels of service, the Mobil Travel Guide's hotel rating system provided the most accurate measure of service quality that could be derived for this study.

The Mobil Travel Guide (1992) uses a five level rating system to evaluate lodging establishments. These ratings range from one-star ("Good, better than average") through five-star ("One of the best in the country"). These ratings cover all establishments rated in the 48 contiguous states and the DC area.

"The principal areas of evaluation are quality of physical structure, furnishings, maintenance, housekeeping, overall service and food service" (Mobil Travel Guide, 1992; p. 19). From this definition it is clear that the most important aspects of service quality are implicit in the rating system. In order to earn a rating the establishment must be at least one year old, must not have undergone any major structural changes in the past year, and the GM of the hotel should have been in his present position for a minimum of one year. It also should be pointed out that no ratings are final and all are reviewed annually forcing each establishment to earn its rating continually.

Based on both the definition for a hotel for the purpose of the study as well as the criteria used to rate it on the one- through five-star range, it is evident that the higher rated a hotel is, the higher are the degree, level, and quality of services it provides. It is recognized that "quality" is a very subjective thing and that it is generally in the eye of the beholder. "Quality" when used in this paper reflects the higher end of the service scale. In other

words, the hotels offering the highest level of service to guests are considered to have higher service quality. It is conceded that a hotel with limited services could provide high quality, although limited, services. It was therefore decided that the upper range of the hotel rating system should be studied (three-, four- and five-star hotels). In order to be selected as a member of the survey pool for the study, the property had to meet all of the criteria set forth in Section 3.2.2 for being defined as a "hotel" and be rated as a three-, four-, or five-star hotel by the Mobil Travel Guide (1992). Table 3.2, below, gives a brief overview of the three ratings.

Table 3.2  
Three-, Four-, and Five-Star Ratings of Hotels

NUMBER OF STARS	BASIS OF RATING
Three-Star	Excellent
Four - Star	Outstanding - Worth a Special Trip
Five - Star	One of the Best in the Country

Adapted from: Mobil Travel Guide (1992).

As mentioned before, all of the hotels chosen for this study represent a high standard of excellence in the hospitality industry. It is the subtle differences in service levels, however, that this study differentiates. The three-star rating in the Mobil Guide has been given to fine properties such as the Sahara Hotel and Casino in Las Vegas and the Chicago Hilton and Towers. Among the four-star properties are those of Ritz-Carlton, Nikko, Four Seasons, and other famous properties such as the famed Waldorf-

Astoria. The coveted five-star rating is held by only eight hotels in the U.S. and three of them are Four Season properties. Among the others are exclusive hotels like The Carlyle in New York, the Williamsburg Inn, and The Mansion on Turtle Creek.

Using the criterion defined above, 1031 three-star, 130 four-star, and eight five-star hotels were available for the study. All of the hotels are located within the 48 contiguous states and the DC area of America. Since the five-star hotels are such a small population it is not possible to expect any significant results from studying them separately. For this reason, the four- and five-star hotels were combined into one group (4&5-star) for study. The three-star hotel data served as the control group against which comparisons of 4&5-star data were made.

The entire population of 4&5-star hotels, as defined for this study and found in the Mobil Travel Guide (1992), totaled 138 and all were surveyed. Of the total three-star hotel population of 1031, a simple random sample of 150 was drawn for the study. This sample size was chosen because it closely resembled the size of the subject group, was financially viable for the study, and represented approximately 15 percent of the concerned population. Past studies had shown that a response rate near 50 percent could be expected that would yield responses from approximately eight percent of the total population (Ghei, 1992; Lee, 1991). These populations also ensured that approximately 25 percent of the entire population of three- and 4&5-star hotels in the 48 contiguous states were being surveyed. These numbers provided a statistically sound basis for the study. Table 3.3, below, presents the numbers and proportions of hotels that were selected.

Table 3.3  
Proportion of Hotels Surveyed as Percent of Total Population

Hotel Rating	Total # of Hotels	# Surveyed (as % of Total)
3-Star	1031	150 (14.5%)
4&5-Star	138	138 (100%)
TOTAL	1169	288 (24.6%)

#### 3.2.4 Selection of Actual Sample

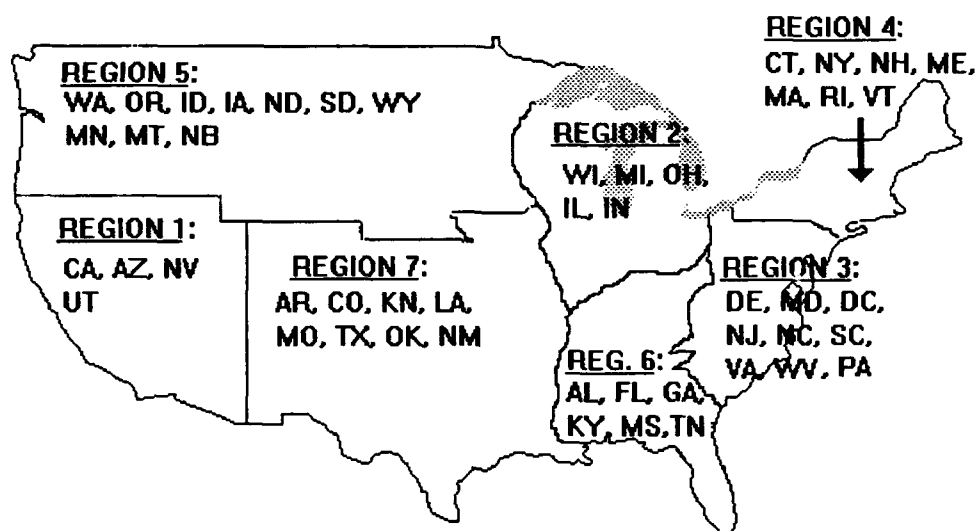
As discussed earlier, the Mobil Travel Guide (1992) has seven regional editions that cover the 48 contiguous states and the DC area of America. In each of these regional editions the states are recorded alphabetically, and under each state the cities are listed alphabetically also. The lodging properties for each city are, likewise, alphabetical within their appropriate classification. It was therefore easy to extract an ordered list of three- and 4&5-star hotels for the study.

Since all 138 4&5-star properties listed (representing the entire population) were to be surveyed, the only necessary selection involved the simple random sampling of 150 three-star hotels from the ordered listing of the total population of 1031. A small computer program generated the required listing of numbers that were then used to select the 150 three-star hotels for the study.

Figure 3.1 below illustrates the distribution of the 48 states and the DC area into the seven regions of the Mobil Travel Guide (1992).

Figure 3.1

## Regional Distribution of States



Source: Mobil Travel Guide (1992)

The final step in selecting the sample for the study involved using the Spring 1992 edition of *The Hotel and Travel Index* to obtain the list of as many names as possible of the GMs in the study. The *Who's Who in the Lodging Industry* (Turner, 1990) was also consulted in an effort to obtain first names when only initials were known. Ghei had found in his GM study that there was no significant difference in the distribution of those GMs surveyed by name and those surveyed anonymously by rating of hotel (Ghei, 1992). Because of his findings and results, his method of using two distinct cover letters for GMs with names and for those without was followed. Table 3.4 provides the proportions of GMs surveyed by name as compared to those surveyed anonymously.



Table 3.4  
Proportion of GMs Surveyed (By Name Vs. Anonymous)  
By Hotel Rating

Hotel Rating	# Surveyed	By Name (%)	Anonymous (%)
3-Star	150	77 (51.3%)	73 (48.6%)
4-Star	130	109 (83.8%)	21 (16.2%)
5-Star	8	6 (75.0%)	2 (25.0%)
<b>TOTALS</b>	<b>288</b>	<b>192 (66.7%)</b>	<b>96 (33.3%)</b>

Table 3.5 provides information on the regional distribution of both the total population of three-star hotels as well as the hotels surveyed. Table 3.6, follows and outlines the regional distribution of the 4&5-star hotels surveyed for the study.

Table 3.5  
Regional Distribution of Three-Star Hotels

Regional Distribution	Total (as % of Total)	Surveyed (as % of Total)
1. California & The West	192 (18.6%)	24 (16%)
2. Great Lakes	118 (11.4%)	17 (11.3%)
3. Middle Atlantic	195 (18.9%)	37 (24.7%)
4. Northeast	101 (9.8%)	10 (7.0%)
5. Northwest & Great Plains	68 (6.6%)	12 (8.0%)
6. Southeast	180 (17.5%)	30 (20%)
7. S.W. & South Central	177 (17.2%)	20 (13.3)
<b>TOTAL</b>	<b>1031 (100%)</b>	<b>150 (100%)</b>

Table 3.6  
Regional Distribution of 4&5-Star Hotels

Regional Distribution	4-Star Hotels Total (as % of Total)	5-Star Hotels Total (as % of Total)
1. California & The West	33 (25.4%)	3 (37.5%)
2. Great Lakes	9 (6.9%)	1 (12.5%)
3. Middle Atlantic	20 (15.4%)	1 (12.5%)
4. Northeast	18 (13.8%)	1 (12.5%)
5. Northwest & Great Plains	4 (3.1%)	0 (0%)
6. Southeast	20 (15.4%)	1 (12.5%)
7. S.W. & South Central	26 (20.0%)	1 (12.5%)
TOTAL	130 (100%)	8 (100%)

### 3.3 Instrumentation

During the development of the design for the survey, it was important to keep in mind that hotel GMs are very busy people. Starting out with a very limited number of subjects for the study made it imperative that a relatively large response be obtained in order to ensure that the findings would have statistical significance allowing them to be applied to the entire population. Unfortunately, these considerations inevitably meant there would be desirable questions that would have to be eliminated from the survey to ensure brevity. The best efforts were made to keep the questions essential to gathering the information necessary to postulate answers to the research questions.

Another important consideration throughout the development of the survey design, was statistical accuracy. A statistical consultant was engaged

from the earliest stages of question development to ensure that the questions asked provided responses that could be analyzed properly and with a minimum of bias or ambiguity. The following sections offer more detailed information on the questions posed in the survey. A discussion of the purpose of each question, as it relates to the research questions, is also offered in an attempt to convey the thought processes involved in designing the survey.

### 3.3.1 Questions Concerning Geographic Origin of GM

Question one simply asked in what country the GM was born. The respondent replied by writing in the name of the country where he/she was born. It was considered important to ask where the GMs were born as asking only current citizenship may have masked information about their origins before coming to the U.S. and establishing citizenship.

Question two sought current information on the citizenship of the GMs. Responses were given by answering, with a Yes/No tick, the question: are you a U.S. citizen? If the reply was yes, there was a space to write in any dual citizenship held. If the reply was no, there was a space to write in the current country of citizenship. The purpose of this series of questions, was to ascertain if there was any foreign influence among the respondents. Through questions one and two it is possible to know if the respondent ever resided in a foreign country which was an important fact in the issue of determining to what extent the U.S. luxury hotel industry is managed by foreign GMs.

### 3.3.2 Questions About Education

Questions three and four sought information concerning the GMs' educational experiences. Question three requested information on educational attainment using a graduated scale consisting of seven responses ranging from less than high school diploma to graduate degree. The respondents had to only check the appropriate response.

Question four intended to gather much more specific information concerning the college education, if any, that the GM had received. A table was constructed to gather the college information. First, the name of the college was requested. Second, the country where the institution is located. Third, the major field of study pursued by the GM while at the institution. And finally, the specific degree received, if any, from the college. Respondents were requested to list all of the colleges attended and five places for different colleges were provided. These questions were critical to determine how many GMs were educated abroad, a topic never addressed before and one of the major research questions. It was also important to ask the GMs of properties with the highest levels of service (4&5 Star) what they studied to see how prevalent hospitality education was among them.

### 3.3.3 Questions About Work Experience

Questions five through nine were developed to try to close in on the experiences that successful GMs had both before their management careers and during their rise up the managerial ranks to the GM position. These questions were designed to fill in some blanks in the knowledge already gained in previous studies of GM career paths (Lee, 1991; Nebel, 1991).

Question five asked respondents to the survey to write in, in full-time equivalent years, the amount of non-managerial hospitality experience they

had before beginning their management career. Examples of calculating full-time equivalent years were given to ensure consistent responses. This question solicited data that would be very important in determining whether the hypothesis that luxury GMs had little experience outside the industry was in fact true.

Question six also asked about the GM's non-management experience and asked what department, if any, they had worked in most. This response would give more insight into the path the GMs took to the top and tie together some information gathered in earlier studies of GM career paths (Lee, 1991).

Question seven asked the GMs about experience outside of the hospitality industry after receiving their highest level of education. Again, this information was necessary in developing a clear picture of how early the GM entered their hotel career. This was important in determining if the hypothesis that luxury GMs had very little experience outside the industry was valid and also indicated how early they had committed to a hospitality career.

Question eight concerned the GMs professional career. The question asked what percentage of their professional career had been spent in management positions in hotels with levels of service similar to their current hotel. This question was to collect data instrumental in determining if there was any difference in GMs of luxury hotels as regards their switching between levels of service in the industry. The hypothesis was that 4&5-star GMs had been in the same service level from the beginning and that they were less likely to have moved between levels than were the three-star GMs.

Question nine also concerned the GM's professional management career and asked what department, if any, they had spent the most time in,

as manager, since receiving their highest level of education. The question requested that the GMs exclude assistant GM and resident manager positions and report only the functional department in which they had spent the most time.

### 3.4 Research Procedures

All of the 288 surveys were mailed by first class mail over a period of three days. Since obtaining a high response rate was considered important to the success of the study, an attempt was made to follow the advice and instruction provided in *Mail and Telephone Surveys* (Dilman, 1978) both in the designing of cover letters and in the actual mailing of the instrument. Due to financial constraints, there was only one follow-up mailing. This second mailing was sent out five weeks after the first mailing had been sent. The mailing list was corrected removing any GMs that had already responded. Also, a different cover letter indicating that their response had not yet been received and restating the importance of each response to the success of the study was sent to urge their response. The first mailing resulted in a return rate of 36.1%. The second mailing contributed another 28.5% bringing the total usable response rate to 64.6%. This percentage of responses was considered more than adequate for the purpose of meaningful empirical analysis. Specifics about the return rates and breakdowns by category are discussed at length in Chapter Four.

Again, because of financial constraints, no offer was made to send results to respondents if they were interested. Despite the fact results were never mentioned, two respondents requested results, if possible, be sent to them.

### 3.5 Data Analysis

Before analyzing the data, Excel for Windows was used to create a spreadsheet of the raw data that would be used as input to the statistical program. The analysis of the data for the study was done using the SAS statistical software package for personal computers. Analysis consisted of descriptive statistics including means, sums, maximums and minimums, and population standard deviations of values. Additionally, frequency distributions were used for many of the variables. The specifics of the tests and analysis used are covered in greater detail in Chapter Four.

### 3.6 Assumptions Made Relating to the Study

1. The classification of hotels into two groups (i.e., three- and 4&5-star) is a sufficient delineation of differences in service quality levels to answer the proposed research questions.
2. Mobil's rating system is an effective measure of levels of service quality.
3. The hotels choosing to be rated by Mobil represent a significant proportion of the total number of U.S. hotels offering the highest levels of service.
4. The assumed response rate (50%) used to arrive at sample size is adequate to obtain statistical relevance.
5. Based on response rates received, non-response bias is not a significant factor in the results.

## CHAPTER 4 - RESEARCH FINDINGS

This chapter focuses on the data gathered over the course of this study and presents an analysis of the data as they relate to the research questions previously discussed in Section 1.3. The first section of this chapter discusses the general analysis of the data by outlining procedures used to analyze the rating and geographic origin data collected. The second section outlines the education profile of the GMs through analysis of data collected on the educational background of the respondents. The third section addresses the various data collected regarding the non-managerial and professional experience of the GMs. The final section of this chapter takes the results outlined previously and relates them directly to the research questions posed in Chapter One.

### 4.1 General Analysis of the Data

The general analysis of the data collected was accomplished in two ways. First, analysis was effected based on the hotel's rating (three- or 4&5-star). This analysis was the most important because the research questions were based on rating as a measure of service level. The second analysis involved comparison of U.S. to non-U.S. general managers. Within these two broad categories, all of the other data were compared concerning the education and experience of the subjects.

The analysis of the data by rating and by geographic origin provided the framework upon which analyses relating to the research questions could be framed. The remainder of this chapter outlines the data pertinent to the



study and outlines the analyses necessary to address the research questions posed earlier.

#### 4.1.1 Three- and 4&5-Star Hotels

Very careful records were kept throughout the implementation of the survey that provided data regarding the returns from three- and 4&5-star hotels, regional distribution of both three- and 4&5-star hotels for the surveys returned, and comparison of the rate of returns from the GMs for whom names were used during the mailing of the survey and those surveyed anonymously. These are presented in tabular form below.

Table 4.1, that follows, lists the proportions of returned surveys compared to both the number of hotels actually surveyed and the population of three- and 4&5-star hotels as categorized for the purpose of the study. Table 4.2 provides a breakdown of return data based on the availability of the GMs' names as well as the results of both mailings. Tables 4.3 and 4.4, on succeeding pages, show the regional distribution of three- and 4&5-star hotels, respectively, surveyed for the study and the returns of completed surveys from them. Comparison with the regional distribution of the entire sample, Tables 3.6 and 3.7, shows no regional bias as observed in the responses across the geographical distribution of hotels.

Table 4.1

Proportion of returned Surveys, Compared to the Number of Hotels Surveyed  
and the Population of Three- and 4&5-Star Hotels for the Study

Hotel Rating	Hotel Pop.	Surveyed (as % of Pop.)	Returns (as % of Surveyed)	Returns (as % of Pop)
3-Star	1031	150 (14.5%)	96 (64.0%)	96 (9.3%)
4&5-Star	138	138 (100%)	90 (65.2%)	90 (65.2%)
TOTAL	1169	288 (24.6%)	186 (64.6%)	186 (15.9%)

TABLE 4.2 (INSERT)

**Table 4.3**  
**Regional Distribution of Three-Star Hotels Surveyed, and Returns**

Regional Distribution of U.S. Hotels	Surveyed (as % of Surveyed)	Returns (as % of Returns)
1. California & The West	24 (16.0%)	10 (10.4%)
2. Great Lakes	17 (11.3%)	15 (15.6%)
3. Middle Atlantic	37 (24.7%)	26 (27.1%)
4. Northeast	10 (6.7%)	7 (7.3%)
5. N.W. & Great Plains	12 (8.0%)	5 (5.2%)
6. Southeast	30 (20%)	21 (21.9%)
7. S.W. & South Central	20 (13.3%)	12 (12.5%)
<b>TOTALS</b>	<b>150 (100%)</b>	<b>96 (100%)</b>

**Table 4.4**  
**Regional Distribution of 4&5-Star Hotels Surveyed, and Returns**

Regional Distribution of U.S. Hotels	Surveyed (as % of Surveyed)	Returns (as % of Returns)
1. California & The West	36 (26.1%)	23 (25.6%)
2. Great Lakes	10 (7.2%)	4 (4.4%)
3. Middle Atlantic	21 (15.2%)	12 (13.3%)
4. Northeast	19 (13.8%)	10 (11.1%)
5. N.W. & Great Plains	4 (2.9%)	4 (4.4%)
6. Southeast	21 (15.2%)	17 (18.9%)
7. S.W. & South Central	27 (19.6%)	20 (22.2%)
<b>TOTALS</b>	<b>138 (100%)</b>	<b>90 (100%)</b>

It is obvious from the data presented in the previous tables that there was no significant difference in the response rates for GMs surveyed by name

versus those surveyed anonymously. Unexpectedly, however, the response rates were slightly higher from those solicited anonymously than they were when the GMs' names were used to personalize the requests. This could be the result of using separate cover letters for mailing the surveys and the appeal of anonymity when requesting personal information. It was, in any case, a curious finding of the study. The regional distribution of responses closely resembled the distribution of the total population that precludes any bias from that source.

Table 4.5, below, provides information on the average sizes of the properties surveyed by listing the average number of rooms for each rating. This table also provides information on the average room rate. Both average room rate and number of rooms were obtained through the *Hotel and Lodging Index* (Spring 1992).

Table 4.5

## Average Number of Rooms and Average Rate, by Hotel Rating

Rating	Number of Rooms			Rate Information		
	Min.	Max.	Avg.	Min.	Max.	Avg.
3-Star	100	2200	393	\$54.00	\$550.00	\$138.63
4&5-Star	114	1748	378	\$90.00	\$708.00	\$208.92

Source: Hotel and Lodging Index (Spring 1992)

The three-star hotels were, on average, somewhat larger (393 rooms) than the 4&5-star hotels surveyed (378 rooms). The 4&5-star hotels had a higher average rate (\$208.92 compared to \$138.63) than the three-star properties, as was expected. The fifteen room difference in average size is not significantly large enough to imply any additional operational complexity of the three-star hotels when comparing them to the 4&5-star hotels.

#### 4.1.2 Distribution of GMs on Basis of Geographic Origin

Geographic origin was the other broad category used for data analysis. The following table, Table 4.6, provides the distribution of non-U.S. citizens found in the study.

Table 4.6  
Distribution of U.S. and Non-U.S. GMs, by Hotel Rating

Rating	U.S. Citizen (% of Row)	Non-U.S. Citizen (% of Row)	Total (% of Total)
3-Star	88 (91.7%)	8 (8.3%)	96 (51.6%)
4&5-Star	72 (80.0%)	18 (20.0%)	90 (48.4%)
Total	160 (86.0%)	26 (13.9%)	186 (100%)

As the table shows, only about eight percent of three-star GMs were foreign, while foreigners accounted for a full 20 percent of four and five-star GM positions. Foreign GMs accounted for nearly 14 percent of the total respondents of the study. Within the foreign GM group, 30 percent managed three-star properties and 70 percent four or five-star properties. In order to determine if there was a significant difference between the two groups (three-star vs. 4&5-star), a chi-square test was performed. A chi-square statistic of 5.258 was obtained with one degree of freedom, significant at  $p < 0.022$ . This strongly supports the evidence that there is a difference in the frequency of non-U.S. citizens as GMs between the two groups.

In order to capture all foreign influence on GMs managing U.S. properties, information was gathered on the birthplace as well as the current

citizenship of the respondents. The table below, Table 4.7, lists the country distribution of the respondents for both birthplace and current citizenship.

Table 4.7

## Birthplace and Citizenship Distribution, by Country

Country	3-Star		4&5-Star		Total	
	Birth	Citizen	Birth	Citizen	Birth	Citizen
United States	80	88	61	72	141	160
United Kingdom	2	1	8	5	10	6
France	0	0	2	1	2	1
Germany	3	1	2	1	5	2
Italy	0	0	0	1	0	1
Portugal	1	0	0	0	1	0
Denmark	2	1	0	0	2	1
Holland	2	1	0	0	2	1
Switzerland	1	0	4	3	5	3
Austria	0	0	3	3	3	3
Sweden	0	0	1	0	1	0
Greece	1	0	0	0	1	0
Argentina	1	1	0	0	1	1
Colombia	0	0	1	0	1	0
Egypt	0	0	1	0	1	0
Canada	1	2	4	4	5	6
Japan	1	1	0	0	1	1
Mexico	1	0	1	0	2	0
Lebanon	0	0	1	0	1	0
Malaysia	0	0	1	0	1	0
Totals	96	96	90	90	186	186



Table 4.8, below provides the distribution of birthplace by U.S. or Non-U.S. for the two groups. While the numbers are not exactly the same as the citizenship data in Table 4.6, the proportions are similar.

Table 4.8

Distribution of GM Birthplaces, U.S. and Non-U.S., by Hotel Rating

Rating	U.S. Birth (% of Row)	Non-U.S. Birth (% of Row)	Total (% of Total)
3-Star	80 (83.3%)	16 (16.7%)	96 (51.5%)
4&5-Star	61 (67.8%)	29 (32.2%)	90 (48.4%)
Total	141 (75.8%)	45 (24.2%)	186 (100%)

The birthplace information was also tested to determine if there was a significant difference between the two groups as to place of birth. By segregating place of birth into two groups, U.S. and non-U.S., it was possible to run a chi-square test on the data. The test yielded a chi-square statistic of 6.129 with one degree of freedom, significant at  $p < 0.013$ . Again, strong evidence that the difference between the percentages of foreign GMs is significant between the two groups with a larger percentage of foreign GMs within the 4&5-star group.

There is strong evidence that the difference between the two groups is not only significant, but that the difference is primarily attributed to GMs of European origin. To test this secondary issue, a chi-square test was accomplished comparing the number of U.S.- and European-born GMs in each of the two groups. Twelve of the sixteen foreign-born three-star GMs shown in Table 4.8 were European. Twenty of the twenty-nine 4&5-star GMs were European. The chi-square test to compare the difference between

the occurrence of European-born GMs between the groups resulted in a chi-square statistic of 3.877 with 1 degree of freedom, significant at  $p < 0.049$ . This test supports the evidence that there is a significant difference in the number of European-born GMs between the various service levels of the hotel industry. Clearly, 4&5-star hotels have a significantly higher proportion of foreign-born (specifically European) GMs than three-star hotels.

#### 4.2 Education Profile of the GMs

An important aspect of the study was the amount, type, and origin of education that the GMs had attained. The following discussion outlines, in tabular form, the information gathered in these important areas.

##### 4.2.1 Highest Level of Education

Of the 186 respondents to the survey, 139 (74.7%) had a four year degree or more. Within that group, 38 (20.4% of the total) had either some postgraduate study or a postgraduate degree. The data indicate that, as a group, GMs are rather well-educated. The education levels, separated by hotel rating, are presented below in tabular form.

Table 4.9  
Highest Level of Formal Education Attained by GMs  
(Percents are of Column)

Education Level	3-Star	4&5-Star	Total
Graduated High School	2 (2.1%)	3 (3.3%)	5 (2.7%)
Some College	16 (16.7%)	13 (14.4%)	29 (15.6%)
2 Year College Degree	6 (6.3%)	7 (7.8%)	13 (6.9%)
Undergraduate Degree	51 (53.1%)	50 (55.6%)	101 (54.3%)
Some Graduate Study	12 (12.5%)	11 (12.2%)	23 (12.4%)
Graduate Degree	9 (9.4%)	6 (6.7%)	15 (8.1%)
Totals	96 (100%)	90 (100%)	186 (100%)

In order to determine whether or not there was any relationship between the amount of education the GMs received and the level of services offered by the hotels they subsequently managed, a two-sample t-test was run on the data. In order to facilitate this procedure, the levels of education were divided into three groups; no college degree, with a value of one; college degree, with a value of two; and college + graduate, with a value of three. Using this method of analysis, it was determined that the means of the two groups (3-Star vs. 4&5-Star) were nearly equal (2.031 and 2.011 respectively). The test resulted in a p-value of .8264 indicating that the variances are not significantly different.

#### 4.2.2 Distribution of GMs with Hospitality Degrees

In the course of surveying the GMs, recall that information was gathered concerning their major fields of study. For the purpose of this

study, the only aspect of these data analyzed was whether or not the GMs had formal hospitality education. The following table, Table 4.10, presents the frequency of hospitality degrees among the respondents to the study.

Table 4.10  
Frequency of Hospitality Degrees Among GMs, by Hotel Rating

Hotel Rating	Hospitality Education (% of Row)	No Hospitality Education (% of Row)	Total (% of Total)
3-Star	36 (40.0%)	54 (60.0%)	90 (51.1%)
4&5-Star	52 (60.5%)	34 (39.5%)	86 (48.9%)
Totals	88 (50.0%)	88 (50.0%)	176 (100%) <sup>1</sup>

<sup>1</sup> Ten respondents did not report a major field of study.

A cursory look at the data indicates that the frequency of hospitality education is much higher for the 4&5-star GMs (60.5%) than for the three-star GMs (40.0%). In order to determine if there was a significant difference between the two groups, a chi-square test was performed. A chi-square statistic of 7.367 was obtained with one degree of freedom, significant at  $p < 0.007$ . This is strong evidence that there is a significant difference in the types of education that the two groups receive.

#### 4.2.3 Origin of Education

Another significant aspect of the research was to determine where the GMs were educated. Specific information was gathered on the schools they attended and the countries in which they were located. Several respondents were educated both domestically and abroad. Any foreign influence in education resulted in a classification of foreign educated because of the

assumptions made in the study. The following table, Table 4.11, outlines the frequency with which GMs were educated in the U.S. and abroad.

Table 4.11  
Origin of Education Among GMs, by Hotel Rating

Hotel Rating	Educated in U.S. (% of Row)	Educated Abroad (% of Row)	Total (% of Total)
3-Star	82 (88.2%)	11 (11.8%)	93 (51.9%)
4&5-Star	62 (72.1%)	24 (27.9%)	86 (48.0%)
Totals	144 (80.5%)	35 (19.5%)	179 (100%) <sup>1</sup>

<sup>1</sup> Seven respondents did not report the country where they attended college.

These data indicate that over twice as many 4&5-star GMs (27.9%) received education abroad than did their three-star counterparts (11.8%). In order to establish the significance of this difference, a chi-square test was run. This test yielded a chi-square statistic of 7.344 with 1 degree of freedom, significant at  $p < 0.007$ . This strongly indicates a significant difference in the frequency of education abroad between the two groups. Clearly, a significantly larger proportion of 4&5-star GMs are educated abroad.

As was the case with the birthplace of the GMs, there is evidence that the bulk of foreign education is occurring in Europe. To test this assumption, a comparison was made of the number of GMs educated in the U.S. and Europe. Of the eleven three-star GMs educated abroad, shown in Table 4.11, ten were educated in Europe. Of the twenty-four 4&5-star GMs, eighteen were educated in Europe. A chi-square test was accomplished to test for significance between the two groups of GMs with regard to education in either the U.S. or Europe. The test resulted in a chi-square statistic of 4.247

with 1 degree of freedom and  $p < 0.039$ . This presents strong evidence supporting the assumption that a significantly higher proportion of 4&5-star GMs are not only foreign educated but educated in Europe.

Since it was determined that birthplace and place of education were significantly U.S. or European ( $n = 173$  and  $172$  respectively), a correlation analysis was accomplished to compare place of birth (U.S. vs. Europe only) to place of education (also U.S. vs. Europe). These variables were found to be highly correlated with  $R = .83$ . This high correlation means that most U.S.-born GMs receive their education in the U.S. and their European counterparts in Europe.

#### 4.2.4 Comparison of significant Education Variables and Origin

By combining what has been learned about the birthplaces of the GMs, the areas of study they pursued, and the places where that education was obtained can reveal even more about who the GMs are. The same analysis applied to the variables individually, segregating the GMs by the hotel's service level, is applied to the collective variables in this section.

A cross-tabulation of birthplace and education (U.S. and Europe only) with the hospitality degree variable while simultaneously discriminating by service level revealed the following statistics outlined in Table 4.12 below.

Table 4.12  
Frequency of European Birth, European Education, and Hospitality Degree,  
by Hotel Rating

Hotel Rating (# of GMs in Rating)	Total Number of GMs (% of All 186 GMs)	European Born and Educated, With Hospitality Education (% of All GMs in Rating)
3-Star (96)	85 (45.7%)	7 (7.3%)
4&5-Star (90)	77 (41.4%)	15 (16.7%)
Totals	162 (87.1%) <sup>1</sup>	22 (11.9%)

<sup>1</sup> Twenty-four respondents were not U.S. or European or did not respond to at least one of the variables analyzed.

These data indicate that over twice as many 4&5-star GMs (16.7%) were born in Europe and received hospitality education in Europe than did their three-star counterparts (7.3%). In order to establish the significance of this difference, a chi-square test was run. This test yielded a chi-square statistic of 3.915 with 1 degree of freedom, significant at  $p < 0.048$ . This strongly indicates a significant difference in the frequency of birth and hospitality education in Europe between the two groups. Clearly, a significantly larger proportion of 4&5-star GMs are born and educated, in hospitality, in Europe.

#### 4.3 Experience of GMs

In addition to the origin and education, the final major focus of the study was to compare the experiences of three-star GMs and to compare them to those of 4&5-star GMs. This experience was separated into two distinctly separate categories. First, respondents provided information on non-management hospitality experience prior to beginning their professional hospitality careers. This information included the department in which they received this experience as well as the amount of such experience. Next,

information was gathered on the professional experience the respondents had prior to becoming a GM. Data were collected to determine which department, if any, they had spent the most professional management time in prior to becoming a GM. Data were also collected on the amount of time the GMs spent outside the hospitality industry after receiving their highest education. Finally, data were also collected to determine the percentage of the GMs' careers that had been spent in hotels that offered a level of service similar to the ones they presently manage.

#### 4.3.1 Non-Management Experience of GMs

This section addresses the data collected regarding the hospitality experience respondents had prior to beginning their professional management careers. Information was collected in full-time equivalent years in order to compensate for partial years or part-time work by respondents. Also included, is information concerning the department in which respondents spent the greatest proportion of their non-management time in the industry.

##### 4.3.1.1 Years of Non-Management Experience

These data help provide a picture of the path the GMs from each of the two groups took in becoming a GM. There are some slight differences between the two groups (3-Star vs. 4&5-Star) but in all they had similar amounts of hospitality experience prior to beginning their professional careers. The summary of the data collected is included in Table 4.13 below.



Table 4.13  
Summary of Non-Management Experience, by Hotel Rating

Rating	Mean	Std Dev.	Median	Max	Min	Q3 <sup>1</sup>	Q1 <sup>2</sup>	Range
3-Star	3.42	2.68	3	12	0	5	1.5	0 to 12
4-Star	3.80	3.33	3	17	0	5	2	0 to 17

<sup>1</sup> Q3 = 75 percent of the GMs had 5 years or less pre-managerial experience

<sup>2</sup> Q1 = 25 percent of the GMs had 1.5 years (3-star) or 2 years (4&5-star) experience

In order to compare the two groups and determine if there is any significant difference between the pre-management experience of three-star and 4&5-star GMs a two-sample t-test was run on the data. The test resulted in a t-statistic of -0.8495 with 170.8 degrees of freedom, significant at  $p < 0.3968$ . It is therefore concluded that there is no significant difference between the pre-managerial experiences of the two groups.

#### 4.3.1.2 Department with Most Non-Management Experience

The data collected regarding which department GMs spent the most non-management time in prior to beginning their professional careers clearly show that the majority of GMs from either the three-star or the 4&5-star groups came up through the food and beverage (F & B) department and rooms department. These two departments accounted for over 74 percent of the total. A number of respondents indicated that they had spent equal amounts of time in F & B and rooms. A separate category was created to take this into account. Closer analysis of these data, and a comparison between the two groups offers a bit more insight into the paths taken by three-star GMs and their 4&5-star counterparts. The data collected are presented in Table 4.14 that follows.

Table 4.14

Department Where Most Pre-Management Experience Was Obtained

Department	3-Star	4&5-Star	Totals
Food & Beverage	30 (31.3%)	39 (43.3%)	69 (37.1%)
Rooms	25 (26.0%)	18 (20.0%)	43 (23.1%)
Rooms & F&B	14 (14.6%)	12 (13.3%)	26 (13.9%)
Accounting	4 (4.2%)	1 (1.1%)	5 (2.7%)
Engineering	1 (1.0%)	0 (0.0%)	1 (0.5%)
Personnel	0 (0.0%)	1 (1.1%)	1 (0.5%)
No Dept. Most	11 (11.5%)	11 (12.2%)	22 (11.8%)
No Prior Exp.	11 (11.5%)	8 (8.8%)	19 (10.2%)
<b>Totals</b>	<b>96 (51.6%)</b>	<b>90 (48.4%)</b>	<b>186 (100%)</b>

It should be noted in the above table, that about one-fifth of the respondents either reported no prior experience in the hospitality industry before beginning their professional career ( $n=19$ ) or indicated that they did not spend a greater amount of time in any one department ( $n=22$ ). In order to establish if there is any relationship between the department where the GMs spent the most non-management time and the level of service offered by the hotel they subsequently managed, the data were segregated into three possible responses; F&B, Rooms or Other. Because the research questions centered on the importance of F&B experience, any F&B experience was considered most important. For this reason, all of the respondents that reported having fifty-percent F&B and fifty-percent rooms experience were included in the F&B count. Because they are nearly equal numbers for both groups, splitting them up between F&B and rooms would not change the relationship between the groups. Running a chi-square analysis of these three variables, based on the rating of the hotels the GMs presently manage, yielded a chi-square value of 2.214 with 2 degrees of freedom, significant at  $p < 0.331$ . This indicates that there is no significant difference between the pre-management experiences of three-star GMs when compared to their 4&5-star counterparts.

#### 4.3.2 Professional Experience of GMs

The following data help to better understand the experiences the GMs had after beginning their management careers. First, data collected on the departments GMs spent the most time in during their rise to the GM position will be discussed. Second, an analysis of the years of experience the GMs had, outside the hospitality industry, after receiving their highest education but before beginning their professional hospitality career is offered. Finally,

a discussion is offered concerning data collected to determine what percentage of the GMs' careers have been spent in hotels with similar levels of service to the ones they are presently managing.

#### 4.3.2.1 Department Where Most Managerial Experience was Gained

These data give information relating to the department that the GMs spent the most time in after receiving their highest degree. The question asked the GMs to exclude time spent as assistant GM or resident manager and to concentrate only on time spent in functional departments. Table 4.15 outlines the data recorded as a result of this question and follows below.

Table 4.15

Department Where Most Managerial Experience Was Gained, by Hotel Rating

Department	3-Star	4&5-Star	Totals
Food & Beverage	31 (32.6%)	43 (47.8%)	74 (40.0%)
Rooms	41 (43.2%)	26 (28.9%)	67 (36.2%)
Rooms & F&B	0 (0.0%)	5 (5.6%)	5 (2.7%)
Accounting	7 (7.4%)	4 (4.4%)	11 (5.6%)
Engineering	1 (1.1%)	0 (0.0%)	1 (0.5%)
Sales/Mktg.	12 (12.6%)	9 (10.0%)	21 (11.4%)
Personnel	1 (1.1%)	1 (1.1%)	2 (1.1%)
No Dept. Most	2 (2.1%)	2 (2.2%)	4 (2.2%)
Totals	95 (51.4%)	90 (48.7)	185 (100%) <sup>1</sup>

<sup>1</sup> One respondent did not answer this question.

Again, by segregating the responses into three groups (F&B, Rooms, and Other) a comparison of the two groups can be made. As was the case with the pre-management experience previously discussed, F&B experience was considered most important. As before, all respondents reporting fifty-

fifty F&B and rooms experience were counted as having F&B experience. A chi-square test was run on these grouped data that resulted in a chi-square statistic of 8.144 with 2 degrees of freedom, significant at  $p < 0.017$ . From this analysis, it can be said that there is a significant difference between the two groups as to the departments where the most managerial experience was gained. To be certain that the placement of the respondents split fifty-fifty between F&B and rooms was not biasing the results, those responses were split up. Two responses were put in F&B and three in rooms. A chi-square test was accomplished on this new grouping and resulted in a chi-square statistic of 5.762 with 2 degrees of freedom and  $p < 0.056$ . While not as significant, even weighting the data towards the rooms department does not change the outcome. Clearly, 4&5-star GMs come up more often through the food and beverage department while three-star GMs more often gain experience in the rooms division. The 4&5-star GMs are also less likely to come up through a department other than F&B and rooms as 82.3 percent of them gained their experience in these departments. This compares to 75.8% of the three-star GMs having primarily F&B and rooms experience.

#### 4.3.2.2 Years of Experience Outside Hospitality

Question seven of the survey collected information on the number of years the respondents had worked outside of the hospitality industry, after receiving their highest degree, but before beginning their professional hospitality management career. Table 4.16, below, outlines the relevant data in tabular form.

Table 4.16

Summary of Non-Hospitality Managerial Experience, by Hotel Rating

Rating	Mean	Std Dev.	Median	Max.	Min	Q3 <sup>1</sup>	Q1 <sup>2</sup>	Range
3-Star	1.61	4.27	0	25	0	1	0	0 to 25
4-Star	.83	2.28	0	14	0	0	0	0 to 14

<sup>1</sup> Q3 = 75 percent of the GMs had 1 year (3-star) or 0 years (4&5-star) experience outside the hospitality industry

<sup>2</sup> Q1 = 25 percent of the GMs had 0 years (3-star and 4&5-star) experience

Upon first glance at these data, there appears to be a significant difference in the mean years of experience outside the industry. The three-star mean was calculated at 1.61 years while the 4&5-star mean was half that figure, or .83 year. A closer look at the data, however, indicated that there were three outliers in the three-star category. Three respondents had an inordinately high number of years (18, 21, and 25) of experience outside the industry prior to starting their management careers. By removing these outliers, the adjusted mean for the three-star respondents becomes .98 years. When compared with the mean of .83 for the 4&5-star respondents, using an ANOVA, there is no significant difference between the means of the two groups. The test resulted in a p-value of 0.0001.

#### 4.3.2.3 Percent of Career Spent in Hotels With Levels of Service Similar to Present Hotel

Question eight of the survey solicited information from the respondents regarding the percentage of their career that had been spent in hotels similar in service level to the one they presently manage. Table 4.17, that follows, provides the summary of these data in tabular form.

Table 4.17

Summary of Percentages of Career Spent in Hotels of Similar Service Level,  
by Hotel Rating

Rating	Mean	Std Dev.	Median	Max.	Min	Q3 <sup>1</sup>	Q1 <sup>2</sup>	Range
3-Star	83.42	23.07	92.5	100	0	100	75	0 to 100
4-Star	75.78	27.82	80.0	100	0	100	60	0 to 100

<sup>1</sup> Q3 = 75 percent of the GMs had spent 100 percent, or less (3-star and 4&5-star) of their careers in hotels with similar levels of service to their present hotel

<sup>2</sup> Q1 = 25 percent of the GMs had spent 75 percent (3-star) and 60 percent (4&5-star), or less of their careers in hotels with similar service levels

A two-sample t-statistic was calculated for the data in Table 4.17 in order to compare the mean percentage of the two groups' careers spent in hotels with levels of service similar to their present hotel. A t-statistic of 2.0374 was obtained with 183 degrees of freedom. The value of the two-tailed p-value was 0.043. This is strong evidence that there is a significant difference between the means of the two groups' career percentages. The means calculated indicate that 4&5-star GMs actually report having spent a smaller percentage of their careers in 4&5-star hotels (75.8%). Three-star GMs reported having spent, on average, 83.4 percent of their careers in three-star hotels.



#### 4.4 Comparison of Important GM Characteristics

This section ties together the findings presented above focusing on the overall issues that lie at the base of this study. Cross-tabulations were made of several of the previously discussed variables in order to make overall assessments of those characteristics the GMs in the various levels of service had in common. Of particular interest, for this study, were four main characteristics. First, the frequency of GMs with geographic origins in Europe as compared to those from the U.S. only. Secondly, the frequency of European education among those GMs born in Europe or the U.S. Thirdly, the frequency of hospitality education among those GMs born and educated in Europe. And finally, the frequency of food and beverage management experience within the group of European born and hospitality educated GMs. Table 14.18 outlines the results of the cross-tabulation.

Table 14.18  
Frequency of GMs Born & Educated in Europe, With Hospitality Degrees,  
and Professional Food & Beverage Experience, By Hotel Rating

Hotel Rating (# of GMs in Rating)	Born & Educated in U.S. or Europe (% of All 186 GMs)	Born & Educated in Europe, With Hospitality Degree and F&B Exp. (% of All GMs in Rating)
3-Star (96)	84 (45.2%)	4 (4.2%)
4&5-Star (90)	77 (41.4%)	11 (12.2%)
Totals (186)	161 (86.6%) <sup>1</sup>	15 (8.1%)

<sup>1</sup> Twenty-five respondents were either of origin not U.S. or European or did not respond to at least one of the other variables analyzed.

As Table 14.18 outlines, over twice as many 4&5-star GMs meet all of the criteria set in the assumption. Eleven of the hotel GMs managing hotels with a high level of services were born in Europe, received hospitality education in Europe, and have most of their pre-GM management experience

in the food and beverage area of operations. In order to establish the significance of this finding, a chi-square test was run to compare the two groups. The test resulted in a chi-square statistic of 4.066 with 1 degree of freedom and  $p < 0.044$ . This indicates that there is a significant difference in the proportions of GMs that meet the above criteria. The 4&5-star GMs have a significantly higher proportion of GMs that were born in Europe, educated in Europe receiving a hospitality degree, and had the majority of their pre-GM managerial experience in F&B.

#### 4.5 Relationship of Findings to Research Questions

This section takes the findings discussed above and ties them to the research questions posed in Chapter One. Each research question is addressed independently and any pertinent findings are addressed in each section with the research question they support.

##### 4.4.1 Research Question 1

The first research question suggested that as the service level of hotels increases, the percentage of foreign GMs also increases. From the discussion of citizenship and birthplace data presented in section 4.1.2, it is clear that as the service level of the hotels increased (i.e., from three-star to 4&5-star) the number of foreign GMs also increased. Both the citizenship and birthplace data collected showed significant differences between the proportions of foreign GMs for the two groups. The data presented in Tables 4.6 and 4.7, and the subsequent analysis, indicate with a great degree of statistical certainty that there is a difference in the proportion of foreign GMs between the two groups. Research question one is therefore accepted.

#### 4.4.2 Research Question 2

The second research question predicted that as the service level of hotels increases, the educational levels of GMs also increases. The data presented and analyzed in section 4.2.1 indicates that there is no significant difference in the educational levels between the three- and 4&5-star GMs. The results indicate that the level of educational attainment between the two groups are very similar. Research question two is therefore rejected.

#### 4.4.3 Research Question 3

Research question three proposed that as the service level of hotels increases, the percentage of GMs with formal hospitality education also increases. The data presented in section 4.2.2 indicate that there is a significantly higher proportion of GMs in the 4&5-star group with hospitality degrees than there are in the three-star group. These findings support the proposition of this research question and clearly show there is a significant difference between the two groups with regards to their formal education. Research question three is therefore accepted.

#### 4.4.4 Research Question 4

The fourth research question held that as hotel service level increases, the percentage of GMs educated outside the U.S. also increases. The data presented in section 4.2.3 indicated, upon statistical analysis, a strong difference between the two groups in regards to the frequency of education abroad. The tests of proportions proved with an impressive degree of significance that a larger proportion of 4&5-star GMs are educated abroad. Further analysis also revealed that the proportion of foreign GMs that were educated in Europe was also significant. The correlation of place of birth and

place of education was found to be high indicating that few GMs born in the U.S. are educated in Europe or vice-versa. Research question four is therefore accepted.

#### 4.4.5 Research Question 5

Research question five suggests that GMs of 4&5-star hotels are more likely to have gained non-management experience in food and beverage than are three-star GMs. The results of the survey, reported in section 4.3.1.1, indicated that there is no significant difference in the pre-management experiences of the two groups. This research question is clearly disproved by the data that indicated both groups had most GMs with F&B experience and that any difference between the two groups was not statistically significant. Research question five is therefore rejected.

#### 4.4.6 Research Question 6

The sixth research question concerns the amount of non-management hospitality experience each group had, predicting that 4&5-star GMs have more pre-management hospitality experience than three-star GMs. The results, presented in section 4.3.1.2 indicate that there is no significant difference between the pre-managerial experiences of the two groups. The mean years reported were 3.42 for three-star and 3.80 for 4&5-star. The difference between the two means, that was .38 year, did not prove to be statistically relevant. It is therefore concluded that research question six is disproved and that the difference in amount of pre-management hospitality experience between the groups is insignificant.

#### 4.4.7 Research Question 7

Research question seven predicted that GMs of 4&5-star hotels are more likely to have spent the majority of their hospitality management career in food and beverage than were their three-star counterparts. The data, presented in section 4.3.2.1 and tabulated in Table 4.15 indicate there is a difference between the two groups. A significantly higher proportion of 4&5-star GMs had spent the majority of their managerial careers in F&B departments. Research question seven is therefore accepted.

#### 4.4.8 Research Question 8

The eighth research question suggested that as hotel service level increases, the amount of managerial experience, outside the hospitality industry, before beginning the professional hospitality career decreases. The data presented in section 4.3.2.2 and summarized in Table 4.16 indicate that, based on a comparison of mean number of years, there is no significant difference in the number of years of managerial work outside the hospitality industry between the two groups. Moreover, both groups had a mean number less than one year. This lack of significance suggests that both groups work very little time outside the industry after attaining the highest degree. Research question eight is therefore rejected.

#### 4.4.9 Research Question 9

Research question nine suggested that 4&5-star hotel GMs spent a greater percentage of their professional careers in 4&5-star hotels than the GMs of three-star hotels spent in their respective hotels. Tangential to this question is the assumption that movement between the service levels is rare.

The data presented in section 4.3.2.3 suggest that there is a difference between the two groups. The findings indicate, however, with a relatively high degree of statistical certainty, that three-star GMs are less likely to move between service levels than are 4&5-star GMs. In other words, GMs of 4&5-star hotels indicated that they had spent a lower percentage of their professional careers in hotels offering a high degree of services (4&5-star hotels) than the three-star GMs reported having spent in three-star service level hotels. Research question nine is therefore rejected. It can be inferred that three-star GMs spend a greater percentage of their professional careers in hotels of three-star level of service than 4&5-star GMs spend in 4&5-star service hotels. This indicates that movement from lower to higher levels of service exists to some degree.

## **CHAPTER 5 - CONCLUSIONS, LIMITATIONS, AND RECOMMENDATIONS**

This study was undertaken to see if there were differences between GMs of hotels of differing service levels. This chapter offers conclusions about the findings of the study. The limitations of the study are also addressed in this final chapter as well as recommendations for future research in this area.

### **5.1 Conclusions**

This section discusses the relevance of the findings, within the major categories studied, to the individuals and organizations that may have interest in the outcomes of the research conducted. The levels of service and their relationship to GM characteristics are addressed throughout this section as they were in the study. The following sections address the conclusions drawn by the researcher with regards to geographic origin, educational profile, and experience of the subject GMs.

#### **5.1.1 Conclusions About Geographic Origin**

Based on the analysis presented in Chapter 4, it can be concluded that there is a significantly higher proportion of foreign GMs in the hotels offering the highest levels of service in the U.S. than in other service levels of the hotel industry. Moreover, a significantly high proportion of the foreign GMs are of European origin.

The significance of this finding can be viewed from many perspectives. This result has implications to the hotel industry, managers within the industry, and students aspiring to embark on a luxury hotel career. First, from the perspective of the hotel industry, this finding quantifies what has long been assumed: that foreigners, expressly Europeans, are managing a significant number of luxury U.S. hotels. In fact, nearly one-third (32.2%) of all of the luxury hotels in America are managed by foreign GMs. The question that logically follows, however, is why? Can it be that foreign GMs bring something to the jobs that many U.S. hotel managers may not? Perhaps the industry knows that they have more of a service attitude or that their heritage is more service-oriented than their American counterpart. The conclusion clearly drawn is that there is some preference for foreign GMs within the hotel industry.

From the perspective of managers within the luxury hotel segment, the preference for foreign GMs impacts on the career progression of those managers who aspire to manage luxury hotels. The result is that in a segment already restricted by a limited number of hotels, the opportunity for American hotel managers is further reduced by the presence of large numbers of foreign managers competing for the same jobs.

From the hospitality management students' perspective, hoping to have a career in the segment of the industry offering the highest levels of service, the odds of becoming a luxury hotel GM are made greater by foreign competition. The very prestigious nature of these luxury properties probably draws many young people into the business with hopes of someday managing a four- or five-star property when the reality is that, with significant numbers of foreign GMs, there are very few of these properties for which they can compete.



It is recommended that hospitality students, hoping to gain access to luxury hotel jobs, obtain European experience, if possible, to give themselves an edge. This experience could be accomplished in several ways. First, many internships and exchange study programs are offered that could give students access to the European hotel experience. Secondly, when feasible, the student could attend European hotel schools thereby getting a hospitality degree and European experience simultaneously. Finally, the student could accept employment, during their formative years of management experience, in a European hotel. Regardless of the track taken, such experience will certainly make the student more marketable in the higher service level segment of the hotel industry.

#### 5.1.2 Conclusions About GM Education Profiles

Several conclusions can be drawn from the data collected on the educational background of the GMs studied. First, the fact that there is no significant difference between the levels of education within the service levels discussed has implications for managers currently in the industry. The data show that post-graduate education is, in fact, becoming very prevalent among the contenders for nearly all of the GM positions in the segments offering a high degree of services.

Secondly, the data indicate that GMs of the properties offering the highest levels of service had a greater percentage of formal hospitality education. It is concluded, therefore, that this played a part in their rise to the GM position. Whether the luxury hotel industry is placing greater emphasis on these degrees or whether the degree actually gave the GM a competitive advantage over other GMs without hospitality education is not clear. The bottom line is, however, that in order to have the greatest chance

of managing a hotel that offers a high degree of services, one should acquire some formal hospitality education.

Finally, the high proportion of luxury (4&5-star) GMs educated abroad alludes to many of the same conclusions raised in the geographic origin section. The implication to the hospitality educators in the U.S. seems to be clear. The luxury hotel industry in America is looking for managers educated in foreign hotel schools, namely European.

This may have implications for U.S. hospitality education programs. The implication may be that U.S. hotel school graduates are placed in hotels offering lower levels of service because American programs are more focused on the business aspect of hotel management and less focused on the craft or quality-service aspects that the European schools give the greatest amount of attention. This also implies that students in U.S. hospitality education programs may be automatically excluded from a considerable number of luxury hotel management jobs by virtue of not having attended a European hotel school. This seems to be an area where domestic luxury hotel companies and hospitality education programs could begin to cooperate to fill the needs of this desirable segment of the hotel industry.

### 5.1.3 Conclusions About GM Experience

An important part of learning about the GMs researched in this study depended on data related to the experience they received on their rise to the top. This experience necessarily included both non-management experience and professional management experience the GMs received prior to becoming GMs.

With regards to the non-management experience, the conclusion is that most successful managers in the hotel industry, regardless of other

background differences, get some non-management experience in the food and beverage side of the business before beginning their professional careers. This proves another widely held industry assumption. The implications, however, to hospitality education programs and aspiring managers must be mentioned. In light of empirical proof that food and beverage experience is integral to a successful management career, it would seem that hospitality management programs would want to focus some degree of attention on this area. Likewise, students or young managers hoping to rise to the GM position during their career should jockey for positions in the food and beverage arena. Success, of course, will depend on their proving themselves effective managers while in these F & B positions. But to have the best path to the top, aspiring hotel executives should concentrate their formative years in F & B. This includes non-management experience they receive prior to beginning their professional careers.

Upon beginning the management career, a different set of conclusions are reached based on the findings of this research. The data indicate that the majority of 4&5-star GMs spent more of their management careers in F & B than did their 3-star counterparts. This implies that, as the level of service rises, the importance of experience where customer contact is most frequent plays a greater role in shaping the future successful managers. The service intensity of 4&5-star hotels has evidently resulted in a natural career progression based on concentrated training in the areas requiring the most customer attentiveness - food and beverage. This extends the prior conclusion about the desirable experience for aspiring hotel managers and students. If they aspire to manage the top rated hotels they not only need to acquire non-management experience in F & B but management experience as

well. This combination of experience gives the greatest probability of success in the luxury segment today.

Another finding that goes along with the above conclusion deals with experience the GMs had outside the hotel industry after completing their highest level of education. Clearly, both service levels exhibited an early commitment to the hotel business as neither group displayed any significant level of work outside the industry after graduating from their highest education. The conclusion drawn from this information is that nearly all of the successful GMs studied made an early commitment to their profession. The implication of this finding is that the industry seems to depend on GMs coming up "through the ranks" and it is a rare exception when one achieves a GM position without "paying the dues" and working their way up the hard way. This could be a very important thing for students in hospitality education programs to be aware of. The stigma the hotel industry has in regards to devouring the young managers could be tempered by research findings that show the industry is rather loyal to the "survivors" by rewarding them with the most sought after positions. Competition from external sources for the top executive jobs is not a luxury many careers enjoy.

Conclusions concerning movement between service levels in the hotel industry can also be reached. The findings presented in section 4.3.2.3 indicate that the GMs of the properties offering the highest degree of services often moved from properties with a lower level of services to fill their current positions. It is also concluded that three-star GMs spend most of their careers in properties of the same service level. These findings imply that the upper levels of the hotel industry are rather stable with regards to GM movement. The three-star and 4&5-star levels obviously trade management back and forth, to some degree, but there is little opportunity to enter any of

these segments from lower levels of the industry. Apparently, there is a level of competence at these service levels that is common to all GMs who make it to the top.

Finally, by referring back to the literature review, an interesting conclusion can be drawn that may have a rather significant impact on the hotel industry. Lee (1991) found in his study that the average age of the GMs was 43 years. Schmidt (1961) found the average age of hotel managers to be 50-51 years. This represents a significant change in the average ages of GMs over thirty years. What has caused this change? What relevance does it hold for the hotel industry? Obviously, the growth of the hotel industry throughout the 1970s and 1980s forced hotel companies to accept younger and less experienced managers as GMs because the supply of older and more experienced GMs could not keep up with the demand for GMs created during the boom of expansion.

If the average age reported by Lee of 43 is representative of the entire population of GMs, what happens to the GMs as they are leaving the hotel GM position? Or, are they leaving the hotel business at all? Is there room for all of these seasoned managers at corporate jobs? It doesn't seem feasible that these managers can all be absorbed into the corporate hierarchy, especially in today's environment of corporate downsizing. Perhaps the GMs are not leaving the business at an average age of 43, but instead, the average age of GMs is currently increasing as the growth in the hotel industry has stabilized and companies are no longer forced to give these positions to younger, less experienced managers. How will companies deal with keeping these GMs, many of which reached the GM position in their early thirties, at the same organizational level for fifteen or twenty more years?

This study has shown that these managers have spent a significant amount of their work experience in these operational environments and have a record of constant movement towards the top positions. Now they find themselves stagnated by their early rapid rise to the top positions. Where do they go next, and can they be expected to have any job satisfaction if forced to stay in the same position? What are the incentives for GMs to stay put? Will corporate structures need to change to adapt to this challenge? How will compensation systems have to change to keep motivation in the aging GM workforce? These are serious implications for an industry already suffering from the stigma of treating young managers poorly. It is possible the poor treatment of younger managers has been a result of the frustrations felt by GMs who were not ready themselves to take on the great responsibilities associated with the GM position and subsequently passed this stress down into the organization.

The hotel industry faces retention problems in both the young and experienced sections of management while the balance of experience is restored. One would expect that as average GM age grows older, the ability to put effective mentoring programs in place will be enhanced and the hotel industry will see an improvement in the retention of younger managers as they receive better career counseling, job training, and guidance from their more experienced GMs. It is the short-term problem the hotel companies need to address. The problem of keeping GMs happy as they stay at the same level for years, and the problem of retaining the best young managers to fill their shoes later.

### 5.2 Limitations of the Study

The following limitations are offered as they were considered throughout the implementation of the research.

1. The possibility of non-response bias cannot be eliminated.
2. While Mobil purports to use objective criteria to rate hotels, it must be realized that some degree of subjectivity can enter any such measure of quality and service.
3. Participation in Mobil's rating service is strictly voluntary and not all hotels choose to be rated. It is therefore possible that this study did not include all of the hotels offering the highest degree of service in the U.S.

### 5.3 Recommendations for Future Study

From conducting this study, analyzing the data, and making the conclusions about the results, it is natural that many topics arise that are worthy of further research. This section outlines some of the matters not fully satisfied by this project or the ones preceding it, that would make good topic for further research and study.

1. Why are foreign GMs, particularly those of European origin, more prevalent in the properties offering the higher levels of service in the hotel industry?
2. Is the trend toward post-graduate education continued further down the service scale (i.e., 1- or 2-star) or is it germane to the properties with higher levels of service?
3. What is the nature of the importance placed on formal hospitality education by the hotels with a high degree of service when hiring management?

4. To what extent have GMs moved into corporate jobs and can the actual impact of the possible aging of GMs on companies be assessed?
5. Do GMs in lower service levels of the hotel industry have a lesser commitment to the career than do the GMs of this study? (i.e., do they have as little time outside the industry as the subjects of this study?)



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**APPENDIX****APPENDIX 1 - Survey Questionnaire**

## Survey of the Successful Hotel General Manager

1. In what country were you born? \_\_\_\_\_

2. Are you presently a U.S. citizen?

\_\_\_\_\_ YES If Dual-Citizen, Indicate Additional Country: \_\_\_\_\_

\_\_\_\_\_ NO Please Indicate Country of Citizenship: \_\_\_\_\_

3. Please indicate the highest level of education you have completed?

\_\_\_\_\_ (1) Less than High School Diploma

\_\_\_\_\_ (5) College Degree

\_\_\_\_\_ (2) High School Diploma/Equivalent

\_\_\_\_\_ (6) Some Graduate Study

\_\_\_\_\_ (3) Some College

\_\_\_\_\_ (7) Graduate Degree

\_\_\_\_\_ (4) Two Year College Degree  
(i.e., Associates Degree)

4. For any college attended, please complete the following table of information:

NAME OF COLLEGE ATTENDED	COUNTRY Where College Is Located	MAJOR FIELD OF STUDY (i.e., Hotel Mgt, Accounting, English, Engineering, etc.)	DEGREES REC'D IF ANY (i.e., A.A., B.S., MBA, etc.) (List Each Separately)

5. Before beginning your management career, how many Full-Time Equivalent Years ***non-management*** (hourly, part time, internship, etc.) ***hospitality*** experience did you have? (Examples of a Full-Time Equivalent Year: (1) Working 3 months each summer for 4 summers; (2) Working half days (i.e., 4 hrs) for 2 years; (3) Two 6 month, full-time internships, etc.)

(Answer in Full-Time Eq. Years Please). \_\_\_\_\_ *Full-Time Eq. Yrs.*

6. During your ***non-management*** experience discussed above, did you work in any one hospitality department (i.e., Rooms, Engineering, Accounting, Food & Beverage, etc.) more than the others?

\_\_\_\_\_ ***YES*** Please indicate the department: \_\_\_\_\_

\_\_\_\_\_ ***NO***

\_\_\_\_\_ ***NOT APPLICABLE*** No Prior Hospitality Experience

7. Once you received your ***highest*** level of education, how many years, if any, did you work ***outside*** of the hospitality industry?

\_\_\_\_\_ *Years*

8. What percentage of your ***professional hotel career*** has been spent in management positions in hotels of a quality similar to your current hotel?

\_\_\_\_\_ %

9. During your ***professional hotel career***, which department, if any, have you worked in most since receiving your highest degree? (Please ***do not*** include time spent in the positions of General Manager or Resident/Asst. General Manager).

\_\_\_\_\_ *Department*

PLEASE FOLD AND STAPLE SURVEY AS INDICATED ON BACK. POSTAGE IS PREPAID.

THANK YOU FOR YOUR PARTICIPATION IN THIS IMPORTANT STUDY