

Developing a Strong Business Model & Organizational Structure:

The Role of Job Enrichment in the Tourism Industry

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## ABSTRACT

The following study explores the role of job enrichment within the tourism industry and seeks to uncover an effective business model that organizations can implement which fosters this important notion. In this context, an enriched job is “one that has more variety, identity, significance, autonomy, and feedback” (Blakely, Fuller, Moorman, & Niehoff, 2001, pg. 98). Unfortunately, not enough consideration is currently being given to these variables. However, an ideal model will not only properly address job enrichment, but will also improve customer service and help maintain a competitive edge for businesses within the industry.

As a basis for guiding research, McGregor’s psychological principles *Theory X* and *Theory Y* were considered while debating an applicable model. While *Theory X* assumes that “people are basically lazy, dislike work, need lots of direction, and will work hard only when they are pushed into performing,” *Theory Y* is a “philosophy of management that assumes people have a psychological need to work and seek achievement and responsibility” (Greenburg, 2010, p. 6). And though it would be easy to reason from these definitions that *Theory Y* is the better model, the research has shown that there are benefits to both management styles. The key here is to suggest a model that encompasses all the best characteristics of existing theories and practices.

While there continues to be resistance towards a more job enrichment-centered organizational structure, business owners and executives will be pleased to find that the benefits of satisfied employees can be felt organization and industry-wide.

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# Chapter 1

## *Introduction*

### **Statement of the Problem**

The following study assesses the current business model and organizational structure used within the tourism industry and evaluates their effectiveness in addressing job enrichment (a term used synonymously with *employee satisfaction* in this context). An enriched job, as defined for the purpose of this study, “is one that has more variety, identity, significance, autonomy, and feedback” (Blakely, Fuller, Moorman, & Niehoff, 2001, pg. 98). The most conventional business model used in any industry is built around the managerial assumption known as *Theory X*. This orientation comes from the field of psychology and “assume[s] that the typical subordinate finds work to be aversive, must be forced to work, seeks direction from other organizational members, and avoids taking responsibility for his or her work” (Sager, 2008, p. 289). Although it appears disreputable and does not address any of the factors necessary for job enrichment, it still remains the most popular business model in use today. As is evident from its definition, this model does not accurately adopt principles geared towards employee satisfaction. However, the research also shows that *Theory X* is valid in some circumstances and should not be dismantled entirely.

The competing assumption, *Theory Y*, has been gaining strides and has centered itself on improving job enrichment. By definition, *Theory Y* is a “philosophy of management that assumes people have a psychological need to work and seek achievement and responsibility” (Greenburg, 2010, p. 7). Yet, this employee satisfaction-centered approach is not being widely considered and there is much resistance to change because the benefits of a shift have not been outlined well in

the past. In an industry where employees rely on face-to-face interactions with their customer base, it is unusual that more attention to employee satisfaction has not been given. It is thought that an increase in job enrichment will not only translate into improved customer service, but, in turn, will increase profitability for the tourism industry as a whole.

### **Background of the Problem**

Although there is ample literature on the different organizational practices in use and, similarly, the importance of job enrichment, little research exists that describes the roles of these two concepts as they pertain directly to the tourism industry. However, a clear link can be drawn between job enrichment and customer service and the importance of employee satisfaction in company-to-customer interactions. Because it is a service-based industry, positive interactions with customers are crucial for tourism to flourish.

As Savall (2010) explains, “The North American tendency to cast people as human ‘resources’ misses the essential point that human beings cannot be considered as simply another resource.” He continues by pointing out that “people are free to give or withhold their energy as they desire, depending on the quality of formal and informal contracts and interactions they have with their organization” (p. 356). Employees who are dissatisfied with their jobs “withhold” their energy and enthusiasm about the company in which they work, potentially damaging their interactions with customers and the reputation of said company.

### **Purpose of the Study**

Because of the established connection between job enrichment and customer satisfaction in service industries, job enrichment should be among the most important commitments for



businesses within the tourism industry. Yet, productivity and profit remain the top priority. The purpose of this study is to determine an effective business model that not only enriches the jobs of employees, but also further increases customer service and profit. All of these factors must be addressed if a new model is to be supported and implemented.

By investigating the pros and cons of current business models and organizational structures (in this case, McGregor's *Theory X* and *Theory Y*), the reasons for resistance towards job enrichment-centered approaches, and the importance of employee satisfaction in the tourism industry, this study will highlight the importance of creating a business model centered around job enrichment and employee satisfaction, not productivity.

### **Setting of the Study**

This study will be done as part of the data collection process for a Senior Project at California Polytechnic State University, located in San Luis Obispo, California. Interviews will be conducted with two prominent members of the tourism industry, along with a professor of psychology who has extensive knowledge and experience with managing organizations effectively. While the prominent members of the tourism industry will answer the same set of questions and probes regarding their experience within the industry, the professor of psychology will answer questions regarding the more psychological aspects of the study. The questionnaires are designed to fill in the gaps of the current literature and help determine a more ideal organizational structure for the tourism industry.

## **Research Questions**

After reviewing existing literature, these research questions were designed to further assess the role of job enrichment in the tourism industry. Each question was created to determine if employee satisfaction plays a key role in businesses within the industry, and if so, how to create an organizational structure that effectively encompasses this concept.

1. Which business model and organizational structure best fosters employee satisfaction and job enrichment in the tourism industry?
2. What is the most popular business model currently used in the tourism industry?
3. Who does the current business model benefit the most?
4. What is the relationship between employee satisfaction and customer satisfaction?
5. How does one implement a re-framed organizational model?

## **Definition of Terms**

The definitions of the following terms are included, in the context of this study, as a reference for readers.

Contingency Approach- an orientation that recognizes that behavior in work settings is the complex result of many interacting forces (Greenburg, 2010, p. 11).

Job Enrichment- an enriched job is one that has more variety, identity, significance, autonomy, and feedback (Blakely et al., 2001, pg. 98).

Organizational Structure/Business Model- refers to the formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within organizations (Greenburg, 2010, p. 371).

Theory X- philosophy of management that assumes people are basically lazy, dislike work, need lots of direction, and will work hard only when they are pushed into performing (Greenburg, 2010, p. 6).

Theory Y- philosophy of management that assumes people have a psychological need to work and seek achievement and responsibility (Greenburg, 2010, p. 7).

### **Organization of the Study**

This study will be presented in five chapters. Chapter 1, *Introduction*, includes the statement of the problem, background information on the problem, the purpose of the study, the setting of the study, the research questions, and the definitions of key terms. Chapter 2, *Literature Review*, includes an overview of the current literature on commonly practiced business models and organizational structures (with particular attention given to *Theory X* and *Theory Y*), current resistance towards *Theory Y* and shifting towards improving job enrichment, the importance of job enrichment, and the relationship between employee and customer satisfaction. Chapter 3, *Methodology*, identifies the data sources, data collection, data presentation, the delimitations, and the limitations of the study. Chapter 4, *Data Analysis*, divulges the analysis of the data on job enrichment-centered approaches to management and the importance of implementing such a model in the tourism industry. Chapter 5, *Discussion and Recommendations*, includes a summary of the study, discussion of the findings, recommendations for practice, and the study conclusion.

## Chapter 2

### *Literature Review*

The literature review evaluates existing published material on currently practiced business models and organizational structures, productivity-centered versus job enrichment-centered approaches to management, and the relationship between employee satisfaction and customer service.

#### **Business Models & Organizational Structures (*Theory X* and *Theory Y*)**

An effective internal business model and organizational structure is crucial for any type of business. Two of the most recognized business models are Douglas McGregor's *Theory X* and *Theory Y*. Both theories come from the field of psychology.

*Theory X* is considered the traditional management style in which superiors assume that "employees are basically lazy, untrustworthy, lack ambition, and offer little in the way of useful ideas" (Falk, Kopelman, & Prottas, 2010, p. 120). Such a mindset influences them to manage "in such a controlling and commanding fashion that these beliefs are 'brought to life' by employee behaviors" (Falk et al., 2010, p.121). This model is focused on productivity, instead of employee satisfaction, and is currently the most popular organizational structure.

On the opposite side of the spectrum, managers who follow the procedures of *Theory Y* believe that employees can be "motivated to work hard and find work enjoyable; are capable of self-direction and self-control; often seek to grow and accept responsibility; and can be the source of many useful ideas" (Falk et al., 2010, p. 121). Focusing on an approach that "is

strongly associated with improving the quality of people's work lives," in turn, is assumed to increase productivity and the quality of work done by employees (Greenburg, 2010, p. 7).

However, it is important to note that no theory or management concept has been deemed completely effective or ineffective. The best organizational structure will foster all of the best components of all existing models.

### **Current Resistance Towards *Theory Y***

Although necessary, several factors threaten the integration of *Theory Y* practices and there remains resistance to change. Beginning in the twentieth century, "bosses treated employees like disposable machines... Assuming that people were irresponsible, these managers held very negative views of employees, and they treated workers disrespectfully" (Greenburg, 2010, p. 5). In addition, "some top executives believe that job enrichment involves too many changes to a job-classification plan and costs too much money" (Barton Cunningham & Eberle 1990, p. 2). Although you would now probably encounter more "positive and optimistic beliefs" from corporate superiors, the *Theory X* approach remains the traditional business model (Greenburg, 2010, p. 6). Concerns about economics and time constraints keep businesses from potentially making a positive shift for the tourism industry.

### **Importance of Job Enrichment**

As early as 1990, "human resources professionals have discovered [that] the traditional approach to job design can adversely affect their organization's productivity as well as the motivation and job satisfaction of employees" (Barton Cunningham & Eberle, 1990, p.1).

Because customer service is the top concern for the tourism industry, business owners and executives should pay mind to studies that have hypothesized that “organizations can structure their companies and treat their employees in such a way to increase the strength of a customer service climate and increase the attitudes of their employees, which may lead to better service performance” (Mcintyre, 2006), a belief comparable with that of *Theory Y*. A correlation has also been found between “aggregated employee attitudes of job satisfaction, job involvement, and affective organizational commitment” (Mcintyre, 2006). Each of these components plays a key role in the hospitable nature employees need to present to customers.

As one study points out, “an effective job design meets both the requirements of the tasks and the social and psychological needs of the workers” (Barton Cunningham & Eberle, 1990, p. 3). “Some job-analysis procedures provide information on job features such as variety, autonomy, challenge, feedback, and responsibility. The assumption is that intrinsically rewarding jobs will make employees more satisfied and productive” (Barton Cunningham & Eberle, 1990, p. 2). More satisfied and productive employees reflect well on tourists.

### **Relationship Between Employee and Customer Satisfaction**

Although there is no specific research that identifies the role of job enrichment within the tourism industry, a firm connection has been drawn between employee satisfaction and customer satisfaction. Because the satisfaction of customers drives the industry, its association with job enrichment becomes important. As explained by one source, “Loyal employees provide many benefits for organizations. They put forth extra efforts in their work, serve as positive public relations representatives outside the organization, and go above and beyond the norm in doing the little things that help the organization function effectively. And how do

you create loyalty in employees? You generate loyalty by ‘creating support from the organization’” (Blakely et al., 2001, p. 93).

The profitable relationship between employee satisfaction and customer satisfaction was realized in another study that concluded, “positive changes in employee attitudes lead to positive changes in customer satisfaction” (Bulgarella, 2005, p. 2).

## **Chapter 3**

### *Methodology*

Chapter 3 details the data sources and the collection and presentation of the data, along with the limitations and delimitations of the study.

#### **Data Sources**

In this study, three interviews were conducted to evaluate the importance of job enrichment in the business models implemented within the tourism industry. The interviews were based off of two different questionnaires. One expert in the field of psychology was interviewed using a questionnaire created to assess the psychological components of the study, while two experts in the tourism field were interviewed using a questionnaire designed to assess the current problem within the industry itself. Both questionnaires were designed to compliment the original research questions presented in Chapter 1, as to assist in making accurate conclusions at the completion of the study.

#### **Participants**

As an experienced professor in psychology, with an emphasis in organizational and environmental psychology, Daniel Levi was the expert chosen to elaborate on the psychology-based factors of the study. Stacie Jacob, the Executive Director of the San Luis Obispo County Visitors & Conference Bureau (VCB), was chosen as the first industry interview. As VCB Chairman Noreen Martin explained, Jacob was named executive director because she “understands the organization, is a proven marketer and works well with a Board of Directors structure” (Lynem, 2011). Mary Ann Carson was also chosen as an interviewee because of her



esteemed position as the Executive Director of the Cambria Chamber of Commerce, in Cambria, California. Both of these positions are at the center of the tourism industry in their respective towns.

### **Interview Design**

Two questionnaires were designed for this study. The first set of questions and probes was created for the interview with the expert in psychology, while the second set was devised for the interviewees within the tourism industry.

### **Psychology-based Questionnaire**

1. How would you, with your experience in psychology, differentiate between the *Theory X* and *Theory Y* styles of management?
  - a. Which style of management is most popular?
    - i. Who does the current management style benefit the most?
  - b. What are the positives and negatives within each approach?
  - c. Which approach fosters employee satisfaction and job enrichment most effectively?
2. In regards to the tourism industry, which model is most effective? *Theory X* or *Theory Y*?
3. What is the relationship between employee satisfaction and customer satisfaction, as it pertains to the tourism industry?
4. Why is there often resistance in implementing a new organizational structure or business model?

### **Industry-based Questionnaire**

1. A business model or organizational structure is defined in this case “a formal configuration of individuals and groups, with respect to the allocation of tasks,

responsibilities, and authority within the organization.” Does the tourism industry generally adopt a business model that is more focused on productivity or job enrichment?

2. Who does the current, most popular business model benefit the most?
  - a. Customers?
  - b. Employees?
  - c. Employers?
3. How important is job enrichment in a customer service-based industry such as tourism?
  - a. What is the relationship between employee satisfaction and customer satisfaction?
  - b. Do you feel businesses within the tourism industry focus enough on job enrichment and employee satisfaction?
  - c. How do you think businesses can work to improve employee satisfaction?
4. If a business were to attempt to adopt a re-formed business model more focused on job enrichment, how would it go about doing so?
  - a. What challenges would the business face?
  - b. Would there be a lot of resistance?

### **Data Collection**

The method of data collection used for this study was three interviews with experts from both the field of psychology and the tourism industry. Each interview was conducted during the month of February, in the year of 2012, and was between 20 and 25 minutes in duration. Because of the time constraints, the qualitative research method of interviewing was the extent of the data collection for this study. While a quantitative study has the “purpose of explaining,” qualitative research, as in this case, has the “purpose of ‘generating understanding’” (Golafshani, 2003, p.

601). “The difference in purposes of evaluating the quality of studies in quantitative and qualitative research is one of the reasons that the concept of reliability is irrelevant in qualitative research” (Golafshani, 2003, p. 601). Each expert was interviewed to gain more insight and *understanding* of effective business models and organizational structures within the tourism industry.

### **Data Presentation**

Each interview was documented using an audio recorder on the program *QuickTime Player*. The recordings were then transcribed and, in addition, notes were taken during the interview process in order to ensure accuracy and clarity in the data collection method.

### **Limitations**

Although greater accuracy would have resulted from the inclusion of quantitative data, time and monetary constraints limited data collection to the qualitative method of interviewing.

### **Delimitations**

The number of interviews was limited to three, one interview covering the psychological aspects of the study, while the remaining two focused on application within the tourism industry.

## **Chapter 4**

### *Data Analysis*

The following section will provide an overview of the data collected, from both existing literature and the interviews conducted specifically for this study. The interviews lasted up to 25 minutes and the information presented from the transcripts will be in direct quotations or paraphrased. A brief background of each respondent will also be included.

Data from current literature was also collected and will be presented in response to the original research questions from Chapter 1. The information will be presented in this way in order to compare existing literature and the original interviews conducted for this study.

#### **Description of Participating Experts**

##### **Psychology**

To assess the psychological implications of this study, psychology professor Daniel Levi was interviewed. He received a bachelor's degree in Psychology and Social Relations, from Lehigh University, and a master's degree and Ph.D. from the University of Arizona, in Environmental Psychology, with a minor in Renewable Natural Resources. Professor Levi has since been teaching at California Polytechnic State University for over 20 years. He teaches courses in *Environmental Psychology* and *Behavior in Organizations* and has extensive knowledge in analyzing the role that psychology plays in different settings, including organizations within the tourism industry. He has also worked as a consultant since the mid-1980's, working with clients on issues related to energy conservation and planning, promoting acceptance and use of computer-based technology, recreation, and toxics.

## **Tourism**

As the Executive Director of the Cambria Chamber of Commerce, Mary Ann Carson was one of the tourism industry experts chosen for this study. The Chamber is the center of tourism in Cambria, California and as its head, Carson has extensive knowledge and understanding of the inner workings of businesses within the industry. As executive director, she oversees marketing, publicity, event planning, supervising staff, managing financials, and fundraising. She originally received a degree in Biology and Environmental Chemistry, but spent her summers in college working at Yellowstone National Park. Her tourism experience also includes working for the Holiday Inn chain and managing a Guest Ranch in Montana.

The other tourism expert chosen to take part in this study was Stacie Jacob, the Executive Director of the San Luis Obispo County Visitors & Conference Bureau. As Executive Director, Stacie works to effectively market San Luis Obispo County and its many tourist offerings. After holding the position of Executive Director of the Paso Robles Wine Country Alliance for over seven years, she launched Solterra Strategies LLC in 2011, a lifestyle marketing firm. With a bachelor's degree in Agricultural Journalism, from the University of Nebraska Lincoln, Jacob has widespread experience in several tourist sectors and has developed a strong sense of good business practices within the industry.

## **Psychology-Based Questionnaire**

Daniel Levi was asked to respond in an interview format to the following questionnaire, in order to evaluate the psychological inferences of the current study, the importance of employee satisfaction, and job enrichment's role within the organizational structure of businesses in the tourism industry.

1. *How would you, with your experience in psychology, differentiate between the Theory X and Theory Y styles of management?*
  - a. *Which style of management is most popular?*
    - i. *Who does the current management style benefit the most?*
  - b. *What are the positives and negatives within each approach?*
  - c. *Which approach fosters employee satisfaction and job enrichment most effectively?*

Question 1 was used to establish the basic knowledge necessary to understand the findings of this study in a psychological context and set a foundation for the remainder of the questions. With an understanding of the underlying psychological principles used as the basis for this study, connections made to the tourism industry will be easier to interpret.

- Daniel Levi
  - “Nowadays, it’s really the ‘command and control’ versus ‘team-based...you get this sort of precision and regularity with the ‘command and control’ *Theory X* and you pay the cost in the emotional and customer service of your wait staff or any of your front staff” (Appendix A).
  - “That kind of team-based model gets you more flexibility, gets you more adaptability and most people, not all, but most people prefer working in the team-based model” (Appendix A).
    - “You get happier employees, better customer service, but you pay for it in this kind of looseness” (Appendix A).
  - “I think the data is that *Theory X* is more popular than *Theory Y*” (Appendix A).

2. *In regards to the tourism industry, which model is most effective? Theory X or Theory Y?*

The purpose of question 2 was to make the initial connection between these two theories and the tourism industry and define the current role each psychological principle plays in tourism-based organizations.

- Daniel Levi
  - “So, one of the arguments I keep making is that, you know, if what I’m dealing with is a bunch of professionals, frankly it’s an organizational waste to be ‘command and control,’ whereas, the *Theory X* model evolved as a model to deal with immigrant labor.” (Appendix A).
  - “The other thing that you see in organizations is that organizations, when you ask which is more popular, *Theory X* or *Theory Y*, the problem with them answering that is most organizations aren’t even internally consistent” (Appendix A).
  - “I really can see the argument of you wanting customer service people to be flexible and you want them to be smiling and that’s really the *Theory Y* model. But, a lot of those backblock activities are really, all you care about is productivity and quality-control and you know, you may feel a lot more comfortable getting that with a *Theory X* approach” (Appendix A).
  - “It’s more like ‘well one model works in some areas of your operations and one model works better in other areas of your operations’ and you know, how do you get both to operate at the same time?” (Appendix A).

3. *What is the relationship between employee satisfaction and customer satisfaction, as it pertains to the tourism industry?*

Question 3 was used to establish if there is a link between employee satisfaction, the basis for *Theory Y*, and customer satisfaction, the top priority of the tourism industry. Such information can be used to decide if job enrichment should be included in the organizational structure executed by business owners and executives within the tourism industry.

- Daniel Levi
  - “I mean, does pleasing a customer mean happy, energetic customer-service or does pleasing a customer mean that there is no flaws in the standardized operations? You know, it’s like, one model focuses on one answer and the other model focuses on the other answer” (Appendix A).
  - “And I would argue, partially I would argue that maybe different functions have different models” (Appendix A).
  - “As far as people rating their interaction with customer-service people, there is a real strong relationship between customer service [and employee satisfaction]” (Appendix A).
  - When you match a quality product with an interested employee, “there is a pretty good relationship between employee satisfaction and customer service” (Appendix A).

4. *Why is there often resistance in implementing a new organizational structure or business model?*

The purpose of question 4 was to determine if and why there would be resistance to implementing a more *Theory Y*-based organizational structure. Even if it is recognized as necessary, there is still resistance in the industry towards shifting business models.



- Daniel Levi
  - “You know, I think everyone’s fear about shifting toward a more team-based structure is you know the problem of evaluating performance and dealing with problem people...there is this kind of co-worker silence and co-workers are very reluctant to honestly evaluate each other” (Appendix A).
  - “What you see in the team-based places is that there are less managers and it is hard to talk a manager into shifting into a team-based environment because it means less managers” (Appendix A).
  - “And in fact, you know, we’ve had this kind of spread of the teamwork model in the United States at the same time we’ve had a lot of downsizing and so they kind of go together and in fact, there’s people who argue that teamwork is getting a bad reputation in the U.S. because it is often linked to downsizing” (Appendix A).

### **Industry-Based Questionnaire**

As experts in the tourism field, Mary Ann Carson and Stacie Jacob were asked to respond to the following questionnaire, in order to evaluate the importance of job enrichment, as seen by those within the industry.

1. *A business model or organizational structure is defined in this case as “a formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within the organization.” Does the tourism industry generally adopt a business model that is more focused on productivity or job enrichment?*

The purpose of question 1 was to focus the attention of respondents toward thinking about the tourism industry in terms of productivity versus job enrichment-focused business

practices. By doing so, it sets a study-specific basis of thinking for the remainder of the questions.

- Mary Ann Carson
  - “Productivity probably because it has to do with the economy and people having to make money and the owners are not always present or the owners hire a manager and the manager then is responsible to the owner for profitability and he does that any way he can. And I think sometimes the human factor suffers a little bit” (Appendix B).
- Stacie Jacob
  - “I think in the tourism industry, there is a mix of both and I think it kind of depends on what your job is because the tourism industry definitely has a labor pool when you look at...those guys running the operations of the hotel and the day-to-day cleaning and those aspects of it. But then, you also have what I call the professional career track, which is your marketing, your P.R., your sales professionals, your owners, your accounting professionals, those tracks” (Appendix C).

2. *Who does the current, most popular business model benefit the most?*

- a. *Customers?*
- b. *Employees?*
- c. *Employers?*

Before determining the best businesses practices for organizations within the tourism industry, a clear view of the current climate of the industry needs to be assessed first. This is the

purpose of question 2, aimed at determining whom the current, most popular model benefits the most.

- Mary Ann Carson
  - “It’s definitely focused on the tourist experience because that’s your business. So, you do everything to make sure that the tourist has a good experience” (Appendix B).
- Stacie Jacob
  - “Oh, definitely the customers” (Appendix C).
  - “If the customers are happy, then it’s a ripple effect all the way up... because if you don’t have clear direction at the top, the middle people who are working with the customers don’t understand what the direction is and don’t have the tools to do their job to help satisfy the customer’s needs” (Appendix C).

3. *How important is job enrichment in a customer service-based industry such as tourism?*

- a. *What is the relationship between employee satisfaction and customer satisfaction?*
- b. *Do you feel businesses within the tourism industry focus enough on job enrichment and employee satisfaction?*
- c. *How do you think businesses can work to improve employee satisfaction?*

Question 3 evaluates the role that job enrichment already plays within the tourism industry and determines if/how it can be improved. This question is also aimed at making the connection between employee satisfaction and customer satisfaction, as determined by professionals within the industry.

- Mary Ann Carson
    - “I think it’s very important. As I said, I don’t see how your tourists or your customers can be happy if they are being served by people who are unhappy” (Appendix B).
    - “I see a lot of businesses around here who do understand that good service for your customers is, in fact, given by happy employees. There are people like that... They have customers come back” (Appendix B).
  - Stacie Jacob
    - To me, that is like number one in importance because customer service is key in our business... You know, you can choose wherever you stay, for example, but it’s about the customer service and all that ambiance and the feeling you get when you walk in a particular door” (Appendix C).
    - “I know people that you say their product is mediocre, at best, but their customer service is so top-notch that it truly drives them” (Appendix C).
4. *If a business were to attempt to adopt a re-formed business model more focused on job enrichment, how would it go about doing so?*
- a. *What challenges would the business face?*
  - b. *Would there be a lot of resistance?*

Question 4 aims to determine the step that will follow defining the best business model for the tourism industry: implementing that business model. The point is to identify the potential problems that will result from implementing a re-framed organizational structure.

- Mary Ann Carson
  - “It would cost them time or money or both and they are not willing to give that up at this point, especially the money... I think that the people who feel that [job enrichment] is not important don’t understand the importance” (Appendix B).
- Stacie Jacob
  - “I think that’s a really a great question and as business owners understand their business plan, and understand what makes their business tick, and where are the variables, and understand why they have employee turnover, where that impacts them and how it almost sets them back in their business, [and] how to be able to retain and put in incentive programs that make sense, that not only drives the business, but drives that employee satisfaction” (Appendix C).

## **Research Questions**

The following five questions (as seen in Chapter 1) were designed at the beginning of the study to guide research, formulate interview questions, and help define the best organizational structure for businesses within the tourism industry. More specifically, the questions were established to determine the role job enrichment plays in tourism and its connection to customer satisfaction and success within the industry. The quotations below were taken from current literature and encompass the basic findings of the overall research.

1. *Which business model and organizational structure best fosters employee satisfaction and job enrichment in the tourism industry?*

Research question 1 is the central research question and describes the main goal of the study, to determine a business model and organizational structure for the tourism industry that not only garners profit, but also job enrichment.

- While the *Theory X* model of management “assumes that people are basically lazy, dislike work, need lots of direction, and will work hard only when they are pushed into performing,” the *Theory Y* model is formulated around the belief that “people are highly responsive to their work environments and that the ways they are treated will influence the ways they will act” (Greenberg, 2010, p. 6).
- “People will respond differently to the same job and it is possible to alter a job’s character to increase motivation, satisfaction, and performance” (Barton Cunningham & Eberle, 1990, p. 1).
- “Job enrichment affects the critical psychological states of meaningfulness, felt responsibility, and knowledge of results and is theorized to result in higher job satisfaction, intrinsic motivation, and work quality and lower turnover and absenteeism feedback” (Blakely et al., 2001, p. 97).

2. *What is the most popular business model currently used in the tourism industry?*

In order to determine how to improve the business model used within the tourism industry, there has to be an understanding of the current conditions and organizational structure. This was the purpose of question 2. Without knowledge of the benefits and downfalls currently experienced within the industry, changes cannot be accurately assessed or devised.

- “Managers depend on an array of tools to gauge workplace success and it can be argued that a balanced set of measurements is needed” (Teare, 1996, p. 63).

- “Many organizations in the hotel industry face difficulties in retaining employees, since they are unable to identify the factors which contribute to employee satisfaction and the resultant loyalty” (Abdullah, Khalid, Musa, Rahman, & Zahari, 2011, p. 148).
- “Concern to engage employees at an emotional level so as to gain greater commitment, generate greater involvement in service quality and increase labor stability, is not just restricted to organizations operating in the service sector” (Costa, Eccles, & Teare, 1997, p. 287).

3. *Who does the current business model benefit the most?*

This question was designed to determine if the traditional business model within the tourism industry includes job enrichment as a main component. Because the satisfaction of employees can be crucial for this customer service-based industry, it is important to understand the role that job enrichment currently plays.

- “Customers are the most important part of any travel and tourism business. Quite simply, without customers there would be no business” (Business and Technology Education Council, 2012).
- “As many human resources professionals have discovered, the traditional approach to job design can adversely affect their organization’s productivity, as well as the motivation and job satisfaction of employees” (Barton Cunningham & Eberle, 1990, p. 1).

4. *What is the relationship between employee satisfaction and customer satisfaction?*

Research question 4 was designed to establish the link between employee satisfaction and customer satisfaction. Because customer satisfaction is the number one priority for the tourism

industry, without firmly connecting it to employee satisfaction, it will be hard to convince business owners and executives to adopt a new model that better encompasses job enrichment.

- “Numerous empirical studies show a strong positive relationship between employee satisfaction and customer satisfaction...As suggested by this wealth of findings, positive changes in employee attitudes lead to positive changes in customer satisfaction” (Bulgarella, 2005, p. 2).
- “Loyal employees provide many benefits for organizations. They put forth extra efforts in their work, serve as positive public relations representatives outside the organization, and go above and beyond the norm in doing the little things that help the organization function effectively” (Blakely et al., 2001, p. 93).
- “Recent research suggests that when employees perceive support from the organization, they are more likely to feel committed to the organization or supervisor and demonstrate their own commitment by engaging in organizational citizenship behavior” (Blakely et al., 2001, p. 97).

5. *How does one implement a re-framed organizational model?*

Research question 5 was designed to determine how to implement a re-framed model, after the best organizational structure is found. Because it is common for businesses to follow a model that focuses on productivity and there is often resistance to change, it is not only important to find the best model, but also an effective implementation strategy.

- “The elements that are relevant to an individual’s quality of work life include the task, the physical work environment, the social environment within the organization, the administrative system, and the relationship between life on and off the job” (Barton Cunningham & Eberle, 1990, p. 2).



- In order to implement a re-framed model focused on employee satisfaction, special attention should be given to the “amount of task variety, level of autonomy, amount of interaction required to carry out task activities and the number of opportunities for optional interaction, level of knowledge and skill required, and amount of responsibility entrusted to the job holder” (Barton Cunningham & Eberle, 1990, p. 1).
- “Organizations sometimes are reluctant to commit resources to long-term programs of change that maximize worker input and participation. Some top executives believe that job enrichment involves too many changes to a job-classification plan and costs too much money” (Barton Cunningham & Eberle, 1990, p. 2).

Table 1

*Interviewee Responses to Original Research Questions*

| <b>Research Questions</b>  | <b>Daniel Levi</b>  | <b>Stacie Jacob</b>   | <b>Mary Ann Carson</b>   |
|--|---|---|--|
| <b>Which business model and organizational structure fosters employee satisfaction and job enrichment in the tourism industry?</b> | That kind of team-based model gets you more flexibility, gets you more adaptability and most people, not all, but most people prefer working in the team-based model. | When I see successful companies have a clear objective, clear goals, and individuals get their own self-satisfaction out of reaching those company goals. | I think communication is the key for probably all businesses.  |
| <b>What is the most popular business model currently used in the tourism industry?</b>   | I think the data is that Theory X is more popular than Theory Y.  | There is a mix of both and I think it kind of depends on what your job is.  | The manager then is responsible to the owner for profitability and he does that any way he can.                        |
| <b>Who does the current business model benefit the most?</b>   | All you care about is productivity and quality-control and you know, you may feel a lot more comfortable getting that with a Theory X approach.                       | Oh, definitely the customers.   | Oh, it's definitely focused on the tourist experience because that's your business.                                    |
| <b>What is the relationship between employee satisfaction and customer satisfaction?</b>   | When you match up the kind of product, there is a pretty good relationship between employee satisfaction and customer service.  | I know people that you say their product is mediocre, at best, but their customer service is so top-notch that it truly drives them.                      | Good service for your customers is, in fact, given by happy employees.   |
| <b>How does one implement a re-framed organizational model?</b>  | You can have 'free riders' and 'slackers' and you can have quality problems that don't get fixed because not everyone is responsible.                                 | Be able to retain and put in incentive programs that make sense, that not only drive the business, but drive that employee satisfaction.                  | It would cost them time or money or both and they are not willing to give that up at this point, especially the money. |

## Chapter 5

### *Discussion and Recommendations*

#### **Summary**

There is currently a lack of focus on job enrichment and employee satisfaction within the tourism industry. The mere lack of available literature about job enrichment, in relation to the tourism industry, illustrates the need for more consideration. Business owners and executives think first and foremost about their avenue of profit- customers. However, ignoring the satisfaction of employees does not only lead to high turnover and absenteeism, but it can also diminish the reputation and success of the business and the industry as a whole. The purpose of this study was to illuminate the importance of including job enrichment as a main construct in the business model used within the tourism industry. First, the dilemma was looked at from a psychological standpoint, as McGregor's *Theory X* and *Theory Y* were used as a basis for designing a new model. Then, the issue was looked at from the perspective of experts within the industry itself.

To learn more about the current business climate of the tourism industry and how to improve it, three experts were interviewed. One expert comes from the field of psychology, while the remaining two respondents are experts within the tourism industry. Two questionnaires were designed to investigate these two perspectives and were based on the original research questions devised for the study. For review, the research questions are as follows:

1. *Which business model and organizational structure best fosters employee satisfaction and job enrichment in the tourism industry?*
2. *What is the most popular business model currently used in the tourism industry?*

3. *Who does the current business model benefit the most?*
4. *What is the relationship between employee satisfaction and customer satisfaction?*
5. *How does one implement a re-framed organizational model?*

## **Discussion**

After analyzing the information received by respondents during the interviews and evaluating the current literature, the two sets of data were tied together and applied to the original research questions. The results are presented below:

1. *Which business model and organizational structure best fosters employee satisfaction and job enrichment in the tourism industry?*

Of the two psychological theories researched in this study, *Theory X* and *Theory Y*, it has been acknowledged that *Theory Y* is the model that best encompasses job enrichment. “People will respond differently to the same job and it is possible to alter a job’s character to increase motivation, satisfaction, and performance” (Barton Cunningham & Eberle, 1990, p. 1), so if job enrichment becomes a focus, the work of employees will be positively altered. As Levi explained in his interview, “you get this sort of precision and regularity with the ‘command and control’ *Theory X* and you pay the cost in the emotional and customer service of your wait staff or any of your front staff.” However, the team-based, *Theory Y* model, “gets you more flexibility, gets you more adaptability and most people, not all, but most people prefer working in the team-based model” (Appendix A).

Although these two specific psychological theories are not explicitly used in the tourism industry, job enrichment is an easily identifiable and widely used term and one that has been identified as an important concept for the industry. When asked how important job enrichment is

to the industry, Jacob shared that it “is like number one in importance because customer service is key in our business... You need people to sell the aesthetic and the whole environment,” not just the product (Appendix C). She also emphasized that “if you have employees that are working with the managers, that are productive and meeting their own self-satisfaction, the numbers are going to come” (Appendix C).

Existing literature also conveys a similar notion. Customer service is the top concern for the tourism industry and studies have hypothesized that “organizations can structure their companies and treat their employees in such a way to increase the strength of a customer service climate and increase the attitudes of their employees, which may lead to better service performance” (Mcintyre, 2006). As another study pointed out, “an effective job design meets both the requirements of the tasks and the social and psychological needs of the workers” (Barton Cunningham & Eberle, 1990, p. 3).

2. *What is the most popular business model currently used in the tourism industry?*

From the psychological perspective, Levi explains, “the data is that *Theory X* is more popular than *Theory Y*” (Appendix A). Yet, *Theory Y* is present in some cases and, overall, there seems to be a mix of both styles. As Jacob explained, “there is a mix of both and I think it kind of depends on what your job is” (Appendix C). However, what is evident is that in situations where productivity is the main focus, as in *Theory X*, problems arise. When managers focus on delivering the numbers to the business owners, Carson believes that “sometimes the human factor suffers a little bit” (Appendix B). As Jacob added, “the owners may or may not care about the people underneath them and it depends on their personality essentially” (Appendix C).

Scholars have also noticed and published several works on this hole in the service industry. As one source describes, “as many human resources professionals have discovered, the

traditional approach to job design can adversely affect their organization's productivity, as well as the motivation and job satisfaction of employees" (Barton Cunningham & Eberle, 1990, p. 1). It is evident that a change needs to be made.

3. *Who does the current business model benefit the most?*

It has also become evident that job enrichment may not currently be a priority of business owners within the tourism industry. As both experts in the tourism industry established, it is always the customer that comes first. "Oh, definitely the customers," Jacob emphasized. The tourism industry "is about the customer's satisfaction...if the customers are happy, then it is a ripple effect all the way up" (Appendix C). Carson added that, "it's definitely focused on the tourist experience because that's your business. So, you do everything to make sure that the tourist has a good experience" (Appendix B).

The literature also shows that satisfied employees become loyal employees, a relationship that positively affects organizations at all levels. Loyalty causes employees to "put forth extra efforts in their work, serve as positive public relations representatives outside the organization, and go above and beyond the norm in doing the little things that help the organization function effectively" (Blakely et al., 2001, p. 93). However, if the current model does not accurately address job enrichment, loyalty declines and as a result, so does the customer service climate.

4. *What is the relationship between employee satisfaction and customer satisfaction?*

A key component of this study was to establish the link between employee satisfaction and customer satisfaction, for without this connection, there would be little reason to implement a re-framed model focused on job enrichment. All interview respondents established that there is indeed a connection between these two concepts. "As far as people rating their interaction with customer-service people," professor Levi explains, "there is a real strong relationship between

customer service [and employee satisfaction]” (Appendix A). And, as pointed out by the other respondents, these customer-service people should be happy in order to provide the best experience. As Jacob explained,

“The attention of detail that’s given from the experience the minute folks walk into the hotel, to how they dress the towels in the bathroom, and how everything is set up, you know there is thought that goes into all of those aspects... So, you can have all of that, which is a great part of the experience, but if you don’t have a friendly, willing voice on the other side, to me, it kills it. It absolutely kills it” (Appendix C).

Mary Ann Carson also emphasized that, “I don’t see how your tourists or your customers can be happy if they are being served by people who are unhappy” (Appendix B).

A study from 2005 explained that, “numerous empirical studies show a strong positive relationship between employee satisfaction and customer satisfaction...As suggested by this wealth of findings, positive changes in employee attitudes lead to positive changes in customer satisfaction” (Bulgarella, 2005, p. 2). Employee satisfaction creates loyalty and “loyal employees provide many benefits for organizations. They put forth extra efforts in their work, serve as positive public relations representatives outside the organization, and go above and beyond the norm in doing the little things that help the organization function effectively” (Blakely et al., 2001, p. 93).

##### *5. How does one implement a re-framed organizational model?*

Although it has been identified that there is a need for improved job enrichment within the tourism industry, there is still much resistance towards change. And what is the number one reason for resistance? Money. Carson explained, “there might be [resistance] and it would be

economic. It would cost them time or money or both and they are not willing to give that up at this point, especially the money” (Appendix B). However, as Jacob added, what employers need to realize is that “if you have employees that are working *with* the managers, that are productive and meeting their own self-satisfaction, the numbers are going to come” (Appendix C). Another source measured “the relationship between employee satisfaction, customer satisfaction, and profit longitudinally showing that, although the effects of employee satisfaction and customer satisfaction on business profit at a given point in time might not be detectable, they become visible and prominent over time” (Bulgarella, 2005, p. 2).

However, once companies become willing to make the necessary changes, companies should start by focusing on how to improve job enrichment. One source suggests 8 steps geared towards improving employee satisfaction and, in turn, customer satisfaction. They are:

1. “Identify root causes of dissatisfaction among employees.
2. Conduct benchmark studies of best practices in selected other companies.
3. Develop employee satisfaction measurement systems that can be used corporate wide and worldwide.
4. Monitor employee satisfaction on a regular basis.
5. View employees as the primary source of competitive advantage.
6. Show concern for total employee well-being.
7. Develop meaningful employee involvement and effective communication channels.
8. Introduce managerial accountability for people management” (Bulgarella, 2005, p. 6).



## **Recommendations for Practice**

What has become evident during this study is that there are many variables that contribute to job enrichment. Several striking consistencies emerged within the data, as being crucial components to an effective business model.

### **Defining Job Enrichment**

Job enrichment is a single term that encompasses many different components. One source identified over ten causes of employee satisfaction, explaining that satisfaction “is dependent on benefits packages, training and development, relationship with supervisor, working conditions, teamwork and cooperation, recognition and rewards, empowerment and communication” (Abdullah et al., 2011, p. 151). Carson added that it is also important for employees “to feel like they can make suggestions and even to tell me what they think isn’t working...I have the right to reject it if I want or maybe I have reasons why we have to do things certain ways that they don’t know about, which I would like them to understand also” (Appendix B).

Most important, she stresses, is to make sure “you care about them as human beings” (Appendix B).

Satisfaction also comes from merely being employed by a successful company. As Jacob explained, “I see successful companies have a clear objective, clear goals, and individuals get their own self-satisfaction out of reaching those company goals” (Appendix C). Although there are many to choose from, there are several means of job enrichment that should remain a priority. The current literature and interviews highlight supportive management, clear job descriptions, recognition, and, as described in more detail below, communication.

## **Communication**

One variable that has solidified itself in the literature as key to job enrichment, as well as in the expert interviews, is communication. As Carson succinctly described, “communication is the key for probably all businesses” (Appendix B). The other tourism expert interviewee, Stacie Jacob, also added that, “communication is the key foundation to [employee] satisfaction. Whether it be written or oral, everyone needs an ‘atta boy’ or a ‘job well done.’ Everyone needs a ‘good job’ kind of kudos, if you will, and I think being able to have that ongoing dialogue is really critical” (Appendix C). The findings of one study also showed that “transformational leadership has a direct impact on perceptions of subordinate satisfaction with the leader and leader effectiveness, as well as an indirect effect on these variables through its impact on openness of communication, mission clarity, and role clarity” (Costa et al., 1997, p. 288). Communication is the key to finding out where job enrichment is lacking and the key to finding out how to improve it.

## **Internal Consistency**

Part of having an effective business model within the tourism industry involves making sure that it is implemented consistently throughout the entire organization. As a tourism expert, Jacob pointed out that, “if you don’t have clear direction at the top, the middle people who are working with the customers don’t understand what the direction is and don’t have the tools to do their job to help satisfy the customers needs” (Appendix C).

Although many business owners and executives fail to recognize the importance of job enrichment, it has been linked to profitability in an organized and logical chain reaction. “Profit and growth are linked to customer loyalty, customer loyalty is linked to customer satisfaction, in turn, customer satisfaction is linked to service value, while service value is linked to employee

productivity, whereas employee productivity is linked to employee loyalty, employee loyalty is in turn linked to employee satisfaction, and employee satisfaction is linked to internal quality of work life” (Abdullah et al., 2011, p. 148). Unless job enrichment is established throughout the entire business model, it will not be effective or consistent.

### **Contingency Theory**

One important thing to keep in mind when discussing a “best practices” model, such as the model this study has emphasized for the tourism industry, is that there is no *one* best solution to every situation. In psychology, this is referred to as the contingency theory. Contingency theory is defined as “an orientation that recognizes that behavior in work settings is the complex result of many interacting forces...a certain behavior occurs ‘contingent upon’ the existence of certain conditions” (Greenberg, 2010, p. 11). As Levi reinforced, the proper business model depends on “what you’re looking for, what part of the company it is and what kind of company it is, even in the tourist industry” (Appendix A). However, it is hard to argue that there is any situation where it is okay to mistreat employees. Therefore, although one finite business model will not work for every tourist business, job enrichment should remain a priority in any organizational structure.

### **Conclusion**

Given the results of the research of this study, an effective business model and organizational structure *should* emphasize job enrichment, as does *Theory Y*. However, it has also become evident that there are multiple components that compose job enrichment. Employee satisfaction comes from a system built on communication, consistency throughout the organization, recognition, and rewards. These variables can be somewhat difficult to implement

and many businesses are extremely resistant to giving up the time or the money to make it happen. But, as was also illuminated in this study, job enrichment leads to increased profit and an improved customer service climate. Satisfied employees makes for satisfied customers and satisfied customers invest more in the industry. Stacie Jacob successfully recognized that job enrichment is “an area we all, all businesses can grow...it’s never an area you fully achieve” (Appendix C). Job enrichment and employee satisfaction is something that can always be improved and it is surprising that it has not been addressed effectively thus far in the literature or in current business practices. Hopefully, with the importance of job enrichment now more clearly defined, centering business models around it will become a norm.

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## Appendix A

### *Interview Transcript: Daniel Levi*

The following interview was conducted to assess the psychological aspects of implementing a new business structure focused on job enrichment. The interview and corresponding responses, transcribed below, were based on the first questionnaire presented in Chapter 3.

*Interviewer: Alexandra Sousa*

*Respondent: Daniel Levi (Professor of Psychology)*

*Date of Interview: February 15, 2012*

Alexandra Sousa: “How would you, in your experience, differentiate between Theory X and Theory Y?”

Daniel Levi: “Well, in some ways, it’s really, nowadays, it’s really the ‘command and control’ versus ‘team-based.’ Really, I’ve had this with restaurants. I’ve had a number of student projects with restaurants and here’s kind of the dilemma: on the one hand, customers want their order. They want their order exactly they ordered it and they want good quality and to some places, getting that quality means ‘command in control.’ I mean, some of the nicest restaurants, some of the nicest high-end restaurants are some of the most vicious environments because the chef, the management staff is really oriented toward consistent high quality and they believe that control mechanisms is the way you get that. Okay. But, you pay the price of having your staff be stressed out and not all that happy and we all know that stressed out and not all that happy staff does not make a great customer service staff. So, you get this sort of precision and regularity with the ‘command and control’ Theory X and you pay the cost in the emotional and customer service of your wait staff or any of your front staff. The alternative approach is to take more of a ‘team-based approach,’ which gives you a lot of flexibility, which can be good because restaurants and lots tourist places need a lot of flexibility because we can’t predict how many customers are going to show up or when they are going to show up and we need to have flexible response, so that kind of team-based model gets you more flexibility, gets you more adaptability and most people, not all, but most people prefer working in the team-based model. You get happier employees, better customer service, but you pay for it in this kind of looseness. Okay. I just went zip-lining a couple of weeks ago and on the one hand, you really like friendly, loose staff and on the other hand, you need a lot of confidence when you step off that cliff that the people actually knew what they were doing when they put everything together. And so, you know, the nice, friendly staff compensated for that by, well they did a couple of cute tricks to compensate for that, to kind of demonstrate ‘yes this is really safe and it’s so safe, it’s safer than we as the derelicts providing this service to you, we didn’t set this up, we brought in professionals.’ So, they kind of communicated these safety features because they didn’t really present the confidence that you might of wanted, but actually I found this true every time that I have zip-lined, the staff they hire do not necessarily, they present recklessness instead of safety and you know, you just have to buy the equipment argument. So, it’s that kind of trade-off I think.”



AS: “Which style of management do you think is most popular?”

DL: “Oh, I think the data is that Theory X is more popular than Theory Y.”

AS: “Is this out of just tradition or because of resistance to change, more quality versus happiness of employees, type of thing?”

DL: “Well I think part of it is just plain history management inertia. It’s partially history and partially what you see in the team-based places is that there are less managers and it is hard to talk a manager into shifting into a team-based environment because it means less managers. And in fact, you know, we’ve had this kind of spread of the teamwork model in the United States at the same time we’ve had a lot of downsizing and so they kind of go together and in fact, there’s people who argue that teamwork is getting a bad reputation in the U.S. because it is often linked to downsizing.”

AS: “Are they actually correlated or just seen as being correlated?”

DL: “You know, they’re correlated historically. They’re correlated historically. They are not cause and effect, they are correlated historically, so they are certainly seen that way by people, especially in larger corporations.”

AS: “In seeing how Theory X within the data is probably most popular, who does that style benefit the most?”

DL: “Well, let’s pick a hotel here. So, one of the arguments I keep making is that, you know, if what I’m dealing with is a bunch of professionals, frankly it’s an organizational waste to be ‘command and control.’ Whereas, the Theory X model evolved as a model to deal with immigrant labor. Well, what’s a hotel? A hotel is immigrant labor. At one level, I think it would be hard to be your typical hotel and not be kind of Theory X because of the nature of your labor force. I mean, this has nothing to do with what I think of immigrants, who I generally think are harder working than natives, but that wears off the data shows. So, it’s kind of this dilemma: if I’m really hiring immigrant labor and if I’m hiring lowest-skill labor and I require high-quality stuff out of them, that’s really quite the push to Theory X. But, here I’m talking mostly about the cleaning staff and the maintenance staff and stuff like that, you know, and the other thing that you see in organizations is that organizations, when you ask which is more popular, Theory X or Theory Y, the problem with them answering that is most organizations aren’t even internally consistent. Even the U.S. military is an odd mixture of Theory X and Theory Y... Go to my hotel example, I got to imagine a hotel manager saying, ‘Okay I’ve got this low-class of workers that really, my job is to supervise them so they are motivated and meet my quality standards. And then I have this other category of workers that are really my customer interface and you know, and maybe I am going to treat them differently. I’m certainly going to hire them using different criteria. So again it’s partially that hiring decision that determines whether I trust these people or not... I really can see the argument of you want customer service people to be flexible and you want them to be smiling and that’s really the Theory Y model. But, a lot of those backblock activities are really, all you care about is productivity and quality-control and you know, you may feel a lot more comfortable getting that with a Theory X approach. So, it’s not clear to me if

I even just talk about a hotel, whether I would argue that one model is consistently better than the other. It's more like 'well one model works in some areas of your operations and one model works better in other areas of your operations and you know, are you, how do you get both to operate at the same time?'

AS: "In terms of a model that focuses on job enrichment or employee satisfaction, is that more towards Theory Y?"

DL: "Yes."

AS: "And does that play any key role in the customer-service industry? Like you were saying, in these economic times, you have to worry about having customers coming back and wanting them to be pleased."

DL: "But, you see, what pleases a customer? I mean, does pleasing a customer mean happy, energetic customer-service or does pleasing a customer mean that there is no flaws in the standardized operations? You know, it's like, one model focuses on one answer and the other model focuses on the other answer. And I would argue, partially I would argue that maybe different functions have different models. The other argument is, you know, how regular is your activities? I mean, to the extent that things are variable and fluctuating and changeable, then you want a more variable and flexible model."

AS: "So, it's all situational?"

DL: "It's partially situational, defined by the kind of operation you are. I mean, you're saying the tourist industry, but the tourist industry can be lot of different things."

AS: "As far as the relationship between employee satisfaction and customer satisfaction obviously depends on which niche of the tourism industry, but is there any incidence where there is a really high correlation between customer satisfaction and employee satisfaction?"

DL: "Oh yeah. As far as people rating their interaction with customer-service people, there is a real strong relationship between customer service. I mean, the problem is that it is hard to be a good customer-service person if you're selling a shitty product. But, when you match up the kind of product, there is a pretty good relationship between employee satisfaction and customer service."

AS: "And does that employee satisfaction come from what happens within the organization itself?"

DL: "Well, I can't fully say that because, you know, I believe that part of employee satisfaction is personality. There are happy people and there are disgruntled people and that has a limited impact. So, you know, let's say, hypothetically, I believe it is 50% personality and 50% job condition and then, you need to also recognize that job condition is both the working conditions and the manager relationships, but it's also the co-worker relationships. So, that kind of job

satisfaction and social support that the teamwork model has, you know all kind of interacts with each other.”

AS: “So, overall, would you say, most businesses within the tourism industry, you can pick an example of one, have been successful in implementing a strong internal structure or do you see a lot of inconsistency?”

DL: “Well, as a customer, I can’t see a lot of the inconsistency because I only see the customer interface and, I don’t, like in a hotel, I don’t usually interact with the maid service unless things are really going to hell. So, mostly I deal with the frontend staff. Sometimes, from a business standpoint, I’ll deal with the management staff... I’m laughing because I am thinking of this anecdote a friend of mine I used to work with doing business consulting, he had these young children and he always told stories that the scariest thing about young children and traveling was that you put them in a hotel room and they crawl under the bed. And so you know, you’d be surprised what’s under your bed at a hotel. The skirts are there for a reason. They keep all cleaning out. And so, he would tell me all these scary stories about what his two-year-olds were hauling out... You know, I just don’t know what to say. I’m impressed by and I kind of like both of them. I know like wine tasting, I do a lot of wine tasting, and the wine is variable, but the wine-tasting experience is a tourist experience and I find that in wine tasting, the tourist experience is really more about the servers and the way they interact with people and how they handle obnoxious people, which is a problem in the wine-tasting business- rather than the quality of wine. I mean, I’ll drink almost anything and I’m mostly polite about people’s wines in the facility. But in there, it’s really the customer service and the service that they provide other people and you can see that them being friendly and flexible really is an important part of my experience.”

AS: “And do you think that reflects on the business as a whole and how the employees are trained and how the business runs?”

DL: “Right. I think that that flexibility implies that they have this kind of more Theory Y, teamwork style approach.”

AS: “So, there is a difference. Sometimes Theory X is more appropriate and sometimes Theory Y is more appropriate depending on what exactly you’re looking for?”

DL: “Right. What you’re looking for, what part of the company it is and what kind of company it is, even in the tourist industry.”

AS: “So, there are a lot of businesses with inconsistencies within their organizational structure and you said, especially toward Theory Y, managers kind of don’t want Theory Y because there is less purpose for them, but what other resistance or challenges does a company face if it needed to and were to implement a new structure?”

DL: “You know, I think everyone’s fear about shifting toward a more team-based structure is you know the problem of evaluating performance and dealing with problem people. It’s like, there is this whole thing, it’s very hard for me... I mean, when was the last time you went to your

boss and said ‘you know this guy I’m working with is a jerk and he does really bad performance and you should get rid of him?’ People are very reluctant to do that because the boss may say ‘drop dead’ and tell the person the person you just ratted on him and so, you know, so no one does that. There is this kind of co-worker silence and co-workers are very reluctant to honestly evaluate each other. And so the fear in Theory Y is that you can have ‘free riders’ and ‘slackers’ and you can have quality problems that don’t get fixed because not everyone is responsible. That’s the dilemma. It’s kind of like the military model in one sense. If you think about it as this kind of relatively smaller group, if I think about this woman Jan who manages a winery’s tasting room. Actually, I don’t know if she’s higher than that in the organization, but when I interact with her, she’s managing the tasting room and she’s very much, you can see, everyone likes each other, everyone gets along with each other, they trade things, they have this really highly social relationship there and it’s a small enough group that no one has to report a worker being flaky because the manager is there. So, on the one hand, it’s run as this kind of team-based system and on the other hand, because you have a manager around, you don’t have to worry about the quality problems.”

AS: “So it’s a happy medium.”

DL: “Yes, and it’s a happy medium that exists because of scale. Whereas, you know, if I think of these wineries as being part of a larger corporation, if I go up a management level or so, that management layer can’t see what’s going on down here and probably wants a kind of more stricter reporting and control system because they don’t have that sort of personal relationship. And I know here, in kind of rural San Luis, most of the tourism industry is fairly small scale and it’s hard for me to argue that a “command and control” system would work better if you got under 20 people.”

AS: “Because interpersonal relationships play a big role?”

DL: “Right. And in fact, it’s hard when you talk, especially young managers, I mean it’s really hard for a young manager to discipline someone, it’s hard in a team-based environment for any manager to discipline someone at one level and because they are building those relationships. So, you know, maybe part of the issue if you talking about the part of the tourist industry that’s a really large scale corporate environment or are you talking about a more ‘mom and pop’ version of the tourist industry.”

## Appendix B

### *Interview Transcript: Mary Ann Carson*

The following interview was conducted to assess the need for a job enrichment-based business model within the tourism industry, from the perspective of a top industry member. The interview and corresponding responses, transcribed below, were based on the second questionnaire found in Chapter 3.

*Interviewer: Alexandra Sousa*

*Respondent: Mary Ann Carson (Executive Director of the Cambria Chamber of Commerce)*

*Date of Interview: February 22, 2012*

Alexandra Sousa: “In my project, I define a business model or organizational structure as “a formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within the organization.” Do you think the tourism industry generally adopts a business model that is focused more on productivity or job enrichment?”

Mary Ann Carson: “Productivity probably because it has to do with economy and people having to make money and the owners are not always present or the owners hire a manager and the manager then is responsible to the owner for profitability and he does that any way he can. And I think sometimes the human factor suffers a little bit. But, it depends on the manager, not I think, not the owner, but the manager managing the people.”

AS: “And how does this productivity-centered outlook affect managerial positions?”

MAC: “Well like I said, they can feel a lot of pressure from the owner to make money and of course, if you have to do that and you would have to convince your owner that it’s to his benefit and that he’ll make more money if he has happy employees because the service will be people and people will come back or they will stay longer or whatever. But, there are just some people who say ‘no, we can get more people in, more often by doing this, that or the other thing,’ ‘we can’t pay the employees more,’ or ‘we don’t have time’ or ‘get somebody else.’”

AS: “So managers are probably more concerned about their job and losing their job and making their superiors happy, instead of those below them?”

MAC: “I think that’s right. I think you’ve got it.”

AS: “So the current model, now, does it focus more on customers or is it employee-oriented or is it employer-oriented? In the tourism industry in general.”

MAC: “Oh, it’s definitely focused on the tourist experience because that’s your business. So, you do everything to make sure that the tourist has a good experience, has information and has a good experience.”

AS: “And this focus on the customers, does it take away from maybe the focus on the employees that serve the customers?”

MAC: “Absolutely. Well, it depends totally on the owners and managers and I don’t know if it’s age-related, if there is a younger group of people who are less people-oriented or if it’s older people, I don’t know. It’s just different people. But, I see a lot of businesses around here who do understand that good service for your customers is, in fact, given by happy employees. There are people like that.”

AS: “And how do you see them being more successful? Do they have higher retention rate of customers?”

MAC: “Absolutely, that’s exactly right. They have customers come back.”

AS: “So, there is a sense of loyalty that comes with happy customers because they feel welcome back?”

MAC: “That’s right.”

AS: “And, how important do you think job enrichment of employees is in such a customer-service based industry? How big of a role does that play?”

MAC: “Now that I’m thinking about it, since you brought it up, I think it’s very important. As I said, I don’t see how your tourists or your customers can be happy if they are being served by people who are unhappy.”

AS: “And you said something about how, even specifically in this office that’s completely volunteer-based and...”

MAC: “Well there is myself, I’m an executive, and I have one paid employee and then I have twenty volunteers in the Visitor’s Center.”

AS: “And how do you keep them here?”

MAC: “Well, that’s a good question. You know, actually I have two shifts a day and I make sure that I go speak with them, talk to them, ask them about them. I know them, I know their families, and their grandchildren’s names and I actually care about the story that they told me last week and how is ‘so and so’ doing this week. So, you first of all, you care about them as human beings, A, and B, we try to give them little incentives like, we take them out to lunch periodically, all of them together and they love that. It’s like, you know, they have their work in common and they are all kind of the same busy, active retirees, so they love these little lunches that we do. And now the lunches are put on by good businesses who also know the value of keeping people happy because the Olallieberry Inn will invite all the ladies down to breakfast once a year. They go to breakfast and she tells them about the Olallieberry Inn and what’s on the top of their brain, where are they going to send people. She cares about them enough to give them a great breakfast and then, she has made them happy and they’re going to remember the

Olallieberry Inn when they get requests about where to stay. So, that's a win-win situation and everybody enjoys it on top of everything, that makes us all happy."

AS: "And so these luncheons and meetings and talking with one another, does it play a key role in the interpersonal relationships of your volunteers and of employees? Do you see more social activity or positive activity happening between co-workers and volunteers?"

MAC: "No. I would have to say not because they don't see each other normally, they are so busy actually. They are all so active. They're not usually friends with each other because of it. But, that's probably why they like to get together periodically, once every couple of months... Normally, their shifts are not on the same shifts, they don't see each other except in the parking lots to say 'hello' and 'goodbye'."

AS: "It's more or less not because they don't want to, but because of the shifts and the schedules?"

MAC: "Right. They don't work together, but it's like if you and I had the exact same job and we met up and said 'oh yeah blah blah blah,' but we never work together. So, we want to discuss our job."

AS: "I know you reiterated this when you talked about how you meet with your employees, but do you find it important to get feedback and ideas from your volunteers?"

MAC: "It's very important for them to feel like they can make suggestions and even to tell me what they think isn't working. Absolutely. And I do have the attitude that any input is good input. I have the right to reject it if I want or maybe I have reasons why we have to do things certain ways that they don't know about, which I would like them to understand also. So, it's very important. Where are you going to get information? Are you just going to put on the blinders and not know if there is a complaint for instance? No, it's better to know."

AS: "So you seem very geared toward communication within the business here?"

MAC: "I think communication is the key for probably all businesses. I think when businesses get in trouble, it's because people are assuming what other people are thinking, a lot of the time and it's not true and it causes trouble. So, no, I'm all for open and honest communication."

AS: "And especially within the tourism industry, as far as customer-service procedures, there needs to be communication from the top to the bottom?"

MAC: "That's for sure."

AS: "And do you feel like there is that now or is there a lack of communication from top to bottom?"

MAC: "I see businesses that are running smoothly and communicating and I see businesses that are not running smoothly or have disgruntled employees...lack of communication. They feel lost, they feel like their input isn't important possibly. Yeah."

AS: "And you feel like that reflects on their job performance?"

MAC: "I'm sure it does, yes."

AS: "If businesses were going to take this shift to a more job enrichment, employee satisfaction-oriented business model, do you feel like there would be a lot of resistance because everybody is so focused on productivity?"

MAC: "There might be and it would be economic. It would cost them time or money or both and they are not willing to give that up at this point, especially the money."

AS: "And do you think that idea is based on false pretenses?"

MAC: "Yes, I was going to say, I think that the people who feel that that's not important don't understand the importance and maybe you can make them understand that somehow."

AS: "So it's more or less being stuck in a traditional mindset, maybe they think it's too expensive or their making more money the way they are already doing things now?"

MAC: "That's right."

AS: "As far as the customers are concerned, how important do you think it is to their experience, overall, to have good customer service? I know, to a certain extent, you go to a restaurant and you just want good food, but the person who takes your order plays a role?"

MAC: "I think customer service is more important than the actual product."

AS: "You do?"

MAC: "Yes, I really do. In a restaurant, you can have so-so food, but if your service and the atmosphere were so pleasant, you're going to have a pleasant experience there and go back. If they have bad food, that's another thing all together, but if you didn't order the best thing, maybe you go back and say 'maybe I made a bad choice and I'll order something else.' I know that the complaints, I'm the complaint department from the town. If someone has a bad experience in a hotel or a shop or a restaurant, they come to the Chamber of Commerce. They bring their complaints to me and it's always about service. It's always about the way they were treated. It's not about the price and our prices are pretty expensive in Cambria for food and for lodging, for everything. It's not about the prices and it's not about product. It's almost always about the service. The treatment of people."



AS: “So you would say, even if the product itself wasn’t great, if the overall experience and the customer service is really good, the customer will be more likely to return and maybe think they themselves have possibly made the error versus the business that they’ve gone to?”

MAC: “That’s possible. That’s what I would think at a really lovely restaurant, with great service, if I ordered something. I would give it another go and say maybe ‘it sounded good at the time, but let me try this other thing’.”

AS: “So, as far as having great customer service, how important is it for the image of the business itself or even for an entire town, for the entire town of Cambria?”

MAC: “Seriously, that is what I tell my girls in the Visitor’s Center, my girls... they are sixty or seventy years old, but at any rate, we’re the representatives of the town, we’re the first people they might come and see. You’re the front line, ‘hello, how are you doing’ and ‘what can we do to help you.’ So that’s what I encourage my volunteers at the Visitor’s Center is absolutely make them feel like you care. It’s not like we have to force ourselves at all because, interestingly enough, they all do care. And it wouldn’t be a good fit, a volunteer who didn’t care, wouldn’t be a good fit out there and I have actually had people come in and say they wanted to volunteer and I’ve said I didn’t think it would be a good fit. They were too grumpy.”

AS: “It’s all about how your organization here runs.”

MAC: “That’s right.”

AS: “Who you have here, how people are treated and the good communication?”

MAC: “Well I hope and I have to tell you, it goes in waves of course. Sometimes you’re more cognizant of treating people the way they deserve to be treated and I think that they deserve it, they are giving their time. You’re not getting paid. And I also have events, major events actually, cook-offs, art and wine, all volunteers. They come and work at those things and I just can’t tell you, we wouldn’t be able to do it without them and how much I appreciate them. They need to know that because what else are they getting out of it? Hard work.”

AS: “And that clearly is a reflection on your focus on job enrichment and how you run things?”

MAC: “Well I never thought about it, but I guess that’s because I have been treated nicely myself in jobs and I guess, through my job experiences, I realize that fact that the people who value me, I value.”

AS: “So, there is a mutual respect aspect as well?”

MAC: “I really think that makes for a really good organization. I think you’re on to something and you’re making me think about it. I think of it as kind of second nature. I hadn’t given it so much thought.”

## Appendix C

### *Interview Transcript: Stacie Jacob*

The following interview was conducted to assess the need for a job enrichment-based business model within the tourism industry, from the perspective of a top industry member. The interview and corresponding responses, transcribed below, were based on the second questionnaire found in Chapter 3.

*Interviewer: Alexandra Sousa*

*Respondent: Stacie Jacob (Executive Director of the San Luis Obispo Visitors and Conference Bureau)*

*Date of Interview: February 29, 2012*

Alexandra Sousa: “In my project, I define a business model as “a formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within the organization.” Do you think the tourism industry generally adopts a business model that is focused more on productivity or job enrichment and the satisfaction of employees?”

Stacie Jacob: “I think in the tourism industry, there is a mix of both and I think it kind of depends on what your, what your job is because the tourism industry definitely has a labor pool when you look at, you know, hotels and such, in terms of, you know, the maids and the maintenance, and those guys running the operations of the hotel and the day-to-day cleaning and those aspects of it. But then, you also have, what I call the professional career track, which is your marketing, your PR, your sales professionals, your owners, your accounting professionals, those tracks. I think you almost have two different tracks to your question.”

AS: “On the professional side, because they probably run the overall customer service-based industry, are they more focused on productivity or the job enrichment, say, of the people at the bottom, who are day-to-day and are face-to-face with the customer?”

SJ: “Yeah, I think it’s um, you know, when I see successful companies have a clear objective, clear goals, and individuals get their own self-satisfaction out of reaching those company goals. So, you’re going to grow as an individual if you are, um, have a clear direction from the top and understand where we are headed and you can see yourself growing in that direction.”

AS: “Okay, so job enrichment kind of is the result of making sure the company sets clear goals and having employees work towards those goals is what crates satisfaction?”

SJ: “I would agree exactly with that.”

AS: “And who does the current, most popular model kind of benefit the most? Is it the customers, the employees or the employers?”

SJ: “Oh, definitely the customers. I would say the customers because the customers, you know, it’s about the customer satisfaction. So, if the customers are happy, then it’s a ripple effect all the

way up. But, I think you have to have, you know, that's where having the clear, to me, it's not one or the other, it's the whole sequence of the chain you described, um, because if you don't have clear direction at the top, the middle people who are working with the customers don't understand what the direction is and don't have the tools to do their job to help satisfy the customers needs. So, I think it's probably on both sides essentially, um, to what your question is. Does that kind of give you..."

AS: "Yeah, and as far as the role that managers play for instance, I know managers of course have to worry about pleasing their bosses..."

SJ: "Yup."

AS: "...and making sure they provide the numbers. So, how does that focus kind of detract from or do you think it detracts from how they manage those below them?"

SJ: "Um, I think it's, I think that's where a lot of pressure is at, in that middle management sector of things, um, because you already need to, you know, prove the numbers to the owners. The owners may or may not care about the people underneath them and it depends on their personality essentially. But, I think a good manager is going to understand the skill set of their employees and figure out how they pull those skills out because if you have employees that are working with the managers that are productive and meeting their own self-satisfaction, the numbers are going to come. I really do believe that."

AS: "And, how important is job enrichment for, say, the lowest level employees in the customer service-based industry? So, those employees that are on the bottom and face-to-face with the actual customers."

SJ: "To me, that is like number one in importance because customer service is key in our business. So, without customer service, um, everything else, you know, just becomes a hotel room. You know, you can choose wherever you stay, for example, but it's about the customer service and all that, um, ambiance and the feeling you get when you walk in a particular door. If you get a feeling of 'hmm, cold, closed, I'm not greeted, I don't know where I'm staying,' there is an immediate tone that is set and those frontline desk managers set that tone."

AS: "So, having just a good product isn't necessarily enough?"

SJ: "Absolutely not."

AS: "You need people to sell the aesthetic and the whole environment."

SJ: "I know people that you say their product is mediocre, at best, but their customer service is so top-notch that it truly drives, um, drives them."

AS: "So you've seen businesses..."

SJ: “Oh yeah, I can give you examples here. You know, I mean, yes absolutely. I mean it’s, and on the other hand, I think that’s one interesting thing in this area, that we do not have what I would consider a destination hotel. We don’t have somebody coming here because they want to stay at the Four Seasons, you know, or they are not coming here because we have, like, you know, that premiere location. We don’t have resort-style properties. You know, maybe you could say that The Cliffs or the Dolphin Bay, you know, is maybe on that brink of it, but for the most part, people are coming here because of our attractions, the experience they want, and when they go home to their hotel room at night and, I know tourism is more than just hotel rooms, but I think this is where you see that tone that I’m talking about. If that experience when you walk in the door is minimal, at best, um, it is kind of just like, well that’s the sense of tone for the rest of your experience. So, um, you know and Molly, my colleague, has opened hotels and has worked with them and just learning from her, the attention of detail that’s given from the experience the minute folks walk into the hotel, to even how they dress, you, how they dress the towels in the bathroom, and how everything is set up, you know there is thought that goes into all of those aspects. So, you can have all of that, which is a great part of the experience, but if you don’t have a friendly, willing voice on the other side, to me, it kills it. It absolutely kills it.”

AS: “And so, do you think making sure that employees are truly satisfied with the job and do clearly understand their role, makes that happy customer that comes into the hotel?”

SJ: “I do, yeah, I do. I think that if they understand, so if you look at, you know, what I consider the frontline desk employee, if they understand what the company’s goals are and they can see themselves having a piece and achieving those goals, that’s very satisfying and that’s job satisfaction. I mean, if you look at what drives people, obviously people want a paycheck, they want time off, and they want to be satisfied in their job. And if any of those things are out of balance, that’s where you have to have challenges.”

AS: “So it’s a kind of a balance between, for managers specifically, meeting the company’s goals, as well as meeting their employees goals?...”

SJ: “Absolutely.”

AS: “There is kind of balance, so they have, in the middle, probably a lot of responsibility as far as job enrichment is concerned?”

SJ: “They do. They do absolutely, but if the, um, the owners are not giving the managers the tools to be able to do those pieces, there is problems there too. So, to me, it has a very ripple effect. It’s hard to segment because they have a ripple effect to different sectors.”

AS: “So it has to be consistent from the top to the bottom of the organization?”

SJ: “It does. I really believe that.”

AS: “And do you feel businesses, in general within the tourism industry, focus enough on job enrichment and employee satisfaction? Or have you seen it both ways?”

SJ: “Um, I think that’s an area we all, all businesses can grow in that area. I think particularly tourism because we are such a customer service-driven industry and we rely on that guest experience, essentially. So, I think it is something we need to continue working on. To me, you know it’s never an area you fully achieve. Because, there is where the turnover happens a lot, is on that other side of things. So, the reason you have to keep working on it is because you’re going to have new people in that role. So, as you have new people and you have to continue training them, you know, to keep the focus on what the objectives of the business are.”

AS: “So, do you think customers want to retain those employees they have trained and that job enrichment plays a part in that?”

SJ: “I think they do, but I think that employee is probably not going to stay in that same position, so retaining employees means probably pulling them up the ladder, which means you always have new people coming in, essentially.”

AS: “How do you think businesses can improve, in terms of employee satisfaction? Are there specific things you’ve seen in businesses where they are falling short or, you know, succeeding and what are they doing to succeed?”

SJ: “Yeah, I mean I think, my other experience has been in the wine industry and one of the big things there is to, um that experience when you come into the tasting room, is to get people signed up for the wine club and I know, a lot of those folks, a part of their pay is an incentive, a bonus pay, if you sign up a wine club member, essentially. So, I’m not as familiar, I haven’t worked in a hotel, per se, um, but you know, look at restaurants. The satisfaction is the tip at the end of the night, so you know, is that maintaining what...So, I think there’s, there’s small, um, there’s opportunities to show that satisfaction along the way.”

AS: “So, satisfaction is based on multiple variables?”

SJ: “I think it is based on multiple variables, yeah, I think it is. And I think that, um, you know, I think communication is the key foundation to that satisfaction. Whether it be written or oral, um you know, everyone needs an “atta boy” all the time, not all the time, or a “job well done,” everyone needs a “good job” kind of kudo if you will and I think being able to have that ongoing dialogue is really critical.”

AS: “So, in order to keep that consistency from top to bottom, communication is probably key?”

SJ: “Oh, the key and the failure of so many clients and businesses. Absolutely.”

AS: “...It’s all about being able to manage people and having that friendly face and kind of seeing how the business runs because it is reflective upon your employees who he sees in the wine tasting room?”

SJ: “You know, and to the flip side of that, I mean I’m an avid wine drinker, as well and I can go into a tasting room where I know the wine is fantastic, but I can get turned off because the experience can so, you know, so null.”

AS: “And of course now, we’re not really in the best of economic times, is customer retention important? Making sure they come back and are satisfied?”

SJ: “Absolutely. And I think what we’ve seen during these economic times is, the customer still wants to have an experience, but they are very much changing how they spend their dollars. They are very last-minute in choosing to spend their dollars. So what folks, um, actually conversations we’ve heard in the tourism business is, you know, for a long time there, it was like people are making their decisions on Thursday night if they are coming for the weekend or not. Now, they’re back to planning a week or two in advance, but it used to be months in advance they were planned. So, that whole dynamic has definitely shifted because of the economy. And people also, everything has been for sale. I mean, look at all the deals that have been had. So, in some ways, we have to work harder for the dollars we had been getting before. So, you know, business growth hasn’t been on the exponential route that it had before, but it just to kind of maintain neutrality, you have to work harder to get those dollars because everything is on sale right now. Everything is a bargain. And, the customer now, as we’ve re-stepped into the economy, they are looking for that bargain.”

AS: “And so, making sure that, you know, the customer interface remains good, even though everything is last minute...”

SJ: “Critical.”

AS: “It’s critical?”

SJ: “It’s absolutely critical because if I’m making a last minute decision and I want to come because I’m coming to an event or I want to come and get away and go wine-tasting or what have you, the accommodations may not be my driving force. My whole experience may be my driving force, but I may look for the best deal because I want to save 50 bucks on that side of my budget, if you will.”

AS: “So, say once times pull up and they remember, even though they got a bargain, but their experience was great and they would consider coming back?”

SJ: “And we call that, we use this both in wine and in tourism, it’s value and it’s the *value proposition*. So, you know, it may not be value in terms of economic value, but it’s value when you take the economic and the experience all together and how does that value as a whole look. We walk a lot about this in the wine world, for example, you know, value at all different price points. So, a bottle of wine from say Paso Robles at 30 dollars may be the equivalent to a bottle of wine from Napa at 50 dollars. So, you’re still spending money and Paso is cheaper, but your value of the quality to dollars spent is much greater than maybe this other wine over here.”

AS: “And say, if businesses were to adopt a re-formed business model that focused more on job enrichment or they needed to, how would they go about doing so? Do you think there would be a lot of resistance because of, you know, economics or just a traditional mindset? What kind of challenges would they face trying to implement a new business model?”

SJ: “Yeah, I think that’s a really a great question and as business owners understand their business plan and understand what makes their business tick and where are the variables, um, and understand when they have employee turnover, where that impacts them and how it almost sets them back in their business, to be able to retain and put in incentive programs that make sense, that not only drive the business, but drive that employee satisfaction. I think those two can work hand-in-hand and be quite successful. And I think that, what you’re kind of talking about, starts at the top because it could be seen initially as ‘I have to spend more dollars now for this’.”

AS: “And that probably creates a lot of resistance during this time?”

SJ: “Exactly.”

AS: “And that kind of starts off with a good internal business structure because it’s a matter of how the business runs from top to bottom, making sure there’s consistency, and communication?”

SJ: “Exactly.”