CULTURE AND PRODUCTIVITY IN THE HOTEL INDUSTRY

A STUDY OF ORGANIZATION BEHAVIOUR OF CHINESE FINANCIAL CONTROLLERS IN HONG KONG HOTELS.

A Thesis submitted by
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in fulfilment of the requirements for the award of the Degree of Ph.D.

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D.A. GIBSON - CULTURE AND PRODUCTIVITY IN THE HOTEL INDUSTRY

ABSTRACT

This study focuses on Chinese hotel Controllers who live and work in Hong Kong and how their productivity may be affected by the cultural values that they hold.

A review of the literature and empirical studies into culture showed that approaches in other cultural studies have been determined by a survey methodology of an explicit nature. This study suggests that such explicit methods are inappropriate in reflecting a respondent's genuinely held views on matters of sensitivity, such as culture and expectations of work performance; thus, this study looked at an unfolding process. The direction of the study, after some quantitative work on cognitive mapping and the conduct of surveys to establish budgeting as a homogenous work activity amongst Controllers in Hong Kong hotels, moved towards qualitative techniques such as conversation analysis. Pilot studies resulted in a modification of the technique to a semi-structured interview, with subsequent interviews being transcribed and subjected to content analysis. Mintzberg's theory of managerial roles was used to focus the direction on to expectations of managerial role effectiveness of Controllers. Corroboration in order to establish reliability criteria of utterances was effected through interviews with the General Managers of the hotels in which the Controllers' interviewed worked.

The major findings of the thesis derive from the empirical analysis and also the particular methodology employed. The empirical analysis found support generally for findings from other studies into behavioural characteristics of the Hong Kong Chinese of a desire to maintain harmony in the work place through the building of relationships with superiors and peers that are designed to protect the individual rather than achieve the objective goals of the organization. The methodology employed showed that qualitatively determined approaches allow the importance of culture to emerge naturally from the process, in contrast to quantitatively determined approaches which enforce on to respondents the notion that culture is important.

KEY WORDS

Culture, Productivity, Hotels, Financial Controllers, Budgeting.
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DEDICATION

To Edita, Nadya and Sascha.
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<td>BPR</td>
<td>Business Process Reengineering</td>
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<td>Chinese</td>
<td>Overseas and Compatriot Chinese; i.e. &quot;Hong Kong&quot; Chinese, those living and working outside the mainland</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>Mainland Chinese</td>
<td>Chinese living and working in the People's Republic of China</td>
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<td>NIC</td>
<td>Newly Industrialised Country</td>
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<td>OBCP</td>
<td>Operating Budgetary Control Process</td>
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<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<td>PRC</td>
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<td>PWE</td>
<td>Protestant Work Ethic</td>
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<td>ROC</td>
<td>Return on Capital</td>
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CHAPTER 1.

INTRODUCTION.

This study focuses on "Overseas Chinese" individuals at work and how their productivity is affected by cultural values held. It seeks to identify both the influence of culture on productivity and the way that empirical research on this topic might best be conducted.

1.1. Organization of the Thesis.

This chapter explains why this issue of productivity is relevant at this time in the development of "overseas Chinese" economies. It presents conflicting opinions over the extent to which Chinese culture is thought to be responsible for the economic success of these economies. Chapter 2 defines and discusses the core elements of this study, namely "culture" "work" and "productivity". Chapter 3 is concerned with the issue of productivity measurement, the work of Financial Controllers generally and hotel Financial Controllers specifically. In these two chapters, relevant research which has been conducted on these topics will be examined and assessed. Chapter 4 discusses the appropriateness in the cultural context of methodologies used in chapters 2 and 3 and suggests a novel research design for this study. The testing and modification of this design is described in Chapter 5. There follows two chapters which develop the analytical process conducted on the data collected; chapter 6 describes the gathering, organizing and summarizing of relevant data, while chapter 7, after examining the data for reliability, attempts further detailed analysis. In Chapter 8, the data arising out of the analytical process are interpreted and a link between culture and productivity established. Chapter 9 summarizes the research. Chapter 10 suggests areas for future research derived from the research and findings contained in this thesis.
1.2. The Chinese Diaspora.

It is difficult to identify exactly when the movement of Chinese people from the mainland to other countries started. Chinese migration overseas may have begun in the Han and Tang Dynasties, but large-scale migration seems to have started in the years between the Opium War and the Second World War. Fok (1993), in his message to the 2nd World Chinese Entrepreneurs Convention in Hong Kong, reflected that there are no exact figures on the number of Chinese living worldwide but, based on information provided by all countries, the total number is about 27 million excluding Hong Kong (6 million) and Taiwan (21 million), which can be termed as "Compatriot" Chinese. Southeast Asia is the region where most of the Chinese reside, accounting for 85% of the total overseas Chinese population. There are about 20 million "Overseas" Chinese in Malaysia, Thailand, Indonesia, and Singapore. Fok reports that the Chinese in Southeast Asia are mostly engaged in business but many have also been involved in the manufacturing, property and the financial sectors since the 1960's.

For the purposes of this study, both "Overseas" and "Compatriot" Chinese will be referred to as Chinese. Those living in the People's Republic of China (PRC) will be referred to as mainland Chinese.

1.3. The Economic Success of East Asia.

Clegg, Higgins, and Spybey (1990) draw attention to the economic success of Japan, Hong Kong, Singapore, South Korea, and Taiwan - countries whose post-war economic growth has consistently outstripped OECD annual average growth rates during the same period in terms of GDP per capita. They acknowledge that GDP is no indicator of the quality of work, leisure or life, but query why it was that it was these particular countries which became the Newly Industrializing Countries (NIC), rather than other Asian, African or Latin American nations. Table 1.2 combines sources of the UNDP and information given by Fok on the distribution in Southeast Asia of the Chinese Diaspora. It shows the GDP of countries in Southeast Asia in respect of GDP per head as
at 1990/91 and the percentage of the "ethnic Chinese" population in those countries.

Rohwer (1993) reports that the real GDPs of South Korea, Taiwan, Hong Kong and Singapore have doubled every eight years between the period 1960 to 1985. In four other countries, Malaysia, Thailand, Indonesia and China economic growth has been comparable. Rohwer (1993:6) maintains that "if some Asians have been doing things right, then others have been doing them wrong", citing North Korea, Vietnam, Myanmar, the Philippines as having been in 1950 the richest parts of non-Japanese Asia.

Table 1.3. GDP per head in Southeast Asian countries showing the percentage of ethnic Chinese in each country.

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<tr>
<td>Pakistan</td>
<td>115.8</td>
<td>&lt;1%</td>
<td>1,860</td>
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<tr>
<td>India</td>
<td>866.5</td>
<td>&lt;1%</td>
<td>1,070</td>
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<tr>
<td>Sri Lanka</td>
<td>17.2</td>
<td>&lt;1%</td>
<td>2,410</td>
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<tr>
<td>Bangladesh</td>
<td>110.6</td>
<td>&lt;1%</td>
<td>870</td>
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<tr>
<td>Myanmar</td>
<td>42.5</td>
<td>2%</td>
<td>660</td>
</tr>
<tr>
<td>Thailand</td>
<td>57.2</td>
<td>11%</td>
<td>3,990</td>
</tr>
<tr>
<td>Cambodia</td>
<td>8.7</td>
<td>2%</td>
<td>1,100</td>
</tr>
<tr>
<td>Vietnam</td>
<td>67.8</td>
<td>2%</td>
<td>1,100</td>
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<tr>
<td>Laos</td>
<td>4.3</td>
<td>&lt;1%</td>
<td>1,100</td>
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<tr>
<td>China</td>
<td>1,149.5</td>
<td></td>
<td>1,990</td>
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<tr>
<td>Hong Kong</td>
<td>5.8</td>
<td>95%</td>
<td>15,600</td>
</tr>
<tr>
<td>Taiwan</td>
<td>20.6</td>
<td>98%</td>
<td>12,670</td>
</tr>
<tr>
<td>North Korea</td>
<td>21.9</td>
<td>&lt;1%</td>
<td>2,000</td>
</tr>
<tr>
<td>South Korea</td>
<td>43.3</td>
<td>&lt;1%</td>
<td>6,730</td>
</tr>
<tr>
<td>Japan</td>
<td>123.9</td>
<td>&lt;1%</td>
<td>17,620</td>
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<tr>
<td>Malaysia</td>
<td>18.2</td>
<td>&lt;1%</td>
<td>6,140</td>
</tr>
<tr>
<td>Singapore</td>
<td>2.8</td>
<td>&lt;1%</td>
<td>15,880</td>
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<tr>
<td>Philippines</td>
<td>62.9</td>
<td>2%</td>
<td>2,300</td>
</tr>
<tr>
<td>Indonesia</td>
<td>181.3</td>
<td>4%</td>
<td>2,180</td>
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Source: Population and GDP per capita = UNDP, Percent of population ethnic Chinese = Fok (1993)


Rohwer (1993:7) contends that "nobody has a convincing explanation of why China which had, until 1500, been the world's richest economy, then faltered"
but has no reservations in putting forward his explanation as to why the East Asian economic miracle happened:

"For 30 years, decade in and decade out, eight poor East Asian countries (nine if rich Japan is included) have been among the dozen best-performing economies in the world - a geographical concentration of success so extraordinary that the World Bank guesses there is only one chance in ten thousand that it happened at random. Then why did it happen? The simple answer is that these countries consistently did a better job of injecting into their economies the four elements that contribute to economic growth. These are labour, physical capital, human capital, and an indefinable something that goes by various names but basically means the efficiency with which labour and the two kinds of capital are combined."

Bello and Rosenfeld (1990), in defense of their analysis that the East Asian economies of South Korea, Taiwan and Singapore, were heading for crisis, attributes the success of these countries to special relations with the USA, their links with Japan, and the system of state-directed development that they term "command capitalism".

With labour costs rising and foreign direct investment being directed to those countries with cheaper labour cost, (i.e. China), both Bello and Rosenfeld and Rohwer pose the question as to whether East Asia's economic success in the past quarter century has been a "flash in the pan", or can be sustained. Rohwer (1993:13) identifies the critical role of the workforce,

"As the successful Asian countries reach more advanced levels, they will be able to take advantage of a surprisingly sophisticated stock of human capital... but however handsome the future endowments of capital and labour, Asia will not thrive unless it masters the trick of sustained and cost-conscious productivity growth."

1.5. Cultural Influences on Chinese Economic Success.

Clegg, Dunphy and Redding (1986) conclude that economic explanations alone do not account for the phenomenal success of the Chinese in East Asia. Freedman (1979) agrees, and attributes their success not simply as energetic immigrants, but to certain characteristics of the Chinese people. He identifies respectability in the pursuit of wealth, the lack of fear of its
confiscation by political superiors, and doing business with people from the same ethnic background.

Much focus has been placed on the cultural context in which such outstanding economic success has occurred. This focus was initiated by the work of Kahn (1979) with his "post-Confucian" hypothesis. He cites hard work and seriousness of purpose as the major reasons for the success and proposed traits consistent with Confucian ideology, which he claims have had a significant impact on present-day Chinese organizations.

Bond and Hofstede (1990), suggest that a combination of the Confucian work ethic and economic, legal, political, and demographic factors are responsible for recent growth in East Asia. Boisot and Child (1990) state that, despite these same Confucian attributes, the PRC has been unable to demonstrate similar patterns of growth. They argue that the feudal nature of traditional Chinese social relationships have survived intact, to the present day, hence the importance of differentiating between those living on the mainland and those overseas.

Redding and Wong (1986) distinguish between the organizations of the PRC and of the Chinese (Hong Kong, Taiwan, Singapore). They compare politically dominated organizations of the PRC at the one extreme, with the "laissez-faire" capitalist institutions of Hong Kong at the other extreme and comment at the lack of empirical study of organizations in the PRC.

Littler (1985) concurs with the lack of empirical study, commenting that most studies of work attitudes are located within the capitalist framework and that much empirical study into organizations in the West has led to an understanding of organizational effectiveness. Redding and Wong (1986:268) state,

"in the Overseas Chinese case, one sees the intriguing paradox of a little understood organizational form, developing to a level of efficiency, which offers serious threat to western bureaucratic forms of organization."
Different opinions are held, therefore over the extent to which cultural attributes of the Chinese are responsible for the level of economic success enjoyed over the last quarter century. Whilst some commentators contend that the Chinese work "smart" (to borrow a phrase from the area of Total Quality Management) others maintain that external influences, such as the "adoption" by world economic giants, (USA and Japan) and cheap but willing labour, ensured that this success would come about. The extent that economic success might be attributed to cultural and societal rather than external influences, would become evident were these beneficial external influences to be removed. It could be argued that the time has arrived for parts of the Chinese Diaspora when capital and cheap labour are no longer as easily available as they once were.

1.6. The Economic Growth and Development of Hong Kong.

The following brief description of Hong Kong's economic growth and development attempts to illustrate how a number of events combined to achieve such an extraordinary industrialization. Immediately after the Second World War, one important development which resulted from Nationalist China's civil war was the decision to export most of her textiles through Hong Kong. With the Hong Kong merchants' ability to provide textiles from China, opportunities opened for trade in new markets. When the Communists came to power, the flow of exports stopped and the newly developed markets fell to the colony's own merchants. The post-1949 influx of population brought along with a willing but unskilled refugee workforce the proven entrepreneurial skills of the textile industrialists from Shanghai. At this time also, there was an influx of capital from the West because Hong Kong was perceived by investors, as the most politically and economically stable area in the Far East. An important element in the rise of industry was the "laissez-faire" capitalism that was practiced there. Governmental non-interference, economic liberalism, the absence of foreign exchange controls and Hong Kong's status as a freeport all contributed to its particular attraction as a manufacturing base.

However the ethnic background of this refugee workforce contained certain features that seem to have been of some importance. Fok comments that
nationalism and blood-line are elements which bind the Chinese together. The Hong Kong Chinese were, and still are, virtually all Cantonese, speaking one version of the Chinese language. Out of the other overseas Chinese communities, only in Taiwan is there such a homogeneous population. Thus from this short synopsis of Hong Kong's growth since the Second World War an intriguing combination of internal and external influences can be seen to have played their part in achieving Hong Kong's economic success.

1.7. The End of the Manufacturing Era.

The mainland has become in the recent past attractive as a manufacturing base because of cheap labour and the inflows of substantial foreign direct investment. Cheap labour is no longer a feature of the "tiger" economies. Hulme, Shapiro and McGrath (1994:50) cite evidence to show that:

"wages in Asia are still low compared with many Western industrialized countries, but that gap is closing fast. Hourly wages in three NICs - Singapore, Taiwan and South Korea - are already higher than in European countries such as Portugal and the Czech Republic."

Lee and Davies (1995) chart the transformation of the Hong Kong economy from manufacturing to services over the last 10 years, citing as evidence Hong Kong Government Census and Statistics Department figures, which show the doubling of the labour force in the service sector [defined as wholesale, retail and import/export trades, restaurants and hotels] in percentage terms from 23% in 1986 to approximately 44% in 1994. They show that this increase is at the expense of the manufacturing sector, which declined during this corresponding period from 35% to 19%.

The relatively inexpensive cost of land and the availability of a cheap labour force just across the border - a labour force whose work habits are similar to that found in Hong Kong, but at a fraction of the cost - has led to the uprooting of manufacturing operations in Hong Kong. However, as Lee and Davies (1995:34) state:

"In Hong Kong, however, the adverse effects of de-industrialization on employment have been limited, as the decline in the manufacturing
The sector has been more than offset by increasing demand for workers in the service sector, most notably in those parts of the sector which provide support of manufacturing activity in China and in support of trading the output from that activity."

The authors comment on the concern in Hong Kong over structural unemployment, where workers are unable to find jobs despite the large numbers of vacancies, because they have the wrong skills. This phenomenon has, in turn, activated much passionate debate over the merits and demerits of the current labour importation scheme.

Mention has been made of the dominance of China as a world economy, with the exception of the last 300 years. In the past decade, there have been clear signs of the economic resurgence in the PRC, especially in Southern China. Tracy (1995) for example, has described the role of the Chinese Diaspora in the transformation of Pearl River Delta region. She identifies the forces of capital and entrepreneurship flowing from the Chinese Diaspora as being instrumental in the economic development of the region. The opening of China has provided a golden opportunity to shift labour intensive activities into the mainland. However, as Tracy has observed, Chinese business people from Thailand, Indonesia and the Philippines have also transferred manufacturing bases to China, despite the fact that their domestic economies are not yet in need of restructuring. The markets in China have attracted unprecedented amounts of capital in preparation for the explosion of domestic demand anticipated in the PRC.

Thus, by examining such specific aspects of the economic strength of Hong Kong, researchers may well be able to indicate how well the Chinese will perform on the mainland. The elements of the essential underpinning of established business practices that the Chinese business community have grown accustomed to, such as a stable currency, the rule of law and accepted accounting and financial practices, will be missing.
1.7. Summary.

The focus of this study is on Chinese individuals. It will seek to investigate the supposition that although the Chinese work hard, they may not be that productive.

Within the academic literature, there appears to be general agreement about which factors have contributed most to the economic success of East Asia. Factors such as the Asian values of "hard work", "thrift", and "reliance on the family" (not on government), are compatible with the demands of today's competitive global economy. However, there is some debate over the extent to which the cultural makeup of the Chinese has influenced the economic success which has been achieved. The challenge for those Chinese living in East Asian economies is to maintain these values in the changing sectorial pattern from manufacturing to service, now that the era of cheap labour, land and easily available foreign capital has gone.

With this shift from manufacturing to service industries, and the increasingly competitive situation in which the Chinese find themselves, different skills will be required, if the quality of life that the Chinese have begun to take for granted in the past decade is to be sustained. It may be that sustainable economic growth may not be attainable, owing to the possible lack of appropriate skills in the workforce. In the future, the Chinese will need to be both industrious and productive.

This study essentially examines the way culture affects productivity; whether there are cultural attributes peculiar to a certain ethnic group that govern their behaviour at work and how significant these attributes might be in the expectations that they hold about their work. Such matters are of a sensitive nature and will require an awareness of such sensitivities in the handling of the research.

However, the first concern is to define the core elements of the study and what research has been conducted in the area of interest.
CHAPTER 2.

CULTURE, WORK AND PRODUCTIVITY

This chapter describes the relevant literature on culture, work and productivity in the Chinese context, in order to narrow down the focus of the study and to show the research that has been carried out in this area. The research described has shown some commonly found characteristics of Chinese organizational behaviour, and it will be seen that most of this work has been conducted from a Western research orientation in manufacturing firms.

2.1. Culture.

There are many definitions of culture. In the broadest sense, culture can refer to the way of life of a group of people. However, such a definition may not be particularly helpful as it covers almost all aspects of human social experience. A more meaningful definition is required in the context of organizational behaviour. Hofstede (1980:25) conducted a significant study on work-related values and national culture differences and used a concise definition:

"In this book I treat culture as the collective programming of the mind which distinguishes the members of one human group from another."

He reviews the many definitions of culture from the anthropological viewpoint that view culture as a complex system. Hofstede and Redding and Wong conclude that all embracing concepts have not been fruitful in identifying the basic differences between cultures, nor for studying their impact on organizational structure and people's work behaviour. Hofstede's definition of culture as "the collective programming of the mind", allows the relationships between culture and organizational behaviour to be focused. He demonstrates that organizations are "culture bound", and that national culture matters to the organization's functioning. This concept of "programming" suggests that people think, feel and behave in particular ways as part of a community. Thus this "conditioning" is something that people from the same community share
but it differs from those of other communities. Hofstede goes on to explain the
link, and hence differentiate between culture and society. (1980:26)

"Societies merit special consideration in the study of cultures because
they are the most "complete" human groups that exist. A society is a
social system "characterized by the highest level of self-sufficiency in
relation to its environments" (Parsons 1977:6). The degree of cultural
integration varies between one society and another."

Hence a society may be considered as consisting of various cultures, each
with its own peculiar set of values and norms. Two distinct factors, therefore
present themselves when considering the issues of culture and its relationship
with productivity; these are, the effect of the society in which the individual
lives and the cultural values that the individual possesses. Westwood (1992)
comments that cultures have value systems that lead to different need
systems, which in turn lead to different perceptions and expectations about
work and to different types and levels of involvement with it. The form and
experience of work, he argues, varies across cultures. For this study,
Hofstede's definition of culture as the "collective programming of the mind
which distinguishes the members of one human group from another" will be
adopted.

2.2. Work.

The Chinese work long hours and are known as hard workers. As Bello and
Rosenfeld (1990: 23) comment,

"among them is the image of a docile working class, labouring 12
hours a day out of Confucian respect for their employers."

In order to examine the supposition that, although the Chinese work long and
hard, they may not be very productive, it may be useful to place work into a
relevant context, and to define what is meant, as far as this study is
concerned, by productive work.

Many definitions of work are to be found in the literature. Finnegan (1985:150)
states that:
“the immediate reaction to the term work, in both conventional and academic study is an association with paid jobs. The delimitation of work to paid employment lies behind much traditional research in the sociology of work, industrial relations, economics, organization theory and industrial sociology.”

Rothman (1987) describes work as an activity performed to produce goods and services for others. Together with Hall (1986), and Byrne (1990), he stresses the social context in which work takes place. Work in a modern industrial society, involves a combination of both mental and physical activities, carried out in interaction with other workers. Meaning and value is determined by social values and the sense of belonging. The process is carried out at both the individual level with specific work roles defined, and at the collective level, where people as members of groups define and protect their work. This work is performed in a job, defined as a specific set of technical and social activities, located in a specific context.

The dominant orientation has been the examination of work within the Western industrial capitalist economies. However the predominant conception of work in the West is not universal. It may be expected that in developing economies, differences might be expected to be found as a result of other cultural, socio-economic and technological factors. The stage of development of a society is clearly relevant. The move from a manufacturing to a service economy and the accompanying phenomenon of sectorial unemployment has been identified in the previous chapter. Clearly some countries in East Asia are in transition from one developmental phase to another. Societies, Gabor (1964) argues, put their own values on work, dependent on their development. A basic society might think of work in terms of duty, whilst a society on the way to becoming developed might emphasize the utility of work as a means to wealth. In an advanced technology driven society pleasure might be stressed in place of work. The relationship between work and non-work, pleasure, or leisure as the literature tends to refer to pleasure, is important.

Roberts (1981) considers leisure as being a relatively freely undertaken non-work activity but claims that if an activity is remunerated, it does not constitute
'leisure'. A part-time job under this definition would constitute 'work'. Re-
training, in order to acquire another skill in one's spare time, if freely 
undertaken constitutes a non-work activity. Problems of definition, clearly 
present themselves. Deem (1985:184) admits,

"leisure is notoriously difficult to define; no writer or researcher has 
found a satisfactory definition...... ....leisure is something personal, 
meaningful, and enjoyable, which is 'chosen' (but not always without 
constraints) time and/or space, and/or activity, outside of employment, 
unpaid work and life's obligations."

Inevitably, the boundary between work defined as paid employment in the 
form of a job carried out in a specific context and leisure, defined as all other 
activity, is not a rigid one. The executive, who plays golf as a means to 
 improve his/her job or promotion prospects, is an illustration of the 
difficulty. Much examination has been carried out into the shifting nature of 
work and non/work boundaries in contemporary industrial societies. Deem, 
Roberts, Clarke, Critcher and Johnson (1979), confirm the widely held view 
that these boundaries between work, employment and leisure vary from 
different groups and in different societies. Work and employment are often 
linked to leisure through economic considerations; the amount of wages 
earned and the amount of work available. Some groups do not get the 
opportunity for much leisure as part of the characteristics of the jobs that they 
do. Burns (1973), Hall and Roberts recognize that social class and lifestyle 
within the particular society are important influences on attitudes to work and 
leisure.

Approaches into the connection between class and leisure have been both 
thoretical and by empirical research. In the theoretical, leisure is seen as a 
reward for work (Roberts) and as a process in "civilization's" progress (Clarke, 
Critcher and Johnson). Both the Pluralist and the Marxist approach has been 
studied. The Pluralist approach takes the view that social class differences are 
an inadequate basis for explaining leisure differences. Roberts and Marsland 
(1982) cite research evidence and conclude that there are still class based 
differences in leisure. They discuss the Marxist view of the struggle of the 
oppressed working classes, and the Feminist view, which is opposed to the 
 compartmentalization of male leisure and paid work. Deem stresses the theme
of the exploitation of the worker. Conclusive evidence by all researchers is that income is the major predictor of the work/leisure relationship. Attitudes to leisure are to an extent the products of experience and opportunity. Roberts' work on relationships between unemployment, in a sense forced leisure, and work, shows that variations in social and economic conditions have a major impact on work and leisure. Edgell (1980) and Pearson (1978) in their studies into leisure, conclude that the cultures of social groups are extremely heterogeneous, and it cannot be assumed that all have the same attitudes to, interest in and experience of, leisure. Gender, age, life cycle and ethnicity are important determinants of work/leisure relationships. Dependent on its stage of development, a society may have expectations of its individuals in relation to the mix of work and leisure that those individuals should enjoy.

A definition of work that will be adopted for the purposes of this study is that work constitutes paid employment in a societal context. The concern is with employees who work in organizations.

2.3. Productivity.

As with the literature on work, there are many definitions of productivity. The words that are most commonly found are performance, efficiency, effectiveness and productivity. Ross (1977), Robbins (1991), Faraday (1971) and Hinrichs (1978), conclude that work performed is judged as to its quantity and/or quality. Van Niekerk (1978:6) identifies relationships between the inputs to the firm and the outputs of products and services that the firm produces;

"the productivity achieved on the basis of some measure of input and its ratio to some measure of output can be attributed to the improved efficiency of some specific resource, such as capital, money, materials or technology."

This definition bears a strong resemblance to Rohwer's comments on the efficiency in which labour, human and physical capital are combined to achieve that "indefinable something" that characterizes, in his view the Asian economic miracle. Input and output measures are commonly used to
demonstrate economic growth. Lee and Davies plot the manufacturing sector growth of Hong Kong with tables of "capital/ labour" ratios (showing inputs) and the "structure of gross output" (showing outputs). However productivity occurs at various levels in society and within the firm. Van Niekerk describes aspects of productivity studies at the level of the economy, a sector within that economy, an industry within the sector, and at the level of the firm. He identifies three levels within the firm, in the differentiation of productivity, namely: the whole business, different departments within the business, and the individual processes within departments. Interestingly, he omits the recognition of the level of the individual's themselves. Hinrichs describes productivity as including factors related to workers' inputs, such as costs, turnover, accidents, absenteeism, and workers' outputs such as quantity, quality or value.

In this confusing plethora of relevant factors, Heap (1992) queries whether there is a need to define productivity. He concludes that there is probably no need, but a definition does ensure "we are all talking about the same thing". Issues of ratios of inputs to outputs clearly raise problems in the measuring of service work. Mill (1989) defines productivity as involving a relationship between the input of resources and the output of services. Baker and Riley (1994) argue against the use of the engineering concept of input-output ratios in service organizations. They identify fundamental differences between services and manufacturing. Production in manufacturing is separated from sale and outputs are stored; however, in services, sale and production are inseparable. Hence, opportunities for efficiency are restricted by the nature of the service encounter. Productivity therefore has to be carefully interpreted. Labour productivity especially can be confusing; for example, a specified number of flight and cabin crew of an aircraft are needed irrespective of whether the plane is flying with a full complement of passengers or not.

In the context of the individual as a unit of analysis, Campbell and Campbell distinguish (1988:85) between behaviour, performance and effectiveness. They argue that effectiveness is reserved for the outcomes of performance:

"The amount of production is one outcome of the manager's performance, or an index of effectiveness. Again, performance is the
level of expertise with which an individual executes behaviors that have relevance for one or more goals of the organization. It is what the organization is willing to pay the individual to do. Effectiveness is some aggregate of the outcomes of performance. Effectiveness outcomes are what the organization is paid to produce."

Modern idioms, such as working "smart" or "clever" are helpful in describing the quality of work carried out by employees in organizations that go to achieving the effectiveness of those organizations. A workable definition for this study is that efficiency and effectiveness criteria, when applied to work performed, can be construed in some sort of relationship to productivity.

In summary, combining the definitions of culture, work and productivity helps focus this research. It is concerned with Chinese individuals who work in organizations, and whose activities can be expected to contribute to the overall effectiveness of those organizations.

2.4. Some Critical Factors for Productivity.

In order that employees in organizations are able to be productive, certain critical factors may need to be present. An employee cannot be productive simply by effort alone.

In discussion of what determines a productive workforce, Suttermeister (1976) suggests that factors that affect productivity can be categorized under either technical or human. The human factors are the individual's ability and motivation, and the technical factors, (10 of them) are listed, for example, the plant, the product, the layout, the design of machines, etc. He comments on the focus of motivational studies concentrating on "job satisfaction/productivity relationship", and distinguishes between the "long" and the "short" run. He cites studies that have shown that high employee satisfaction has contributed in some way to "long-run" productivity in the reduction of employee turnover, absenteeism, sabotage, theft and worker alienation. The evidence of these effects on "short-run" productivity, such as output per employee per hour, has not been so clear. Suttermeister concludes that the evidence would seem to suggest that the satisfaction/productivity relationship is a circular one, in that effort and
performance affect satisfaction, and that satisfaction by its influence on the level of aspiration, affects effort and performance.

For work to be productive therefore, and given the necessary skills, the worker must also have the "right" attitude, and the "right" working environment. Rothman and Redding and Wong, amongst others examine the way people behave at work. They conclude that the main determinants are the attitudes that the individuals bring to the work place, the facilities, and the organization in which the work takes place. The working environment can be described as not just the technology, but the organization climate. The successful firm is "geared up" to combine effectively the "right" attitude of its workforce with the "right" technology.

2.4.1. Attitudes to Work.

Much research has been carried out into the relationship of work attitudes and output. Herzberg, Mausner and Snyderman (1959), investigated work done in the field of job attitudes in 1957. Their conclusion from the analysis of studies carried out was that there probably is some relationship between job attitudes and output. Their major hypothesis was that factors leading to positive attitudes to work, and those leading to negative attitudes would differ. The effects of positive job attitudes were faster and better quality output, improved labour turnover, reduced absenteeism, improved mental health and better inter-personal relationships. The factors examined were recognition, achievement, advancement, working conditions, peer/superior/subordinate relationships, the work itself, status, job security, etc. which would have bearing on the outcome. Rothman stresses that people's attitudes to their work reflect the value systems of their culture, religious, social, economic and prestige rankings of the society in which they live.

Byrne poses the interesting question as to the obligatory nature of work in the 20th century. A work ethic can be associated with several significantly different motives for working, he argues, namely: making money, actualizing one's capabilities in the performance of skills and crafts, and justifying one's existence on the planet, that is the fulfillment of one's duty.
In respect of cultural influences on work attitudes, Rothmans acknowledges that the value systems that the individual possesses as a result of the ethnic and religious background, has important consequences to that individual's attitude towards work/leisure relationships. Kroeber and Parsons (1958) recognize that social actions and relationships can be conditioned by cultural variables, as well as non-cultural variables, such as the level of technology and economic factors.

The differentiation between cultural and societal factors is an important one in the examination of people's work attitudes. The society in which a person lives, might expect individuals to possess certain attitudes towards work. However, unless the individual's culture matches the desires of society, expectations may be disappointed. If long hours of hard work are part of the individual's make up, and society is in a developmental phase, then the expectations of both culture and society may be matched.

2.4.2. Technology.

Within the definition of productivity as one that reflects the effectiveness of performance outcomes in relation to the organizations goals, it is important for that organization to make proper use of technology. This implies that technological innovation is not adopted for its own sake, but that rational decisions are made as to what to adopt and when to adopt it. An awareness of not only available but emerging technologies is required. Above all there has to be a willingness to adapt to change. That technical factors affect productivity seems self evident. Research by Stewart and Nikel (1987) into the relationships between human factors and the transfer of technology from the developed nations to the developing nations, suggests that in the process of cross-cultural innovation, a willingness to accept change is often hampered by the attitudes and values of the host nation. Kedia and Bhagat (1988) come to a similar conclusion, finding that the effectiveness of technology transfer is moderated by variations in culture-based differences and receptivity to technological change. Child (1984) also shows the variety of cultural contexts in which new technology is introduced, and the resulting variety of
consequences. He contends that the effects of new technology are contingent on the product and labour markets of the firm.

Recent studies on productivity have concerned themselves with the technologies in use, and the implications for the supporting systems and procedures. Heap cites studies where simple technological change has had important implications, not just for the workforce to adapt to new processes and procedures but in the attitudes of the workforce towards the organization. The attitudes that exist between the workers and the management have been the focus of most studies, in that the objectives have been the maximizing of each group's productive potential. According to Souter (1990) every modern organization has been influenced by the rapid acceleration of technology in society. He emphasizes that the technologies of an organization are based on the knowledge and equipment used in task accomplishment. Technology includes physical manifestations but also intellectual techniques and processes used in solving problems and obtaining desired outcomes.

Byrne comments that, as technology makes possible less labour intensive production the value of work is increasingly called into question. He identifies two responses; on the one hand, that technology has changed only the conditions of work, and not the traditional value of work, and on the other hand, the view that technology makes the traditional evaluation of work irrelevant and inappropriate. Arthur (1986) comments that the most striking characteristics of the new (sophisticated) technology is that it absorbs routine activities into machines rather than leaving them for people. In turn this creates a new relationship between a technology and its embedded social system. Everard (1977) argues from the 'socio-technical' viewpoint that it is always necessary to consider technology in any serious attempt to improve the content of work. The interest in the implications of 'new' technologies - especially those micro-processor based - is a subject of the major national concerns about the implications of new technologies for employment, competitiveness, national trade, productivity and social change in general. In addition, there are implications for the efficacy of using popular measurements of productivity at the individual employee level.
2.4. 3. Organizational Climate.

The importance of organizational climate to the successful introduction of new work practices and procedures, where previously traditional methods dominated, has been recognized as critical by many researchers.

Boulden (1991), suggests that the reason that the initiatives that have been tried in western Europe; Quality Circles, JIT, MBO, have failed to achieve their potential for productivity, is that there has been a lack of understanding among those concerned with productivity improvement, over the need to satisfy three, not two sets of needs. To the two factors affecting productivity, which he describes as worker's attitudes and management's attitudes needs to be added the real importance of the third factor, namely operational climate. This last factor he argues, determines the attitudes that underpin the management style in organizations. At the individual level, he cites from studies that identified the key factors, psychological (what people do and how they do it), physical (where, when and under what conditions the work is performed), and economic (how much they are paid for the work). In discussing applications of quality improvement techniques in the West, Heap alludes to the Western tendency to look for panaceas. Boulden comments on the search for "the answer", which is perceived as a management or organizational technique that will transform the organization's productivity. The application of such techniques requires a fundamental change in attitude on the part of the worker, the management, but most importantly, the organization's outlook. A view expressed for many firms in the region, (Syrett1994:37) is that these techniques are by no means the answer to all problems:

"The systematic approach required by TQ programmes does not always fit in easily with entrepreneurial managers who want action and results straight away."

Hinrichs investigated the durability of productivity programmes, from the view of the management "will". He reports on his study of twelve US companies in the late 1970s, which followed up studies on a sample of 103 companies that
in the five years between 1971 and 1975 had dealt with some aspect of productivity. His twelve companies were equally divided amongst humanistic, behavioural and structural programmes to improve productivity. He found that many of the programmes had not been sustained, and attributed the reasons to insufficient attention being paid to the importance of the factors of worker, management, and organizational climate. Hinrichs (1978:183) suggested six reasons, that would have to be satisfied for productivity programmes to work, namely;

"the connotation of the studies in the management's mind (the increase in productivity) and in the worker's mind (lost jobs), would have to be somehow removed; a strong and sustained management commitment; change programmes to be going ahead on several fronts simultaneously; programmes to be "tailor-made"; programmes to be on a "win/win" outcome for management and worker; critical mass to be achieved throughout the management structure."

Rudman (1989), Hofstede (1984), George (1983), and Kirkbride et. al. (1989) conclude that management styles impact on the organization structure and attitudes of the workforce. Rudman stresses that management is a practice rather than a science, and the practice and the style of management in a particular organization will be a product of the host culture. George maintains that to understand the differences in management style between countries, one must first thoroughly understand the cultural differences; this stems from a belief that management style is a direct product of the culture. These views of two western businessmen active in the Asian region, are reinforced by academics. Kirkbride, Tang and Westwood postulate that cultural values set limits on managerial techniques, practices and processes that can be imported into Hong Kong, whilst Hofstede in cultural studies of IBM managers, describes management as a reality, made by people who build organizations according to their values, only because societies are composed of institutions and organizations that reflect the dominant values of their cultures.

Westwood (1992:16) in describing organizational behaviour in the Asian context, takes the view that:
"Cultural differences exist and has a bearing upon the values, attitudes, and, ultimately, the behaviour of people. People come from different cultural backgrounds and are strongly influenced by that. There is no reason to suppose that such cultural antecedents to behaviour are not just as significant in the setting of organizations as they are in other fields of human activity."

Robbins argues that workers are most affected by management style in respect of the leadership and decision making processes, and the amount of management control. Redding and Wong concur and acknowledge that organizational structure, management process and style determine the organizational climate. Child notes that, while there are certain technological, environmental and political influences that impinge on the organizational structure, it is the human relationships that give form to the organization.

2.4.4. Conclusion and Implications for the Study.

The willingness of the workforce to embrace new ideas and methods, rather than be threatened seems critical, if productive work is to occur. The implementation of technology, given its appropriateness in achieving outputs, will depend it might seem, on the attitude of the workers who will be using the new technology and on those responsible for its introduction, namely the management. There will also be implications for relevant measurement regimes of productivity to reflect these changes. The necessary organization climate is vital to ensure that processes and procedures are well matched to the capabilities of the workers and that a smooth transition from one set of work practices to the next is achieved, as the changing technology demands.

With the move towards a service economy in East Asia, a new set of challenges present themselves for a workforce unaccustomed to the demands of this employment sector. Within the service sector, there is an important differentiation to be acknowledged. Willman (1992:221) contends with others that service businesses, varied through they are, have distinctive sets of human resource problems. He distinguishes in the service sector between professional and consumer service firms:

"The truly distinctive feature of the service sector as far as human resource management is concerned is the management of staff with
customer contact. Both professional service and consumer service firms are seeking to serve customer needs more fully in an increasingly competitive environment, but they differ in their definition of the problem. For professional service firms, the issue is to replace a knowledge or skill-based approach with a client based one, which might require teams of professionals from different disciplines or even the breakdown of such disciplinary barriers. For consumer service firms, the issue is to improve the commitment, and thus the quality of service provided, by non-career staff in jobs which, while at the base of the organization, are in direct contact with the market."

Shames and Glover (1988:6) reflect on a lack of attention paid to influences played by culture at "the base of the organization" as described above:

"Recent literature on corporate culture, although illuminating the 'tribal' nature of corporations, treats the work environment as if it existed in a vacuum, immune from the influences of its members' national and ethnic identities, its host culture, and the cultures represented in its market mix."

The relationships that exist between the worker and the management seem to be a result of attitudes and technology that together form the organization climate in a firm. In the cultural context of the Chinese, entering into an unfamiliar employment sector, the question of whether the form of the resultant interaction can be attributed more to a function of role or culture is intriguing. Studies carried out into Chinese attitudes to the critical factors of work, technology and organization structure are now examined.

2. 5. The Critical Factors In the Chinese Context.

Some of the critical factors necessary for a workforce to be productive have been identified and discussed. The question as to whether the Chinese possess the "right" attitude, have a willingness to accept new ideas, and structure their organizations in such a way as not to create pre-conditions that would necessarily inhibit productivity, needs to be addressed.

2. 5.1. Work Attitudes of the Chinese.

"Asian countries have developed social and economic structures that support the PWE (Protestant Work Ethic). It could be argued that with the industrialization and westernization of various Asian countries, standard scientific and accountancy practices have been introduced which promote PWE behaviours. The Neo-Confucian or post-Confucian Ethic found in many oriental countries that have proved enormously successful (the five dragons of Taiwan, Korea, Hong Kong, Singapore and Japan) has functioned in the same way as the PWE."

Croftitz (1994:26), in his review of the East Asian economies' performance in 1994, reinforces the concept of the work ethic as a main determinant of the continued economic success, but identifies the critical challenges ahead:

"Indeed, what was called the "Protestant work ethic" in the West earlier this century now in many parts of Asia can be called "Confucian capitalism." The challenge for Asia - whether Confucian or not - is how to maintain these values despite rising affluence and consumer choices."

Cherrington (1980) contends that the multinational corporation is a product of the PWE. Indeed the acronym WASP (White Anglo Saxon Protestant) is often applied to the giant USA corporations. From a Western perspective, the PWE is the "right" attitude that workers should possess.

Byrne comments on a number of recent studies, that have shown how attitudes to work may be founded on the "doctrinal heritage of a non-western culture." Bond and Huang (1986) attribute Hsu as a pioneer of theorizing by a Chinese from the Chinese point of view. His early work in the 1940s, criticized the limited perspective of theorizing by American social scientists on the basis of Western traditions. Hsu (1971) turned to Chinese concepts, that held as their basis that the needs of the individual are satisfied through interpersonal transactions, which draw on Confucian values; the individual's transactions with his fellow human beings. An examination of the literature on PWE and the Confucian ethic reveals similarities in the attributes that workers influenced by these beliefs hold.

Robertson (1985) addresses the issue of the changing perception of attitudes to work in the 20th century. He contends that, from the PWE stems the basis on which work in later industrial societies has been organized: that is, the
assumption that work means employment, and that every normal adult of 
working age should have a job. The literature on the subject of the PWE 
develops Weber's (1930) work, translated from the original German of 1904. 
Weber describes the developments in people's perception of reality from the 
medieval times; Luther's moving of the emphasis to worldly work, rather than 
preparation for the life hereafter, and thus denouncing the catholic church as 
a buffer between people and reality. Calvinism takes the Lutheran "re-think" 
further, maintaining that hard work can contribute to salvation.

Tawney (1938), pursuing the link between religion and the rise of capitalism, 
summarized the PWE to be that work, not leisure and enjoyment, served to 
increase the glory of God. Worldly work came to be seen as the purpose of 
life. The Puritan way laid great stress on the value of time. Wasting time was 
a deadly sin. Furnham discusses idleness in detail. He identifies the taboo on 
idleness, the ideal being industrious behaviour, and waste a vice, and frugality 
a virtue. The universal sign of sin was poverty, and the crowning sign of God's 
favour was ambition, success and wealth. Complacency and failure was 
abhorred.

Cherrington (1980:20), in his summation of studies into working values, 
identifies eight attributes of the PWE, namely;

"1) a duty to work hard; 
2) to spend long hours at work; 
3) to avoid absenteeism and tardiness; 
4) to be highly productive; 
5) to take pride in work; 
6) to have feelings of commitment to the profession, 
company and the work group; 
7) to be achievement oriented, and to strive for 
promotion and advancement; and, 
8) to acquire wealth through honest labour."

He maintains that the possession of these attributes in an individual, and 
brought into the work place, constitutes the "right" attitude towards work.
Bond and Hwang show through an analysis of the literature and supported by empirical research, how Chinese concern for harmony within a hierarchy can be used to explain Chinese social behaviour. They demonstrate how the Chinese culture can be compared with other cultures, and fitted into the wider cross-cultural framework, as investigated by Hofstede (1980, and 1984) in his research on work-related values.

Fung (1948), amongst others has explained the philosophy of Confucius in detail. He identifies clearly the fundamental Confucian assumption that man exists in relationship to others. Chinese considerations of man's social behaviour see man as a relational being, socially situated and defined within an interactive context. According to Confucius, certain relationships were accorded a position of paramount importance. These relationships have a strict hierarchical order, starting with sovereign and subject, and ending with friend and friend. The key point, is that the senior was accorded and could expect to receive respect and obedience from the junior. Of importance to note, is that within this strict hierarchy an individual can be involved in a variety of relationships at any given time. For example, a man could be subject to his sovereign, father to his son, younger brother to his elder brother, husband to his wife, and young friend to his older friend. Indeed these relationships, described in the above example are the so-called "Five Cardinal Relations".

The influences, therefore, that affect social behaviour, ensure in such a society that social order is maintained; a social order that is based on each party's honouring the requirement in the role relationship. Fok acknowledges freely, the habit of the Chinese to tend to congregate within each country, giving rise to the term "Chinatowns". He notes the factors of nationalism and blood-line, together with economic reasons contributing to this phenomenon for the Chinese to group together. In some respects, the lack of willingness to be dispersed in the adopted country, has formed cultures within cultures.

Redding and Wong (1985:293) give reasons for such a strong work ethic in the circumstances that the Chinese find themselves, surrounded by a sense
of insecurity in their adopted countries. The authors conclude that the tendency to work hard may be attributed to six factors:

1) the importance of wealth as a surrogate for security and the clear connection seen between effort and reward.
2) the long tradition of obligation to the family which sponsors seriousness of purpose.
3) the acceptance of discipline in a high power distance and status conscious culture.
4) the demonstration, in many of their environments, of the success attributable to work.
5) the relative lack of other universally valued attributes used in the ascription of status.
6) highly sensitive social networks and forms of group pressure, which are able to influence the individual to conform to the general ethic, and to avoid the odium and the loss of belonging, which are caused by being considered lazy.

Albeit from widely divergent philosophies, both the PWE and the Confucian ethic arrive at broadly the same attributes that individuals are expected to exhibit in their work. There would seem to be no pre-condition in the attitude to work held by the Chinese, if the success of the PWE since the turn of the century, as a model of the "right" attitude is accepted.

2.5.2. Chinese Attitudes to Technology.

Being receptive to new ideas, and having an open mind, is cited by Rohwer as a critical factor in East Asia's economic success. He contends that receptiveness is demonstrated where there has been substantial foreign direct investment and little incidence of the phenomenon known as technological unemployment. Chen, in his studies of the influence of multinationals, and their role in the transfer of technology and the effect on the labour force in Hong Kong manufacturing industries, found a high positive correlation existing between the extent of foreign investment and technological progress. Foreign
direct investment has included the setting up of subsidiaries or joint ventures to explore overseas markets. By encouraging direct investment and accepting the foreign enterprise's control over the decision making process, the Chinese have benefited, not simply from the receipt of money capital, but also from the transfer of other factors essential to productivity; productive techniques, marketing skills, and management expertise.

The Hang Seng Bank (1993) identifies foreign direct investment as an essential element in Hong Kong's economic success. The report shows the period of the 1970s as critical in developing the willingness to accept process changes (social technology) in addition to the material technology. As the main motive for investing in Hong Kong was at that time to exploit the territory's competitive labour costs, investments were concentrated in the manufacture of light consumer goods which were sold on the international market. USA and Japanese multinational corporations were among the most active investors, forming joint ventures with local companies or setting up their own productive facilities. The adaptability to process change has brought benefits in the 1980s where labour shortage has meant a shift in methods, but necessary in order to take maximum advantage of the growing regional market, as household income reached levels that could sustain strong purchasing power.

In contrast to Gabor's view that work may be regarded as societies' natural defense against the psychological threat posed by technologically created unemployment, Chen found, in empirical studies into the Hong Kong manufacturing sector, that in respect of the choice of technology, foreign firms had not caused unemployment, but rather improved the efficiency of the workforce. Support for this contention, relevant to the period of the late 1980s and early 1990s was shown in studies carried out by Cheng (1991) and Mannari and Marsh (1990). Cheng in a study into productivity of the Hong Kong cotton spinning industry over the last ten years, concluded that the growth "spurts" of the industry correlated positively with the "maturing" of the new spinning technology introduced. In the Hong Kong manufacturing sector in which these studies took place, the effects on productivity of the introduction of technology appear positive.
Mannari and Marsh who compared 48 manufacturing companies in one prefecture in Japan, in respect of organizational change between 1976 and 1983, concentrated on the link between the introduction of technology and employment. They concluded that their data did not support the technological unemployment thesis. Firms in the sector whose automation increased, were in fact much more likely to increase their number of employees. Advances in technology, they found, generally made for a net increase in the number of jobs in the factories under study. The greater the rate of automaticity between 1976 and 1983, the greater the increase in labour productivity by 1983.

The Chinese would seem to be receptive to new ideas. Such receptiveness has undoubtedly influenced the flow of foreign direct investment into East Asia in the last quarter century.

2. 5. 3. Chinese Organizational Structure.

Redding and Whitley (1990) contend that the family business is the dominant form of economic structure used by the Chinese. Their studies, as well as those of Limlingan (1986) and Yoshihara (1988) show that the form of organization that they construct is remarkably consistent across the East Asian region. Lau (1982), and Pugh and Redding (1985) have investigated the organization structure of Chinese companies from the viewpoint of ownership, size and the degree of technology. Their conclusions are that firstly, in respect of ownership patterns, the Chinese organizations are virtually all family businesses, and the largest although technically public, have rarely become professionally managed bureaucracies of the Western kind. Relatives, or long serving and loyal affiliates, who become almost honorary family members, are employed in all the key positions, tied by bonds of obligation. In respect to size, Chinese companies are small. In 1981, only 0.4% of companies employed over 500 people, accounting for 16% of the workforce.

In a study of 53 Hong Kong and 34 British firms, Pugh and Redding found that in the technological sense, roles were less precisely defined, standard
procedures less prevalent, and "staff" as opposed to "line" personnel far less evident in the Hong Kong sample. On the other hand, centralization of the decision making was higher, and only in the matter of formal paperwork procedures was there similarity between the Chinese companies and the British companies in the sample. The structural elements of Overseas Chinese companies are summarized by Redding and Wong (1985:274) as:

"small scale;
having a low level of specialization;
having less standardization of activities;
having an emphasis on "line" at the expense of "staff"
having a strong overlap between ownership and control."

These attributes, identified in the early 1980s seem not to have changed by the latter part of the decade, when Redding and Whitley (1990:166) concluded from empirical studies into 180 Chinese organizations the following consistently found characteristics:

"small scale, and relatively simple organizational structuring;
normally focused on one product or market with growth by opportunistic diversification;
centralized decision making, with heavy reliance in one dominant executive;
a close overlap of ownership control and family;
a paternalistic organizational climate;
linked to the environment through personalistic networks;
normally sensitive to matters of cost and financial efficiency;
commonly linked strongly, but informally with related but legally independent organizations, handling key functions such as parts supply or marketing;
relatively weak in terms of creating large-scale market recognition for brands;
a high degree of strategic adaptability."

Tam (1990) develops comparisons between Hong Kong companies and their Japanese counterparts. Given the fundamental differences in size and other structural variables, he poses the question as to how both can be so successful in world market terms. The differences of commitment and loyalty of the workforce, management development, divisiveness and segmentalism are examined in a cross cultural and longitudinal way at four levels, that of the environment (economy), enterprise group (sector), enterprise (firm), and the relationship between the individual and the enterprise (individual member).
He concludes by accepting that the Hong Kong business system, (centrifugal) and the Japanese business system, (centripetal) are, in their own peculiar ways equally effective. These findings may suggest that, given favourable conditions, any organization structure can work.

Certainly, from the above review of literature and empirical study, although structurally different from Western counterparts, there seems nothing in the Chinese organizational structure that might inhibit productivity.

2.5.4. Conclusions and Implications for the Study.

Contrasting the attributes listed by Redding and Wong (1986:293) and earlier those of Cherrington (1980:20), support would seem to be given to Furnham's contention that PWE and the Confucian ethic function in similar ways. Status in society is achieved as a result of being productive in the work place. Wealth is the sign that work has been productive, realized through demonstrated diligence in a disciplined environment.

Furnham (1990:134) offers a cultural picture of the Chinese in respect of attitude in his attempt to offer an explanation of the "phenomenal rise in economic activity, output and productivity in numerous Asian countries."

"That certain Confucian virtues like self-control, duty, gentlemanly conduct, and conformity, which are closely linked to the PWE, have in part led to the recent phenomenal economic rise. Post-Confucian economic culture stresses such things as meritocratic achievement and is profoundly anti-individualistic. Virtue with regard to one's tasks in life consists of trying to acquire skills and education, working hard, and not spending more than necessary, being patient and persevering. Moderation in all things is enjoyed."

Redding and Wong however strike a note of caution in laying all the work ethic attributes at the door of Confucian ideology. They cite the inability at the present moment to generalize the observation of hard work to the PRC, and therefore, whilst acknowledging the relative lack of empirical studies carried out in the PRC, suggest that institutions and ideological factors in the environment have a part to play in the shaping of a work ethic. Culture, they
argue is possibly not the only cause of such high levels of diligence. Bello and Rosenfield warn against the danger of Confucian stereotyping.

The Chinese, however, seem to show a willingness to embrace technological innovation, both the material technology (machinery and the like), but also the social technology (process changes, methods and work procedures). In addition, the structure of Chinese organizations does not seem to create preconditions that would necessarily inhibit productivity. Indeed, the Chinese seem to form organization structures that bear close resemblance to that described by management and organization behaviour theorists as organic or adhocratic; small, operating in uncertain environments, often single product companies with non routine technology. Studies on organic organizationally structured businesses have shown them capable of being very effective. However, the Chinese do not only work in organizations exclusively influenced by Chinese values. The presence of the multinationals, has meant that many work in Western orientated organizations. Therefore Chinese organizational behaviour is exhibited in both Western and Chinese settings.


Effectiveness of an organization is not simply a matter of having present the critical factors that lead to productivity. It is the way that individuals behave when they are at work that will determine whether or not they are productive. Nadir, Hackman and Lawler (1979:36) say,

"Behavior is both a function of the person and the environment..... because behavior is determined by many factors, it is often difficult for an organization to establish the conditions that lead to effective individual performance."

Expectancy theory is a useful tool in examining organizational behaviour. It is based on the simple proposition that individuals choose to behave in a way that leads to desired outcomes (rewards) that are attractive to themselves and meet their particular needs. The existence of these expectations combined with individual needs, leads to that individual putting in effort aimed at some kind of activity. The result of that effort, given the required ability, leads to a
certain level of effectiveness. Furnham's analysis of Chinese cultural characteristics, can be compared favourably with the findings of empirical studies into Chinese work related values. Of these studies, that of Hofstede (1980) stands out in respect of it's scope. However, it has to be appreciated that this study concerned employees working for IBM, a multinational corporation with a strong "home country" influence.


Sirota and Greenwood (1971) carried out a study in 1968 into the similarities and differences in work goals of thousands of industrial workers engaged in twenty five countries belonging to the same organization. Their research findings contradicted common stereotyping, and found that there existed great similarity in the goals between workers, irrespective of nationality. Hofstede (1980) replicated this study, reacting to Sirota and Greenwood's conclusions that there was a need to put assumptions about people and their performance in the work place to the empirical test.

Hofstede (1980, 1984) used a work-related value survey that had been distributed to the employees of IBM located in 53 countries whilst he was working for the multinational corporation. Three of these were Chinese, namely Hong Kong, Singapore, and Taiwan. The importance of Hofstede's work is explained by Robbins (1991:66) who comments that the key factor that distinguished Hofstede's study from other studies, which either included a limited number of countries or analyzed different companies in different countries, was

" that the database eliminated any differences that might be attributable to varying practices and policies in different countries, so that any variations that he found between countries could reliably be attributable to national culture."

As operational procedures in IBM were standardized, irrespective of the country, Hofstede sought to identify different forms of organizational behaviour of the workforce which he could attribute to cultural variation. The dimensions of the work related values that he investigated were fourfold. He
gave them some identifying words which are placed in brackets; namely, respect of the workers for hierarchy, (power distance); whether workers were individualistic or conformed to the accepted work ethic of the group, (individualism versus collectivism); whether workers were receptive to different ideas and opinions or felt threatened, (uncertainty avoidance); and how acquisitive in the materialistic sense and assertive the workers were, (masculinity versus femininity). Some differentiation in the study was made as to the rank within the organization that the worker held, be it at operative, supervisory, line management etc.

All three East Asian countries in the study, Hong Kong, Singapore and Taiwan, exhibited very similar characteristics in respect of the four dimensions detailed above. This similarity strengthens confidence in generalizing results relevant to these dimensions across Chinese cultures in different places. Later Bond and Huang, attempting to create a non-Western bias, replicated Hofstede's study, conclude from their "Chinese value survey" that these findings can be generalized across Chinese communities.

In summary, the organizational behaviour of the Chinese worker, as identified by Hofstede is consistent with the profile drawn up by Redding and Wong. The Chinese worker has great respect for hierarchy, ("high" power distance), conforms to the general work ethic of the group in which they find themselves, (low individualism versus collectivism), is receptive to new ideas and methods, (low uncertainty avoidance), and is moderately acquisitive in a material sense (medium masculinity versus femininity).

These findings over a period of great economic change in the East Asian region tend to support the popular Confucian stereotyping of the Chinese worker, as articulated by Furnham. Studies subsequent to Hofstede's work, would seem to support fully his findings on every dimension, save that of masculinity. Materialism generally, and pay specifically, has been shown as the main motivational factor of the Chinese worker. In that Hofstede coupled materialism with assertiveness, this factor may have the effect of canceling out the Chinese desire for social stability and the maintenance of harmonious
relationships, which has been shown through empirical study as important factors in understanding the organizational behaviour of the Chinese.

2.6.2. The Importance of Pay to the Chinese Worker.

In respect of materialism, Lau provides his view on the reasons for the Hong Kong Chinese striving after money. He refers to the origins of many of the Hong Kong residents, coming from the historic tradition of commerce in Kwangtung province, prior to exposure to the West and its values. According to Lau, the Chinese who fled the mainland to Hong Kong took advantage of three factors; freedom from traditional moral restraints, the inability to gain advancement in a colonial environment, and the openness of the business climate. Freedman concurs that, in the day to day course of events, it is the status accorded to wealth, that energies are mobilized, interest centred, and in the service of which, social relations are patterned. Redding and Wong suggest this attribute is closely related to the human need for security in a potentially threatening environment. Attitude surveys among Chinese workers, (Chau and Chan 1984), (Lui 1985), (Mok and Finley 1986), find pay high on the list of priorities.

A feature of empirical research carried out in East Asia into employee attitudes and behaviour at work, has been the concentration at the operative level; shop floor and factory worker, and their relationships with supervisors. An exception was Huang's (1983) study into job satisfaction and working morale in four types of enterprise in Taiwan, namely: family business, state-owned, overseas funded, and private with formal roles of management. He concluded that the more Chinese the style of management in an organization, the more deficient the perceived organizational climate, which he argued held good for employee satisfaction and working morale. In so concluding, he endorsed Hofstede's study that there exists greater power distance between leader and subordinate in the hierarchical social state of Chinese organizations.

Hulin (1968) studied a group of 250 female workers employed in the manufacturing sector in Hong Kong, attempting to find a relationship between
the turnover of staff and a common set of variables. He concluded, on the basis of his analysis that terminators differed from stayers in the areas of work, supervision, promotion and co-workers. Those staying were more satisfied than those leaving. Job satisfaction with pay was negatively correlated with job turnover. These studies were replicated to a degree by Mok and Finley and Mok and Woon (1987) in job turnover studies in the hotel sector in Hong Kong. Although not linked in respect of the instruments of analysis, and the specific hotels or employees, the studies carried out were of a longitudinal nature. The findings were similar; namely that there exists in the hotel industry in Hong Kong overwhelming concern for monetary reward, and a lack of interest as to the nature of supervision.

Syrett (1994:28) confirms the continuing preoccupation with making money, and issues a cautionary note in relation to the sectorial shift in employment from manufacturing to service:

"Given the increasingly mercenary attitude taken by Asian workers, it would be easy for employers to shrug their shoulders and accept high levels of turnover as an unpleasant but inevitable by-product of economic growth. They cannot afford to do so. Staff loyalty is crucial to the success of any business, especially services. Customer service and satisfaction are the most important attributes to successful service companies."

Chau (1977) and, ten years later Everett, Stening, and McDonald (1987), both used as instruments for their respective studies, Takezawa and Whitehill's (1968, 1981) questionnaire, to carry out attitude surveys of employees in Hong Kong companies. Both Chau and Everett et. al. compared their findings with the findings of Takezawa and Whitehill (1968) which showed the comparable results. Like Hofstede they both acknowledged the pioneering work of Williams (1966), in his cross cultural studies of workers in the USA and Peru. In the 1968 study, replicated in 1981, Takezawa and Whitehill grouped a number of items, (30 in 1968, and 20 in 1981), which dealt with aspects of jobs and relationships of workers with their supervisors and their company.

Chau considered 360 production workers, employed in three large, (more than 500 employees), manufacturing companies in Hong Kong in 1976. Samples
were chosen on a random basis from personnel lists of the companies' concerned, considering age, sex and length of service. Her conclusions were that there was a growing similarity between worker attitudes in Hong Kong and advanced countries, except that pay for hard work was a significant factor for the Hong Kong worker. Indifference to non-monetary inducements is a marked trait in the worker; that is the lack of a sense of responsibility and identification to the company.

Everett, Stening and McDonald replicated Whitehill and Takezawa (1981), but did not acknowledge Chau's earlier study. They examined a sample of 171 shop-floor workers in Hong Kong, in respect of the relationships between themselves and the organizations for which they work in three industries, namely electronics, plastics and textiles. The sample was determined by the class attendance of the managers of 12 firms, undertaking post graduate studies in the territory. Their conclusions mirrored those of Chau in the earlier study, namely that pay was the over-riding concern, and that the commitment of Hong Kong workers to their employers is less than in the USA or Japan.

The conclusion that might be drawn, is that monetary rewards and material benefits seem to be the main concern to the Chinese worker, and that company loyalty and commitment are not considered as important. It may seem that this conclusion is at odds with the Confucian value of social stability; another perspective is that if the filial relationship is of overriding importance, than workers who go elsewhere for higher wages are showing greater concern for their families. These studies, however, concerned themselves with attitudes and motivators at the operative level. Whether or not these attributes can be generalized to include middle and lower level managers is unclear.

2.6.3. The Importance of Social Stability to the Chinese Worker.

The importance of co-operation in the organization between individuals and groups in order to achieve effectiveness is self evident. Redding and Wong conclude from their summation of the empirical work carried out in this area, that co-operation can flourish within certain limits but that its full potential is
restricted. Thus implications for management would seem to be serious, if their contention has validity.

Redding and Wong link the characteristics of collectivism with many Western managerial techniques in the human area of management. They take as an example the difficulties of transferring such individualistic methods as management by objectives. These clash with many of the perceptions and feelings about relationships within the Chinese, who are sensitive to collectivity. Taking the initiative, outside of the prescribed limits of a functional task, but one that might nevertheless enhance the organization's effectiveness, may be construed as unacceptable behaviour, and thus result in the loss of "face". Redding and Wong (1986:287) summarize the attitude,

"The search for interpersonal harmony thus produces a person psychologically attuned to deference, compliance and co-operativeness within delimited groups. Strength of identity with a group, however, introduces the risk of apathy about or even hostility towards other groups, and the question of the organization's internal effectiveness may well rest on whether the group to which a person belongs has aims in line with those of the organization."

In this regard, the respect for hierarchy would appear to be important, in the decision made by a Chinese worker to step outside of a clearly defined role, even though the effectiveness of the organization would be improved. Such hesitancy in the ranks of senior supervisory and line management personnel could have severe limitations in maximizing the potential of the company, which in competitive circumstances could have serious consequences for the firm's survival.

2.6.4. Characteristics of Chinese Managerial Style.

Silin (1976) and Redding and Casey (1976) contend that within the Chinese firm, management behaviour indicated a much more autocratic approach than that practiced in the West. The leader holds the information, which he is much less likely to disseminate than his Western counterpart, and thus holds the power. These findings would tend to support Hofstede's conclusions of high power distance, (respect for hierarchy) in the Chinese sample. Huang's study
supports the view that an authoritarian pattern of leadership is to be found in Chinese companies, and together with Bond (1991), they draw from a review of empirical studies of family businesses certain common characteristics of Chinese managerial style.

Within the Chinese organization, the setting of corporate goals are the prerogative of the proprietor, and there is much secrecy in respect of financial matters. Mok (1973), confirms this view, in a study of 120 factory managers, where he reported that in 69% of the Chinese owned factories, decisions were made solely by the owners, compared to only 35% of the non-Chinese owned factories. In the absence of the owners, 35% of the Chinese-owned factories relied on relatives for decision making, compared to only 5% of the non-Chinese owned factories.

Redding and Wong report that there is minimal management control of individual performances, evaluation being made on global and subjective bases, rather than by objective standards. They comment on work by Leeming (1977), Sterba (1978) and Deyo (1983), which show the widespread use of nepotism and obligation networks, non-objective performance assessment, and paternalism as the means of management control. Deyo details the consequences of the by-passing of middle managers, in respect of disputes and other personal questions. He concludes that, whilst operating responsibility has been delegated to lower level managers, effective power over workers is retained at higher levels.

Silin identifies certain traits in Chinese managers, which effectively place the subordinate in a position of insecurity, their fate determined by their relationship with the superior. He concludes that superiors expect their subordinates to be on the same “wavelength” if they are loyal. Questioning of the supervisor’s intentions, which are often poorly outlined, is considered disloyal behaviour. Behaviour on the part of the subordinate that does not meet with the approval of the superior, has serious consequences for that subordinate.
Yuen (1992) describes common causes of organizational conflicts and suggests that due to special characteristics of Southeast Asian organizations, the antecedents of organizational conflicts as well as the methods used for conflict resolution may well be different from those found in Western organizations. There is much support of this contention, albeit from a Western research perspective.

Dempsey and Lindsay (1985), recounting their experiences in training Chinese business people to use U.S. management techniques, find fundamental differences between decision making styles, dependence on authority, public conflict avoidance and the acceptance of group criticism. Epner (1991) finds that the Chinese generally seek to avoid personal responsibility for solving problems, which he suggests is due to a philosophy that the acceptance of responsibility increases the odds of failure and resultant loss of face. Kirkbride, Tang and Westwood analyzed the conflict styles of managers in Hong Kong. Based on Chinese cultural values the authors predict high compromising and avoiding behaviours, as a result of empirical research.

These findings generally support Locket's (1988) studies of culture and the problems of Chinese management, as a result of which he identifies four main features affecting organizations. Firstly, he contends that the respect for age and hierarchy means that decisions are passed to higher levels; thus the organizational hierarchy becomes overloaded. Secondly, the tendency for the orientation towards compatible grouping, means more attention on social needs in contrast to needs for autonomy and self actualization. Thirdly, norms for deference and limits of conflict and disagreements are developed, in order to maintain the concept of “face”. Lastly, there is an emphasis on relationships and the use of connections to obtain wanted goods and benefits.

Fok confirms a picture of the Chinese manager as possibly inappropriate for the business climate of the 1990s by pointing to the emergence of a "new Chinese management model" that embraces both the traditional Chinese values, and Western practices. He argues that this is coming about owing to the offspring of Chinese entrepreneurs being educated overseas, and
assimilating Western style management techniques. Evans, Hau and Sculli (1989:6) conclude, as a result of their cross-cultural comparison of managerial styles, that:

"the particular culture of a society is a dominant factor in managerial style, and management will retain its own unique cultural identity even as society develops"

Their conclusion that Western management style may not be applicable to Chinese society was based on using Kluckholm's [five dimensional] conceptual framework. The findings show Chinese managers have less trust of their subordinates than their Western counterparts, and therefore take a more autocratic approach. Time is taken more seriously by Western managers than Chinese, who generally exhibit more aggressive behaviour, in contrast to more passive and defensive behaviour by Chinese managers. In Western society, decision making involves different levels of seniority and open discussion and conflict are accepted; however, in Chinese society, concepts of "face and harmony" are dominant, which limits conflict and disagreements.

2.6.5. Conclusion and Implications for the Study.

Some recent research into the middle and lower levels of management in Chinese organizations seems to reveal a picture of individuals who are mindful of their positions in the hierarchy of the organizations, accept that their authority over their subordinates is limited to functional responsibility for work performed, and that their performance will be judged more in their personal relationships with the superior than on their effectiveness in achieving the goals of the organization.

The desirable outcomes for the Chinese seem to be pay (materialism), social harmony and stability at the workplace and positive recognition from the superior, earned by deferential respect for the higher authority (hierarchy). Such behaviour from lower management in competitive business environments might seem inappropriate to achieving organizational effectiveness, where involvement outside of a prescribed functional specialism
is required. Keeping the superior happy, avoiding conflicts amongst one's subordinates, and one's peers, and looking out for the next position that will pay better, might seem to be the priorities in the workplace, to the detriment of involvement in activities that would help the organization to be more effective.

Chinese characteristics, such as respect for hierarchy, conformity, self-control, and maintaining social stability at all times, might well seem to be incompatible within an organic organization structure in the achievement of effectiveness, where self-starters, initiative and risk takers, not afraid to make mistakes would thrive.

Empirical research into the behaviour of lower and middle managers in organizations where both Chinese and Western styles of management interact is lacking but necessary, given the influence of the multinational in the development of East Asian economies. An essential consideration in cultural studies, such as those carried out by Hofstede at IBM, concerns the particular emphasis that the multinational firm places on its human resource management ideology. Hofstede (1980: 393) distinguishes the concepts of ethnocentrism, polycentrism, and geocentrism as they relate to the philosophy of staffing at the management level in multinational firms.

"In ethnocentrism, the ways of working of the home culture are imposed abroad. In polycentrism, the maxim is "they know best", and operations abroad are left to the locals. Geocentrism, according to Perlmutter, is a kind of ideal end-state in which all countries within the worldwide organization are equivalent and positions in the global organization can be reached by anyone regardless of nationality, only on the basis of merit."

Hofstede places IBM as ethnocentric, and indeed uses these ideologies to differentiate the multinational from the international organization; the multinational is ethnocentric, whilst the international is geocentric. Together with Bond in a later study, Hofstede and Bond (1988: 20) he recognizes the importance of the dominant national culture (USA), yet the essentially multicultural management problems that face such organizations like IBM:
"The IBM values study, in which national cultural differences were measured across different subsidiaries within the same multinational corporation, shows that national culture does not stop at the gate of the foreign company. Whether they like it or not, the headquarters of multinationals are in the business of multicultural management."

Clearly, multinational and international service sector firms, would need to pay particular attention to their human resource management ideology. How the Chinese middle and lower level manager might function in such an operating environment would need to be put to the empirical test.

A pattern of behaviour seems to have emerged from the literature, on the basis of the empirical studies made. Expectations of the subordinate manager may not be clearly expressed by the superior, and it may be necessary that the subordinate needs to develop a keen intuitive understanding of the superior's wishes. The subordinate manager needs to be aware of tolerated behaviour; a respect for the hierarchy, (knowing one's place), the necessity to maintain at all times social stability through harmonious relationships with subordinates, peers and superiors. Pay and favourable recognition by the superior, achieved as a result of good relationships rather than the attainment of organizational objectives, would seem to be the rewards sought. A sense of loyalty to the organization would be subjugated to the loyalty to a perceived group. A tolerance of new ideas and working long hours would be expected of middle and lower level managers.

2.7. Summary.

This chapter has defined culture, work and productivity in relation to the organizational behavioural context of this research. It might have been expected that attitudes to work would have been shown to be significantly different between the Chinese and the developed Western industrial economies. However, there seems great similarity in attitudes towards work, although arising out of very different culturally attributable influences. The Chinese in East Asia have shown in the past 25 years their receptiveness to new technologies brought in by Western multinational organizations. This attitude, together with the necessary supply of cheap labour, land and
available capital has formed an efficient manufacturing sector, which has contributed to the economic success of the region.

However, in recent years, there have been signs of a permanent shift in East Asian countries from the manufacturing to the service sector. Therefore, it remains to be seen in the years ahead whether this economic success can be sustained in a mainly service economy. Sustainable economic success implies a productive workforce, that is, a workforce whose activity contributes to the effectiveness of organizations. The existence of multicultural workforces in businesses within the service sector might pose additional constraints to the productivity of Chinese middle and lower level managers.

There seems no particular impediment to prohibiting productivity in Chinese organizations. However, the Chinese, whilst showing a willingness to adapt, have shown as a result of empirical research to possess certain organizational behavioural characteristics which may suggest a degree of inappropriateness for the changing economic structure. However, such research has, for the most part, been conducted on workers in the manufacturing sector from a Western research bias. Conclusions on cultural influences of Chinese organizational behaviour have been put forward as a result of explicit, quantitatively determined approaches. Such research strategies (self administered questionnaires and the like), seem inappropriate for the examination of such sensitive an issue in that responses on behavioural attitudes may be wrongly interpreted.

As a result of this part of the literature review, the area of interest has been narrowed down. This study, looks at Chinese middle managers in multicultural work environments in the service sector. It poses the question as to whether, despite a capacity for hard work, the Chinese owing to cultural reasons that influence their behaviour at work in organizations, may not be capable of contributing to the overall effectiveness of those organizations.

This supposition, as it applies to the Chinese middle managers in the service sector, needs to be developed into an appropriate context.
CHAPTER 3.

THE MEASUREMENT OF MANAGERIAL EFFECTIVENESS OF HOTEL
FINANCIAL CONTROLLERS.

This chapter describes methods used in the measurement of productivity so as to identify a suitable and appropriate way of measuring cultural influences on managerial effectiveness of hotel Financial Controllers (Controllers). Also, the literature and research conducted on the work of Controllers is reviewed in order to find an area of their work of importance that is capable of being measured. Through these literature reviews the area of interest of the research is placed into a specific context.

3.1. Measures of Productivity.

Rapid changes in technology have created problems in the measurement of the productivity of employees in organizations. Heap warns that one of the dangers of productivity measures is that there is a tendency to concentrate on factors that are directly measurable, rather than those that have a major contribution to organizational effectiveness. Measuring productivity seems to concentrate on employees at the extremes of the organization. Whilst workers on the "line" and the higher levels of management seem to have been the focus of attention of such measures, those occupied in supervisory, lower and middle management roles have been largely passed by.

Traditional measures of productivity can be described as either physical or financial. A popular and traditional technique is to measure a worker's productivity by taking the number of hours worked and the number of units of output produced for those hours (physical). Higher up the employee scale, a top manager might be declared productive by the amount of profit that the enterprise has earned (financial). However, it is in ranks of supervisors, lower and middle managers, where inputs and outputs have never been that clearly defined. The measurement of these individuals' outputs have been more problematical, as technology and the developing organization structures have shifted the traditional divisions between direct production and support.
services. Productivity measures in use today are now analyzed, in order to
determine their appropriateness for measuring middle managerial
effectiveness not only in modern economic business structure, but also in the
service sector.

3.1.1. Physical Measures of Productivity.

To arrive at a physical measure of productivity, the products produced (the
outputs) are divided by the resources required to produce those outputs (the
inputs). Frankel (1969), Allard (1971) and Van Niekerk, show that output and
input can be measured in physical units only when the output is
homogeneous. The case of the National Coal Board is quoted, as an example
of an homogeneous output. Productivity figures of output in tons of coal per
man shift have been produced for decades. The effect of technology in
differentiating capital intensive and labour intensive firms is well illustrated in
this example. Frankel confirms that a clearly defined product is essential for
the physical measure to be appropriate. With the allowance for certain
examples, notably in mineral extraction and agricultural spheres, not only all
industries, but most enterprises produce non homogeneous outputs. These
are in the form of differing qualities of the same product, different types of
related or sometimes unrelated products, or both. There are a number of
different inputs associated with any output from an organization, typically
capital, both human and material. Paying employees necessitates counting
their hours at work, and therefore makes labour productivity a much discussed
and measured phenomenon. As Heap (1992:9) says,

"In any organization the labour content of work is diminishing as a
proportion of total input. The limits on human capacity also means that
the scope for improved productivity from making people work "harder"
is actually very limited. This concentration on raising labour productivity
may not be an effective means of making the whole organization more
effective."

Strassmann (1990) concurs that products post 1970 were not able to be
compared with those products produced in previous years as quality began to
displace quantity as a critical factor in advanced industrial economies. He
argues that after 1970, there occurred a "lost reliability" in the reporting of
physical productivity. The shift to modern economic structures, and the divisions between the manufacturing sector and the service sector in the advanced industrial societies causes the physical productivity measure to be inaccurate. In the example of a steel company moving its warehousing to a distributor, losses of productivity in the manufacturing sector show as gains in productivity in the services sector.

Clearly, given Frankel's view, the use of physical criteria is especially problematical in the service industry sector. Fitzsimmons (1985), Schiffler and Coye (1988), Blumberg (1991), Baker and Riley, in studies into individual service operations, cite the non standardization of inputs and outputs, and that the relationship between these inputs and outputs is not constant. Thus, not all inputs and outputs can be measured accurately. The service act is unique, and is regarded differently by each customer; hence the absence of homogeneity in inputs and outputs. The peculiar characteristics of service makes productivity measurement at the individual employee level complex. For functional specialists such as purchasing, personnel and accounting managers who are to a very large extent "servicing" the line functions, these comments are particularly apposite. It is clear that both social and material technological change has influenced the production of goods and services to such an extent that labour productivity ceases to have any useful meaning. Strassmann argues that it was after 1970, when the manufacturing sector had declined in advanced industrial societies, that serious difficulties in interpreting production figures began to surface. In the NICs, with the advantage of the latest technology and the developing economic structures, such traditional measures would seem to be appropriate only in basic "assembly line" operatives, where the technology and methods of work remain, to a large extent, unaltered.

Physical measures concentrate on the engineering concept of input-output ratios which at the level of unskilled workers, never mind at the level of supervisory seem in service industries inappropriate. The distinguishing features of the service sector "product" from that of manufacturing are inseparability of the production/sale process and perishability. Matching labour supply to demand in the service sector is often impossible; for example
airplanes fly at less than optimum load factors with full staffing complement owing to schedules and short demand time frames. Baker and Riley (1994:300) recognize the problematical nature of physical measures in the service sector:

“There is abundant evidence of a reluctance to address the question of productivity with anything other than straightforward financial tools”

3.1.2. Financial measures of productivity.

To arrive at a financial measure of productivity, the profit (the ultimate output of any enterprise) is divided by the capital (the essential input of any enterprise). Such a measure is known as the “Return on Capital” [ROI]. Ingham and Harrington (1980) emphasize that the true measure of the overall success of a business is its return on capital. The primary objectives of management in a private enterprise firm is to earn a profit on the assets available, and ultimately on the owner's capital. They acknowledge that this measure brings problems in relating the performance of companies both longitudinally, and cross-sectionally, owing to the existence of different definitions and valuation principles of "profit" and "capital". Hitching and Stone (1991) identify the several possible accounting concepts for the calculation of "profit" and "capital", and illustrate the differing return on capital ratios that arise, as a result of the use of differing accounting bases used.

Strassmann believes that the view that capital is the essential input to productivity belongs to the industrial era. In the post industrial development, he argues that capital is not a scarce commodity, and thus the emphasis should be placed on management as the essential input to productivity. Management is the scarce resource. Van Niekerk makes the point that profitability is a relatively poor measure for assessing productivity. He argues, and Strassmann agrees, that the profit earned is merely a measure in financial analysis for determining the yield on capital. It is influenced by other factors, apart from efficient production, notably prices, conditions on the buying and selling markets and the firm's financial policy.
Neither are published accounts, interfirm comparisons, and ratio analysis (the Dupont System) to be relied upon. Support for the contention that extreme caution be exercised in the use of such data for comparative studies on managerial effectiveness comes from many sources. Glautier and Underdown (1981), identify clearly exactly what the yearly set of accounts are out to achieve; namely, to ensure that proper taxes are levied as a result of the judgements made by accountants as to the trading performance of the entity. They emphasize that published accounts reflect the necessity to obey the letter of the law, rather than the spirit of full disclosure. Interfirm comparisons attempt to establish homogeneity. However, Parker (1986), Reid and Myddelton, (1986), and Dyson (1991) amongst others warn against putting too much reliance on an industry comparison, which is based on ratios obtained from published accounts. They detail exhaustive lists of those items in the accounts, where the analyst must exercise special care, in drawing conclusions from the figures. Kirk (1990) states that differences in accounting principles exist because of differences in the social, economic and legal environments in which these principles have evolved. Welch and Short (1987) explain how "window dressing" of the accounts can confuse even the most experienced analyst.

Van Niekerk amongst others, contends that the "pyramid of ratios" concept is often used incorrectly as a productivity indicator. The criticism of the use of the Dupont system for measuring productivity, is that the main aim is to increase profitability, and therefore profitability is analyzed to show where changes need to take place. The erroneous conclusion drawn is that profitability is an alternative measure to productivity.

At the highest level of management, these measures described above are obviously of use, where overall responsibility for the organization is vested in that manager. For middle and lower levels of management they have questionable application owing to the necessary but inevitable arbitrary nature of how the inputs and associated outputs would be divided up. Value added analysis was developed in an attempt to solve such problems.
The concept of calculating "value added" seeks to assign to various levels in the process of producing and selling of a good or service, a measure of productivity. Hitching and Stone note that it is only comparatively recently that the concept and name of "value added" were introduced into the financial vocabulary. It is computed at different levels; at the level of:

"conversion costs" computed as employee costs plus capital usage costs (depreciation);
"net value added" as these "conversion costs" plus profit, which is made up of taxation, dividends and retained profit;
"gross value added", taking "net value added" and adding financing or capital services costs, such as interest on loan capital.

Strassmann introduces a variation on these basic levels, introducing the concept of "management value added", which he terms "Return on Management". He defines "management value added" as that which remains after any contribution to the firm's inputs gets paid. If management value added is greater than management costs, he argues, it can be said that management outputs exceed management inputs.

As with those levels described above, it is in the treatment of operational costs that determines values. Hitching and Stone discuss whether or not financing and capital services costs should be regarded as being part of the operational costs of the business, since they really relate to its capital structure. They stress that "whichever way you look at it" they are certainly part of value added. The effect of depreciation interest, taxation and dividends, can have serious consequences on the numbers calculated, all of which are well outside the normal influence of the higher levels of management, let alone the middle and lower levels.

The separation of "operational" costs from "management" costs is critical to Strassmann's Return on Management computation. The distinction that he draws is clear; "operational" costs are everything that is essential for getting today's goods and services produced and delivered to today's customers. In that he is seeking to isolate information, exclusively as a means of the
his empirical studies conducted into managerial effectiveness in the hospitality industry acknowledges Mintzberg's work:

"The work of Mintzberg has been particularly influential in attempting to answer the question of what managers actually do. To facilitate a systematic study of managerial behaviour Mintzberg introduced the concept of managerial roles. He suggested managerial behaviour could be described in terms of 10 managerial roles concerned with interpersonal relationships, information transfer or decision-making. The role composition of any job will be contingent on environmental, job, position and situational variables. Amongst the recommendations Mintzberg (1973) makes for more effective management is that of 'emphasizing the role that fits the situation'.

In recent years, Mintzberg's findings have been subject to some criticism. Dann comments that this has been leveled more at the methodology of the study than on the validity of the resulting theory on managerial roles. Two features of the study on which some reservations have been voiced are the smallness of the sample and the use of observation. Observation, Dann contends may well be inappropriate as "managerial functions have consistently proved themselves resistant to observation". It is, therefore useful in the light of such critiques, to consider why Mintzberg has featured as the basis for such empirical studies into managerial effectiveness in the hotel industry. Stewart (1985) identifies the "pattern of the day" as of great influence to the manager and the inability in reality to control many events. Stewart concentrated in the 1980s on an approach that took account of demands, constraints and choices facing managers. She cites her own earlier work and that of Carlson in recording through the use of a diary methodology the work of managers. Mintzberg's study using observation and a small sample of five Chief Executive Officers followed in the late 1960's which he reported on in the early 1970s. Subsequent research work, whilst criticizing his research design, has supported his contention that studying managers in the traditional functional approach lacks realism (Kreitner 1995:15):

"Those who agree with Mintzberg believe that the functional approach portrays the management process as far more systematic and rational and less complex than it really is."

The nature of the hotel environment would tend to lend some support to the contention that each day brings unplanned and unexpected occurrences that
need immediate handling. Shamir (1978) describes the “unpredictability” of the service environment in a hotel and the ability of the competent General Manager to switch between roles.

Indeed, empirical studies of effective managers have shown that they are able to move back and forth amongst work roles, compatible with the organizational climate. Nadler, Hackman and Lawler (1979:278) conclude that clarity of role is critical to effective management. Clarity of role comes from the managers themselves, who either have or have not a clear idea of what they are supposed to do, and from their superiors, who are or are not clear as to what they expect from their subordinates.

"An important task for higher managers is to review the jobs of their subordinate managers and, when possible, to restructure them so that lower level managers are provided greater influence over the organizational policies and practices that affect the effectiveness of their work units."

Handy (1976:56) emphasizes the consequences for managerial effectiveness if role ambiguity is present. He likens this to a form of paralysis and inertia that is harmful to the organization's overall effectiveness.

"Role ambiguity results when there is some uncertainty in the minds, either in the focal person or of the members of his role set, as to precisely what his role is at any given time. One of the crucial expectations that shape the role definition is that of the individual, the focal person himself. If his conception of his role is unclear, or if his conception of his role differs from that of the others in his role set, there will be a degree of role ambiguity."

Functional structures are most commonly created by Western companies to clarify job responsibilities and thus avoid role ambiguities. A functional structure within an organization brings both advantages and disadvantages. Robbins (1988:246) comments,

"The strength of the functional structure lies in the advantages that accrue from specialization. The obvious weakness of the functional structure, is that the best interests of the organization are frequently lost sight of in the pursuit of functional goals."
Functional specialists have a clearly defined job to do in an organization. Examples are purchasing, personnel and accounting specialisms, which cause problems in organizations, as functional authority complements line or staff authority. The problems caused are due to those finding themselves under the influence of functional authority having two bosses, one using functional authority and the other line authority. The functional specialists, whilst carrying out the main purpose for which they are employed, buying materials (purchasing), hiring people (personnel), "bean counting" (accounting), have other roles to play, if according to the behavioural theorists, they are to be effective in achieving the organization's objectives.

Mintzberg's roles concerned with interpersonal, informational and decision-making activities might well be useful in operationalising the duties of functional specialists. It is proposed, therefore to adopt Mintzberg's three managerial roles as the theoretical basis for this research. Notwithstanding the reservations expressed as to the conduct of the study (observation of a small sample) that underpinned the development of the theory, it has clearly withstood the test of time and has been used as the framework of authentic empirical study on managerial effectiveness in the hotel environment.

An understanding of how the Chinese functional specialist perceives, and actually engages in these interpersonal, informational, and decisional roles, may well provide a measure into the effectiveness of that manager. Productive managers can therefore, be more narrowly defined as those managers who produce effective work towards achieving the goals of the organization by having expectations of involving themselves in activities that could be ascribed to one of these three roles. Therefore, reference is made from this point, to expectations of involvement in informational, interpersonal and decision making roles, rather than to effectiveness or productivity.
3.3. Expectations of Involvement in Informational, Interpersonal and Decision Making Roles for the Functional Specialist.

It is evident that there are going to exist a number of constraints in the various functional specialisms, that will influence the extent to which a manager can expect to engage in any one of these roles shown above. In the interpersonal role, the manager is viewed as a figurehead, or symbol of the department, as the hands on leader of specific individuals and groups, and as the liaison with individuals in other departments. In the informational role, the manager collects information that is needed for decision making or action, disseminates information to others, and serves as a spokesperson to individuals outside of the department. In the decisional role, the manager makes or contributes to decisions that affect not just the department, but the organization and what happens within it. Clearly, the way that the functional specialist is perceived by peers and superiors is critical.

A main constraint will be the everyday tasks that the functional specialist will be expected to perform, as a result of the historical influences that have shaped their role in business generally, and in the particular industry in which the functional specialist works. In many job descriptions these will be listed under the heading of primary responsibilities. For the functional specialism of purchasing, these may be the processing of purchase orders, or for personnel the maintaining of employees' records, or for finance the production of regular reports. For some of these specialisms, interpersonal relationships may be a primary responsibility, for example a personnel manager's requirement to talk to line heads of department about staff appraisals. This situation might compare with the primary responsibility of the financial manager to be occupied with an informational role (producing reports).

Involvement in roles that are not laid down in a list of primary responsibilities will depend on the superior's expectations of that functional specialist, and the peer reaction to the specialist becoming involved in activities that are not primary responsibilities of that specialist. For example, a purchasing manager giving advice on handling procedures of an expensive commodity to a line
manager, may encounter either a positive or negative reaction to this involvement. The supervisor's expectations and the peer reactions can be expected to be conditioned by the organizational structure and climate that prevails. In addition, the perception that the specialist holds, as to the role that is expected, will play a critical part.

3.3.1. Functional Specialists and the Evolution in Management Practice.

Koontz (1980) comments that the amount of conflicting management theories and approaches have created a great deal of confusion, creating a jungle of contradictions. Textbooks during this decade on the subject of management have in many cases managed to put an evolutionary perspective to these approaches. Holt (1990) amongst others, details this evolution of the theories and approaches to management practice since the turn of the century. He describes the progression from the classical theorists, where functional perspectives originated, through the period of behavioural and quantitative approaches, to the present concentration on worker empowerment.

The industrial revolution gave rise to the classical approach and concern on the well-being of the worker to this industrialization of society, invoked the behavioural approach. The move towards an information society gave the impetus to quantitative approaches, the catalyst being the rapid development in the 1980s of "user friendly" computer technology. This "IT Revolution" as it is popularly termed, has shaped the character of management information systems (MIS).

Holt (1990:54) is careful to differentiate between using computers and having a management information system.

"MIS are integrated networks of information that support management decision making. Usually the information is computerized, but an MIS also includes the human aspect of integrating information throughout a firm. MIS is a natural extension of systems theory, in which the interrelated components of organizations must be orchestrated. It includes the vertical integration of management functions from top-level executives to first-line supervisors, as well as the horizontal integration of activities among functional areas such as production, marketing, personnel and finance. One of the main roles of MIS is to recognize
information as a resource and then use that resource effectively to better achieve organizational objectives."

Information technology therefore, does not itself contribute to increases in productivity. Bowen (1986) concurs and cites evidence that suggests in respect of "white-collar" workers and the investment made by U.S firms in computer technology, that no greater productivity has occurred in the 1980s than was evident in the 1960s. Davenport (1993) cites studies that used U.S. government productivity data, in coming to the same conclusion. It would seem, therefore, that IT "opens doors" to more effective work practices; that is, helping to change the way that work is done. The link between IT and productivity is effected through IT causing changes to occur in business processes. IT has, therefore the capacity to deliver information. Functional specialists, especially those whose primary responsibilities lie in the informational area, such as finance, might seem to have been offered the opportunity to be released from mundane and repetitive tasks to expand their activities into the interpersonal and decisional roles. However, as the Economist (1994) comments, changes to the organization structure and culture would seem to be pre-requisites to such activity actually taking place, as age old traditions in certain established industries would need to be overturned, especially in Europe. Fast growing economies, such as East Asia, may suggest a different scenario as evidenced by Martinsons (1994:9):

"Hong Kong is an information-intensive marketplace, especially with respect to financial services. As global competition increases and local living standards improve, people in the territory have come to expect progressively faster and higher quality service. In order to survive, many Hong Kong firms have used BPR [Business Process Re-engineering] to upgrade their internal operations."

The IT "revolution" has, therefore resulted in some radical re-thinking in the way that work is done. An addition to Quality Circles (QC), Activity Based Costing (ABC), Just-In-Time scheduling (JIT) and Total-Quality Management (TQM) has been Business Process Redesign, Improvement or Re-engineering (BPR). Not surprisingly, given the wave of such three letter acronyms in the area of management thinking in the last decade, an initial element of scepticism on the approach has gradually given way to an acceptance of the fundamental truths that the thinking contains. An impressive
list of major corporations is listed by Davenport as having involved themselves in research around BPR in the late 1980s and early 1990s.

Undoubtedly, the traditional structures built around the functional specialists are under "threat". The Economist (1994:63) explains:

"In essence, BPR argues that to remain competitive, companies should forget about the old practice of dividing themselves into bureaucratic empires, focused on discrete tasks, such as sales, marketing and accounts, and instead organize around continuous business processes, aimed at getting the product to the customer. This normally involves bypassing middle managers and devolving responsibility to multi-disciplinary teams of shop-floor workers."

It is evident that middle management has to adapt to the changes in business process if it wishes to survive in the long run. Much will depend on the organizational culture and its receptiveness to effecting change in its organization structure. Davenport (1993:104) reports on progress in this respect:

"Most recent shifts in organizational culture have been in the direction of greater empowerment and participation in decision making and more open, less hierarchical communications. The resulting participative cultures, which have a structural side in flatter organizational hierarchies or broader spans of control, have been widely documented to lead to both higher productivity and greater employee satisfaction."

Empowerment is greatly influenced by the nature of the process. Control orientated cultures often are a consequence of processes that are carried out by low level, high-turnover employees who are not particularly committed to their jobs, such as are found generally in the service industries. Customer interaction processes are, however well suited to empowering front-line operatives. Critical to the effectiveness of process management is the necessity for the management to act as a team. Such is the entrenchment of traditional structures, that this aspect alone is seen as one of the challenges to implementation.

Within the hotel sector, it is interesting to note that developments have moved more slowly. Nebel, Rutherford and Schaffer (1994:92) speculate that the hotel industry is not immune to the new business climate, and comment:
"we now introduce a new way of viewing hotel organizations that holds
the promise of overcoming many of the inherent weaknesses of a
functional organization and, at the same time, is more in tune with the
operational imperatives of the hospitality business. Our approach
challenges the principle of division of labor. The fundamental premise
of this reengineering is that hotels currently organized by departments
around tasks should reunify those tasks into coherent business
processes. Furthermore, arranging work into business processes will
dictate what the organization will look like. Thus, to understand how the
hotel of the future might be organized, it is necessary to approach the
task indirectly by first understanding the concept of business processes
and reengineering."

However, no empirical research is cited as evidence that this process has
actually been carried out in hotels. The authors conclude that the principles are
“being experimented with by a number of major hotel companies”. Until such
evidence is forthcoming, the feasibility of reengineering the hotel must remain
as speculation.

In summary, much has been written on the development of management
thinking in respect of the role of the functional specialist. The Economist (1994)
comments that reengineering requires flexible generalists rather than functional
specialists. While no definition of a flexible generalist is suggested, the
concepts of BPR might require a successful middle manager in the 1990s to be
willing to put aside the parochial attitudes that have been prevalent in the past,
and to embrace the business process approach. Some evidence has been
cited of Hong Kong’s initiatives in this respect and its possible application to the
hotel industry.

The extent and influence of IT as a catalyst to this radical rethink has to be
assessed for each functional specialist, dependent on the incumbent’s role
perception, the nature of the business and the organizational climate and
culture. It can be assumed that within the ranks of the particular specialists,
consideration has been given to these issues. Undoubtedly, in an era of such
fundamental change, much role ambiguity exists.
3.4. The Functional Specialist - the Controller.

There has been much research on the roles that Controllers play in business generally. Five areas will be discussed; firstly their primary responsibilities, secondly their traditionally defined roles, thirdly perceptions of the job, fourthly, the impact of IT, and fifthly, the expectations that peers and superiors hold towards the role of Controllers in the light of the evolution in management practice that has been described above.

3.4.1. Primary Responsibilities of the Controller.

It is necessary to distinguish between the functions of Controllers and Treasurers. The major areas of responsibilities of Treasurers and Controllers have been defined by the Financial Executives Institute (FEI). Gotthilf (1978:238)) lists the position descriptions of both Treasurer and Controller and summarizes the differences in their respective functions as follows:

"Treasurer. Responsible for all long-range financial matters and to establish company-wide financial and administrative objectives, policies, programs, and practices which ensure the company of a continuously sound financial structure. As Chief Financial Officer, controls the flow of cash through the organization and maintains the integrity of funds, securities, and other valuable documents.

Controller. Directs the accounting and control functions, reporting the results of operations, providing chronological systems and data processing services."

In this study, it is the role of the controller, as defined above, that is under consideration.

3.4.2. The Roles played by Controllers.

Empirical evidence gathered by Willson and Colford (1990), Heckert and Willson (1963) and Littlefield (1970) and others since the early 1950s, has
resulted in a categorization of the basic functional responsibilities, which
Willson and Colford (1990:19) detail as follows:

“1. Planning. Establish and maintain an integrated plan of operation consistent with the company’s goals and objectives, both short and long term, analyzed and revised as required, communicated to all levels of management, with appropriate systems and procedures installed.

2. Control. Develop and revise standards against which to measure performance and provide guidance and assistance to other members of management in ensuring conformance of actual results to standards.

3. Reporting. Prepare, analyze and interpret financial results for utilization by management in the decision-making process, evaluate the data with reference to company and unit objectives; prepare and file external reports as required to satisfy government regulatory bodies, shareholders, financial institutions, customers, and the general public.

4. Accounting. Design, establish and maintain general and cost accounting systems at all company levels, including corporate, divisional, plant and unit to properly record all financial transactions in the books of accounts and records in accordance with sound accounting principles with adequate internal control.

5. Other Primary Responsibilities. Manage and supervise such functions as federal, state, local, and international taxes, including interface with the taxing authorities and agents; maintain appropriate relationships with internal and external auditors; institute insurance programs, coverage records and provision; develop and maintain systems and procedures; develop record retention programs, supervise assigned treasury functions; institute investor and financial public relations programs; office management; and direct other assigned functions.”

As the authors emphasize, there are many deviations from the basic functions just described, as circumstances warrant. However, of interest to note is that the wording has changed slightly, in respect of the interpersonal and decision-making roles from that of Heckert and Willson. The informational role is practically word for word.

In the above description of the Controller’s primary responsibilities, a very clear indication of the interpersonal and decision-making roles, in addition to the informational, is shown in the control, and reporting functions. In the planning function, the term “communicate” is used. This contrasts with the use of the words “provide guidance and assistance to other members of management” in the control function and “interpret financial results for utilization by
management in the decision-making process" in the reporting function. Although it would be unwise to read too much into particular words and phrases, the expectation of participation in the roles of control and reporting on the part of the controller with fellow managers seems to be clearly identified.

3.4.3. Expectations Held by Controllers as to their Roles.

Willson and Colford (1991) comment on frequent requests to the journal "Financial Executive" from those in the profession, for the clarification of the job of Financial Controller. They conclude that the probable reason for so many requests is a result of the Controller wearing different hats. In summarising people's general expectations of the work that a Controller performs, they suggest that the Controller is thought of simply as the Chief Accountant who supervises and maintains the formal corporate financial records. Hamilton-Harding (1990:86), whilst offering no findings from studies to substantiate his views, concurs with this feeling of confusion as to the exact defined role of the Controller, stating that:

"Of all the main staff functions in any major corporation, that of the comptroller [sic] is subject to the widest diversity of definition and interpretation."

Kotchian (1970) cites studies that identify the different perceptions of the Controller's role held by the organization, the people who work within the organization, and those people outside the organization. By organization is meant the official view of the Controller's main role, as determined by the reporting relationships laid down by the organization structure. Role ambiguities, he maintains, have arisen over these reporting relationships, with the spread of divisionalization after the Second World War.

Role conflict has arisen in respect of the reporting structure of the Controller, that remains a point of controversy and differing opinion to the present day. In brief, the question of whether the Controller should be responsible to the corporate financial executive and work for the General Manager, or whether the Controller should be responsible to the General Manager, working under the laid down policies and methods prescribed by the corporate financial executive, has remained unresolved. Littlefield submits evidence to support
the latter relationship which Sathe (1978) confirms in his study of financial executives taken from the Fortune 500 companies in the USA.

There seems no clearly defined boundaries to the Controller's role in business. The scope of the job is not confined to the basic accounting, reporting and control functions, although these outputs are regarded as universally applicable to Controllers. It seems that Controllers are not averse to expanding their sphere of influence. This could be interpreted as a reluctance on the part of Controllers to regard their role as purely informational.

3.4.4. Information Technology and Roles played by Controllers.

Crescenzi and Kocher (1984) comment on the impact that IT has had on the role within the company of the Financial Controller. They track the development of the Controller from "backroom bean counter" of the 1960s through to the confused era of the 1970s, where MIS generated all the information that was available, without regard to its relevance. They comment that management became data rich and information poor. However they offer no empirical evidence for the impact of IT on the Controller's role.

Evidence of a certain amount of upheaval is found in Willson and Colford (1990) where they identify three approaches to the integration of the IT function into the Controller's role. The key determinant to the approach is the perception of the need for improved information technology by top management. Where the need perceived is small, then the information officer (EDP manager), simply reports to the controller. The second approach is the "hybrid" executive, where the perceived need is greater. The authors pass comment on the unsatisfactory nature of this arrangement, as the IT knowledge of the controller is not sufficiently sophisticated, and the financial knowledge of the Information Officer inadequate. Finally, where the perceived need is very great, the appointment of a Chief Information Officer at a high level has been made.

It is evident that the developments in IT have eased considerably the carrying out of the informational role of the Controller, and in some areas of business have caused organizational dilemmas, which have not affected Controllers uniformly. Top management perception as to the degree of necessity for IT,
would seem to be a critical factor to the extent of re-organization in the Controller's department. The job of Controller seems to contain, irrespective of the influence of IT, inherent role ambiguity.

3. 4. 5. Superior and Peer Expectations of Roles played by Controllers.

The literature reveals a contradictory picture of the expectations of those people who work in the organization to the roles played by Controllers.

Runk and Loretta (1989) as shown in their findings of surveys and consultancies, state that CEOs expect their Controllers to apply their financial expertise and resources to business decision making. Although management still requires a sound control and reporting framework, Controllers should not limit their activities to accumulating, recording and reporting financial information. Sathe (1982) looks beyond the basic function of ensuring the correctness of financial reports, at the further responsibility to help the management team in the decision-making process. He sees incompatibility with the regulatory responsibilities of the Controller with the necessity to satisfy management's needs, creating role ambiguity, with the Controller as either independent of the management or involved with the management.

In commenting that much debate occurs amongst executives as to the proper role of the financial executive in business, Littlefield (1970:115) maintains that:

"A financial executive has two types of responsibilities. One is the traditional responsibility of administering the financial people who are under his jurisdiction. The other is to act as adviser to the operating manager he serves with respect to financial questions. The latter is by far the more important responsibility requiring the greater skill and contributing far more to improved profits if effectively performed."

Pipkin (1989:22) summarizes the company presidents' and CEOs' expectations of Controllers from his researches as follows;

"In fact, just what do company presidents think about the Controller's role? Usually they say something like: look after the assets, ensure good internal control, publish the financials accurately and on time, avoid surprises, and, by all means - be a good team player. It may sound familiar, but it doesn't sound as if the president accepts you as an integral part of the decision-making process."
Contradictory views are held on whether the onus should be on the Controller's peer manager to expect and demand advice, or whether the Controllers should take it upon themselves to give advice. Runk and Loretta (1989:40) acknowledge that:

"many Controllers have not grown beyond their traditional roles to provide essential decision support services."

In their exhaustive check list of managers' expectations of their Controllers, there is however nothing that could evaluate the extent of the decision support role. Hamilton-Harding (1990:90) stresses skills that the Controller of the 90's needs in order to disseminate the flood of information into effective decisions for the future of the firm:

"to cope with (this) flood of information, the Controller will be in the best position to provide leadership in the integration of information into a meaningful tapestry of events."

However, he has not sought to verify from the Controller's peer managers, whether this expanded role would be welcome. Willson and Colford (1991) in their article on the "New Controller" go further to suggest that to accomplish the tasks of controllership effectively, they need to analyze the facts and make appropriate recommendations, which they can do by having peer relationships with all other major functional executives. Whether peers would welcome such involvement is not considered. Pipkin seems to suggest that such overtures from the Controllers have been unwelcome, at least in the 20th century. However, from Sathe's studies (1978) it would appear that managers appreciate the worth of Controllers who perform more than the basic accounting and reporting functions. On interviewing operating executives, the potential value of an outstanding Controller, as opposed to a simply adequate Controller was "guesstimated" at a possible bottom line impact of 5% to 25% of net income. Whilst such observations seem meaningless, the direction is, however, clear.

There is little consistent evidence to conclude that superiors and peers universally expect and welcome the Controller giving as much emphasis to the interpersonal and decision-making roles, as to the informational role.
3.4.6. Conclusion.

Without doubt the main role of the Controller is considered to be informational by Controllers themselves, superiors, and peers. The Controller, inevitably, becomes involved in some interpretation and analysis of this information. However, recent literature and studies would seem to suggest that this activity cannot be represented as an active involvement in interpersonal and decision-making roles. The expectations of managers and peer executives to the greater involvement in the interpersonal and decision-making process appear to be relatively unresearched. It seems there may be role conflict in some Controllers between regulatory and management assistance functions. It appears that IT has clearly influenced the Controller's role, but only to the extent of the reorganization of the Controller's department in getting the information more efficiently to the top management, rather than releasing the Controller to expand their sphere of influence in the organization. It would seem that role ambiguity has been and still is a dilemma for the Controller in relation to the degree of involvement in interpersonal and decision-making roles, notwithstanding the recent approaches to changes of thinking in management practice. Evidently, tradition plays a major part in determining acceptable behaviour that the Controller is expected to demonstrate.

3.5. The Role played by Controllers in Hotels.

It is evident that the particular industry and its traditions and developments has a critical influence on the behaviour of its managers. The hotel industry is no exception. It is necessary to determine whether circumstances exist that would preclude involvement on the part of Controllers, in interpersonal and decision-making roles. A review of the literature will firstly, discuss the organizational characteristics of hotels generally, and international hotels in particular, within which Controllers must do their job. The critical role of the General Manager will be explained. The Controller's main responsibilities will be shown, and studies that have been carried out into hotel Controllers will be examined.

3.5.1. Hotel Operating Environments.
Nebel, Rutherford and Schaffer amongst others (1994: 90) identify the common characteristics and operating challenges of hotels:

"the perishability of their product; the broad scope of the services provided to guests and the wide variety of hotel staff, drawn from many different departments, needed to provide these services; the unpredictability of many of the problems hotels face; the need for quick action to resolve service breakdowns; the intangible nature of many hotel services; the need for service consistency; the fluctuations in occupancy and the consequent fluctuations in hotel activity levels; the fact that most service and customer contact takes place between guests and hourly employees; and the relative inexperience and transience of hotel staff."

Medlik (1980) amongst others discusses the influences that have brought about changes in the ways in which hotels have organized their activities in the last 40 years to cope with these unique operational characteristics. He identifies two major developments that are relevant to this study.

Firstly, hotels have moved to a grouping of functions. In the early 1950s, hotel reception, uniformed service and housekeeping were mostly regarded as separate departments, each directly reporting to the hotel manager. Nowadays, although the nomenclature has reflected the need to enhance the status of individuals, the Rooms Division Manager is responsible for these departments. Similarly, cooks, waiters and barmen, previously independent are now grouped under the Food and Beverage Manager. Together, these two divisions comprise the major operating, revenue-earning departments of the hotel. These positions constitute the "line" functions, and are filled by experienced hotel employees, who according to Mullins (1992) often have worked their way up through a series of junior jobs.

Secondly, there has been a growth of specialists, such as the sales and marketing, purchasing, and personnel specialists, who often have little or no experience in hotel operations. These positions are not ones that belong to the traditions of hotelkeeping and thus often encounter resistance from the "line" positions. Often, any involvement is construed as interference. Financial control was exercised by the owner's themselves, or accountants on their behalf, known as Controllers, whilst the maintenance of the fabric of the
building and the provision of heat, light power and water was left to the Chief Engineer. A Security officer dealt with disturbances. However, as Mullins comments, these “staff” functions are accepted as belonging to the traditions of hotelkeeping, albeit as very much support positions. These functions and their place in the traditions of hotels have important implications for the acceptance in interpersonal and decision-making roles by “staff” people with “line” personnel.

The international hotel business has developed, according to leading hotel industry consultants, Pannell Kerr Forster (1994) as a result of the traveler from Western developed countries desiring in foreign countries facilities that they can enjoy in their home countries. Bell (1990: 59) has found in the regular surveys of frequent international travelers that:

“when matched against price, brand name, personnel recommendation and frequent traveler affiliation, location may still be the most competitive tool a hotel has to offer guests in the 1990s.”

In order to obtain prime locations in the developing world, the international hotel chains have had to resort to strategic alliances. As Hofstede (1991:226), notes:

“More and more, businesses expand by foreign mergers and takeovers. These imply a dramatic importance of intercultural interactions, in which not only national but also organizational cultures are involved.”

Such strategic alliances often mean that many hotels are often owned by companies whose core activities are far removed from hotelkeeping. A hotel operator may be contracted to run the hotel; its management therefore need to be able to operate on two distinct levels which Olsen and Merna (1993:102) note has implications on the running of the hotel:

“The hospitality industry is unique in the fact that it does business on a very local level even though it may claim to be multinational. Thus, it must address two sets of managerial challenges: those that exist from a multinational perspective and those that exist at the local level.”

In the international hotels, in the developing world, positions of responsibility involving guest contact are likely to be filled by expatriate personnel, who are able through their international background, to accommodate the wishes of the
traveler. Those positions, being neither in the main revenue earning departments, nor involving the accidental and sudden guest contact exchanges, are normally filled by local professionals. Jafari and Way (1994: 77) in a study on the multicultural approaches of the top USA lodging chains, identify the sensitivities of the needs of foreign visitors and the type of hotel employee best suited to accommodate them:

"Employees with limited exposure to and familiarity with other cultures and those with no intercultural training are limited to one culture for expressing themselves or understanding what others mean. In contrast, employees with multicultural understanding and broad cultural and language horizons can operate easily within their own culture and can readily cross cultural frontiers."

Thus, the Controller tends to be a local professional, as "front of the house" guest contact is not a requirement of the job. Their expertise as Controllers is vital however, to fulfill one of the major demands that the operating environment presents. Shamir (1978: 291) contends that:

"the high dependence of hotels on their customers, the relative heterogeneity, unpredictability, sensitivity and reactivity of these customers, plus the diversified, personal and immediate nature of the services that have to be provided by hotels, all present hotels with two major demands - a demand for flexibility on the one hand and a demand for a high degree of control and coordination on the other."

3.5.2. The Role of the General Manager.

Despite the grouping of functions and the growth of specialists, the hotel manager's approach is still essentially that of a technician, whose experience is in the "line" In today's modern hotel, the hotel manager, more commonly titled the General Manager, has reporting to him an Assistant Manager, as the deputy, often with the responsibility of overseeing the minor operating revenue-earning departments (swimming pools, health clubs, etc.). There is an array of Department Heads; namely the Rooms Division and Food and Beverage Managers, Sales and Marketing, Human Resource, Financial Controller, Chief Engineer, and Security Officer. (The Purchasing Manager commonly reports to the Financial Controller in the modern hotel)

The way that managerial positions have developed, suggests that conflicts may be expected to be a common occurrence, given the normal difficulties in
business generally between "line" and "staff", the traditions in hotelkeeping, and the backgrounds of the incumbents.

Venison (1983), from the perspective of a hotel general manager, acknowledges that one of the main skills of the hotel manager is to manage these conflicts. He stresses the need for teamwork amongst the Department Heads, if the hotel is to function effectively. He advocates a participative style to hotel general management, but accepts that autocracy is the most observed managerial style in hotels.

Worsfold and Jameson (1991:107) cite research evidence that supports Venison's contention that the management style prevailing in the hospitality industry is essentially autocratic. They suggest that:

"At a time when other organizations are increasingly adopting more participative management styles, the retention of an autocratic management style may exacerbate the problem of recruitment and staff turnover by the industry."

Arnaldo (1981) acknowledges that General Managers occupy a crucial role in the midst of hotel operations, where they are in close contact with employees, guests and top management. Using Mintzberg's (1973) theory of managerial roles, he found that General Manager's perceived leadership as their most important role.

Worsfold (1989a and 1989b) conducted empirical research on leadership and managerial effectiveness of hotel managers also using Mintzberg's theory on managerial roles. He concluded (1989a:153) that a task orientated leadership style would be most effective for the hospitality industry:

"The task orientated leadership style places most emphasis on managing and controlling tasks and less emphasis on the human relations aspect of the job. This conclusion is supported by the work of White (1973) which found that the management style of most hotel managers was perceived as autocratic."

Worsfold (1989a) suggests that the managers in his study might be perceived as benevolent autocrats and in a later study of 31 hotels of a major UK group of hotels, Worsfold (1989b:60) found that effective hotel managers in that company had a personality profile that differed to the personality profile of managers in other industries:
"There is evidence to suggest that hotel managers have a greater need for assertiveness, independence, mental stamina and low levels of anxiety. Furthermore the job appears to favour uninhibited extroverts with a preference for working as part of a team."

Whilst acknowledging that the conclusions above have been arrived at through research in Western countries, it may be possible to draw international parallels. Certainly, if the above were true internationally, this personality profile would hardly fit that of the Chinese, as discussed in the previous chapter. This question of the suitability or otherwise of the indigenous manager to aspire to General Manager status in international business has been debated. Humes (1993:103) comments:

"Multinationals have long varied in the extent to which they have relied upon home country nationals or host country nationals for staffing the senior management posts in their affiliates."

Westwood suggests that the decision to appoint an expatriate or a national to senior management positions depends on whether a perception exists for the appointing authority that cultures and societal systems are becoming similar and converging upon a common form. Where that perception does not exist, the divergence argument would prevail, which contends that there are other forces at work that will keep cultures different.

Watson and Littlejohn (1992:146) defend the geocentric strategy in human resource management development used by international hotel chains:

"Management development focuses on the development of the best people from anywhere in the world for key positions. Attention is paid to the development of international managers who have generalist knowledge on operating within this extremely diverse market. International cultural aspects become a major feature of the organization in order that managers can operate effectively."

Chan (1993) identifies the main function of the General Manager in developing countries, is to act as a bridge between the management company and the owner during operations. Chan reports that often it is the General Manager's expertise and experience that enables the hotel to receive its necessary licenses and permits; expertise that "is relatively difficult to find in developing countries". Pine (1992:20) in his study on technology transfer in the hotel industry in Asia/Pacific concurs:
"International standard hotels are often outside the cultural backgrounds of potential employees in developing countries, and it has been established that the ability to understand and communicate with foreigners is an important staff attribute, if satisfactory levels of service are to be achieved."

The General Manager of the international hotel is a very influential figure. The traditions that are present in the hotel industry, the need for much intercultural interaction, together with the organizational philosophy of the General Manager may have much influence on the Controller's expectations of involvement in managerial roles.

3.5.3. The Responsibilities of the Hotel Controller.

There seems to be nothing in the hotel environment that precludes involvement in interpersonal and decision making roles on behalf of Controllers, in respect of physical barriers. Although the General Manager undoubtedly would have the power to restrict the involvement of the Controller, it would seem unlikely, given the control orientated hotel environment.

The evidence cited of the control culture is not unique to hotels. Davenport observes that control orientated process cultures are most frequently seen in the service industries, and identifies fast-food and lodging as good examples. Firms in these industries look for IT innovations to afford greater control. Hotel operations are not easy to control. Horwath, Toth and Lesure (1978) describe the operating environment in hotels as consisting of small transactions, some for intangibles (a nights sleep), mostly for cash, involving often low-paid, high-turnover, uncommitted staff in unsupervised locations in the hotel, twenty four hours a day on every day of the year. They stress the need for experience in the management, not only a hands-on, no-nonsense approach from the hotel manager, but a Controller who, through a grounding in the accounting department in a hotel, is well able to identify problem areas. As Medlik (1980:30) comments:

"In the long-term an hotel can survive, prosper and meet the aspirations of its owners and employees only through sustained profitability. Its performance cannot be left to chance. Hotel sales costs and profits have to be charted in advance. Objectives, plans and strategies have to be translated into budgets and budgetary control becomes the process to keep the hotel on its course."
Support for Medlik's contentions on the relevance and importance of budgets to hotel executives are forthcoming from Schmidgall and Ninemeier (1989), Rusth (1990), Eder and Umbreit (1990) and Damitio and Schmidgall (1991) as a result of empirical studies, conducted in the USA. Developments in hotel ownership patterns have accentuated the importance of financial controls since the late 1970s. The modern hotel industry in the USA, has taken advantage of the many methods of international expansion and opportunities afforded by the combination of management contract, franchise, joint venture, has allowed corporations with no "in-house" knowledge of hotel operations to own hotels and to engage a professional operator to run them. This has placed ever greater emphasis on financial analyses and budgetary control.

Gray and Liguori (1990:195), themselves hotel Controllers, trace the influence of ownership from the late 1960s when Controllers were auditors, and whose main interpersonal activities consisted of a "policemen" role in the hotel. They and their staff also performed the normal accounting functions of recording transactions, keeping records, preparing, analyzing, and interpreting statements, and providing management with all needed information. In the 1970s, top management - in many cases, absentee management - began changing its priorities for two principal reasons: the growing popularity of electronic computers, and the corporate need to show a profit in the face of the squeeze resulting from equal or lower revenues and higher operating costs. The profit squeeze led to a growing reliance on operating budgets.

The output of information in respect of budgetary control has developed over the decades to a standard form of reporting, which owes much to IT developments in processing accounting information. The modern hotel produces comprehensive operating results against budget approximately every month, normally to a standard industry wide format laid down originally by the American Hotel and Motel Association, and known as the Uniform System of Hotel Accounting (1992). The Controller is the hub of this information system, the outputs of which are distributed to each Department Head for action. Thus, it would seem that this informational role should ideally lead to interpersonal and decision making involvement with superior (General Manager) and peers (Department Heads.) in the hotel.
The authors voice concern expressed by hotel Controllers in the late 1980s, of
the danger of disregarding the basic auditing functions and an overemphasis
on meetings and reports. They contend that becoming a member of the top-
management team adds these new responsibilities to generate reports, but
should not take away the old responsibilities of the hotel's audit.

Fenton, Fowler and Parkinson (1990) trace the historical perspective of the
controlling function to arrive at three objectives of the hotel Controller's job.
These objectives are complete and accurate billing, control and protection, and
management information. In describing the features of the Internal Control
Questionnaire (ICQ), which serves as a checklist for the efficient audit of
operating departments in the hotel, they stress the need for a Controller to be
experienced in the way that financial information flows from the departments to
the Controller's office.

The importance in the administration of the ICQ, and the subsequent follow-up
with recalcitrant departments thus forms one of the main interpersonal roles of
the Controller. Comments that the generating of reports is eroding the audit
function, if substantiated, may lessen the organizational effectiveness of the
Controller in respect of peer relationships.

With reference to Willson and Colford's (1990) list of primary responsibilities,
the responsibilities of hotel Controllers seem narrower. Hotel controllers seem
to concentrate their activities on accounting, control, and reporting. The
literature suggests that the impact of IT has eased the Controller's workload in
the accounting and report preparation functions, but has led to neglect of the
auditing (control) function and an increased emphasis on budgetary control,
evidenced by an increase in management requirements for information on
actual performance against budget.

Tradition would seem to play an important part in defining acceptable
behaviour of Department Heads in hotels. Hotel Controllers may feel inhibited,
depending on the strength of this tradition about their involvement in
interpersonal and decision-making roles. The influence of the General Manager
on the actions of the Controller is great. The value placed on experience
formangers in hotels may be a consequence of the need for a Controller to
have experience in the ways hotels work, before getting involved. A thorough
understanding of the hotel environment would have to be an attribute of such a
Controller, if an expansion of the purely informational role were to be contemplated.

The pattern of hotel ownership in the late 1980s has placed great emphasis on budgetary control techniques. With the developments in IT, the Controller, as the hub of the management information system, seems ideally placed to become involved in interpersonal and decision-making activities. It would seem evident that an effective hotel Controller would be one that could produce accurate and timely reports, interpret and guide the General Manager and Department Heads into appropriate remedial action if necessary to keep "on budget".

Such conclusions have been drawn from a review of the literature. Some empirical evidence has been cited for these views expressed, although it must be recognized that the authors are hotel industry practitioners. An examination of the studies carried out into hotel controllers follows.

3.5.4. Empirical Studies Conducted into Hotel Controllers.

There have been very few studies of hotel Controllers specifically. Those that have been carried out, have concentrated in surveys of what hotel Controllers do. Two studies in the 1980s, by Geller and Schmidgall (1984), and Geller, Ilvento and Schmidgall (1989) surveyed the activities of Controllers in the USA. Tsui (1993) carried out a similar survey into Controllers in Hong Kong. Moore and Stefanelli (1989) surveyed the extent to which hotel Controllers and their superiors and peers believe that Controllers should be involved in representative strategic, accounting and non-financial decisions.

Other related studies were carried out by Damitio (1988) into the value that lodging managers place on managerial accounting skills, and Higgins (1989) into the specific behaviour of lodging house managers, which included on-property Controllers. Budgeting practice in lodging and food service chains by Schmidgall and Ninemeier, Rusth's pilot study into hotel budgeting in a multinational environment, and Damitio and Schmidgall's comparison of hospitality executives', educators' and students' views on the importance of accounting skills, indicate the emphasis of budgeting on the hotel operations. In addition Eder and Umbreit in their study of measures of managerial
effectiveness found that the highest rated tangible measure of managerial effectiveness for the General Manager was budget compliance.

In respect of studies specifically on Controllers, Geller and Schmidgall (1984:16) preface their study “the first profile of hotel controllers”, and unflatteringly, portray a prevailing view, at that time, of the hotel Controller as:

"a necessary evil - to be tolerated only because of the rules, laws, or a mandate from the home office."

The researchers, at the request of the American Hotel and Motel Association (AH&MA) investigated such issues as Controller’s compensation, financial responsibility, level of authority, education and status. Status was not defined. The findings were based on a two page questionnaire which was mailed, not to the Controllers of specific hotels, but to 1,000 members of the International Association of Hospitality Accountants.

The results of the survey were expressed as the percentage of respondents who indicated that they were involved in a given set of activities. In respect of the section dealing with responsibilities, 80% of the respondents reported that they were responsible for accounts receivable and payable, general accounting, payroll, night auditors, and income auditors, 63% for the cashiers, and over 50% for EDP, food controls (beverage controls are not on the list), and purchasing/receiving. Such responsibilities are carried out through the adherence to laid down procedures. The Controller’s job as a supervisor would seem to support the skills of auditing and internal control as of greatest importance.

One of the objectives of the study was an investigation into the status of Controllers which may have given an indication of involvement in other than informational roles. However, only one question asked whether the Controller “belonged” to an executive, a compensation and a planning committee. Geller and Schmidgall (1984:20) report:

“to determine controllers’ role on the management team, we asked those surveyed whether they were members of their properties’ executive, compensation or planning committees. Fully 82% said they belonged to the executive committee, 41% belonged to the planning committee, and 23% said they were members of the compensation committee.”
In a note, however, the researchers admit that by not first asking whether such committees exist in the hotels, the "results should be interpreted with caution." In addition, they could well have said that belonging to a committee is a far cry from involvement, and suggesting that such membership affords some status is a very generous interpretation.

In summary, the study revealed that experience in hotels was a feature in the profiles of the respondents, and that accounting reporting and control were the main areas of concentration. This study showed that all hotel Controllers did basically the same kind of work irrespective of the property.

The researchers of the 1984 study had every intention of repeating the exercise. Geller Ilvento and Schmidgall (1990:91) state in their preamble to the follow-up study in 1989:

"The 1983[sic] study further concluded that the survey should be repeated in subsequent years to measure changes in the profession and in the perception of others regarding controllers......the survey found controllers to be well educated, well paid, and highly regarded members of the top-management teams with which they were involved."

This statement, in respect of the high regard that Controllers are held, seems too generous a conclusion to make from the little evidence gathered in 1983. In spite of declaring the aim of the follow-up study to measure perceptions of others regarding hotel Controllers, no additional questions were set from the previous study. In addition to having admitted to the ambiguity of their question on involvement in committees in the first study, it is indeed curious why the problem was not rectified in the subsequent study. The same sole question remained, with some small alterations. There was nothing to make it easier for the respondent to differentiate between simple membership and active involvement in interpersonal and decision-making roles.

In summary, some 6 years after the first study, the follow-up showed that the picture of the hotel Controller's job had remained unaltered. The main change in responsibilities was the addition of computing. The EDP function was clearly placed under the controller's sphere of influence. Having made allowances for the first study's lack of depth in identifying the status of Controllers, it is strange that attempts were not made in the follow-up to ask such questions to determine the extent of controller involvement in the decision-making process, other than a simple statement of membership of certain committees.
Fortunately, at about the same time (1989), Moore and Stefanelli were turning their attention to this topic. They took as the basis for their study a contention by Sathe (1982) that Controllers, owing to role ambiguity, are torn between their duty to produce financial reports of integrity and to help the management team in the decision making process.

The study attempts to determining the extent of involvement of the Controller. First Moore and Stefanelli (1989:6) define what they meant by "involvement" in their instructions to the respondents:

"the extent that the controller could challenge plans, assume a strong advocacy or adversary posture, or take a significant role in the decision making process."

This contrasts markedly from the "membership of committees" that the previous studies asked about. Peers and superiors were included in the study. Unfortunately the researchers did not list these peer managers by position. They made no reference to Geller and Schmidgall's study, in determining the "list of decisions" that were presented to the respondents for their consideration. Instead they took a list compiled by the Financial Executives Institute, many of which would have been clearly seen to be inappropriate, if they had consulted Geller and Schmidgall's findings.

Moore and Stefanelli's conclusions were that Controllers perceived themselves as somewhat more involved in decision-making then was perceived by superiors and peers. Financial officers see a more involved role, while peers especially are apt to relegate them to complying to regulatory aspects. The perceptions of the peers and those of the superior were not separated in the analysis.

In respect of other studies that touch on the work of Controllers, some evidence of the importance that hotel managers place on the skills possessed by Controllers was shown by Damitio. In his study, using a membership list of the AH&MA, managers were asked to rank the importance of 18 managerial accounting skills to their job of running hotels. The source or factors influencing the choice of 18 was not revealed in the report of the findings. The managers were not asked to rate the importance of the Financial Controller to providing this information. However it is reasonable to assume if these skills are of use,
that their interpretation in respect of decision making issues might be gratefully received. The main finding is reported by Damitio (1988:290) as follows:

"There were significant differences in the perceptions of two of these skills based on years of experience as a manager. the more experience the managers have, the more highly they perceive cash budgeting and capital budgeting to be."

Higgins reports on a 12 month study of the specific behaviour of 1,000 lodging house managers, including on-property Controllers in the USA. The way that the survey was conducted is not shown, but the conclusion drawn is that each management position requires a certain balance of activity for effective performance, and that the hotel Controller is no exception. His findings do not, however, suggest a wish, on behalf of Controllers, for involvement outside of prescribed areas. Higgins (1989:60) comments on the serious approach that Controllers take in their job:

"These highly successful managers fit the stereotypic view we have of accounting types. They demonstrate a capacity and discipline to be particularly focused on their own set of accountabilities. They're not likely to be blindly accommodating or deferential to the requests of peers within the property. They can stick to the basics and apply knowledge to their own set of responsibilities."

Schmidgall and Ninemeier (1989:40) in a study of budgeting practices used by lodging chains led the authors to state that:

"a properly developed and implemented operating budget becomes a significant tool in the organization's strategy to control resources and to achieve financial goals."

Rusth's pilot study questioned whether standardization of complex budgeting systems is effective for the multinational hotel company operating properties in various countries; of interest was a secondary question as to whether the General Manager's attitude about budgeting influences the complexity of the system in use. One multinational was chosen, and a negative and moderate correlation between budget complexity and budget attitude, suggested to Rusth that General Managers recognize the benefits which budgeting provides, but prefer not to use a complex budget system. Unfortunately, the reasons for this attitude were not given by Rusth.

However, confirmation of the General Managers' appreciation of the importance of operating budgets were clearly shown in a study that asked for
the ranking of 15 accounting skills conducted by Damitio and Schmidgall (1991:225):

"The number 1 skill is interpretation of the department operating statement followed by other very control-orientated skills: preparation of budgets (2), internal control (3) and interpretation of the income statement and budgetary control-variance analysis tied for the number 4 position."

Eder and Umbreit composed 23 financial managerial effectiveness measures and surveyed hotel executives (46) and General Managers (27) of the American Hotel and Motel Association. Findings showed that evaluation of General Managers performance focuses on short-term profitability, sales growth but above all compliance with the budget.

These studies have been carried out in the USA. Tsui carried out a study into the activities of Hong Kong hotel Controllers by sending a questionnaire addressed to the Controller of each hotel. She found that the Controller performs the same tasks as that found in the American surveys, but that experience seemed to contribute more to advancement than formal qualifications, to the extent that few had Bachelor degree or equivalent, and none declared membership of CHAE (Certified Hospitality Accountant Executive) or CHA (Certified Hotel Administrator). Tsui (1993:43) noted:

"not many controllers are registered members of the Hong Kong Society of Accountants, the only statutory body which licenses certified public accountants and regulates the accountancy profession in Hong Kong."

These findings on the lack of affiliation to professional bodies, reflects the Controllers' responses to the Geller, Ilvento and Schmidgall's study in the USA where "fewer than 50 percent reported professional certification of any kind."

These studies, although few in number, are consistent with the literature in respect of confirmation that the main duties of hotel Controllers are in accounting, reporting and control. Hong Kong hotel Controllers seem to carry out the same duties as their counterparts in the USA. The emphasis of experience in a hotel Controller is strongly brought out by the surveys.

There seems no evidence that conditions in hotels preclude involvement in the interpersonal and decision-making roles. However, a feature of the studies directly involving Controllers described above, was that respondents were surveyed through questionnaires, that asked in only the most general terms,
usually on a Lickert scale of 1 to 5, to acknowledge a degree of involvement in activities or choices of decisions that were not clearly defined. It is evident that an amount of "talking up" the job would occur. An approach that had perhaps asked for acknowledgment of a specific action of a Controller, which could then have been compared to the response of the superior and peers for the same activity, might have arrived at a more accurate determination of involvement.

The surveys revealed that hotel Controllers are prepared to expand their roles. However, whether the superior and peers welcome this development is unresearched, although Moore and Stefanelli’s study found some divergence in perception between Controllers and their superiors and peers as to the degree that the Controller should get involved. Certainly, General Managers placed operating budgets as the accounting skill of most value; how they felt as to the Controllers expectations of using this skill to expand their roles was unclear.


Baker and Riley argue that the complex and unique operating environment of a hotel demands a new perspective on the subject of productivity measurement - a problem which requires a new and innovative research strategy. Existing methods of productivity measurement, as reviewed in this chapter, are not appropriate for the identification of the extent that culture influences productivity.

Research into the roles of Controllers have been based on the literature and empirical research conducted in Western developed countries. Tsui’s study is an exception. However no research has been conducted as to how the multicultural environment of the international hotel, and the inevitable intercultural interaction amongst managers will affect Controllers. It could be argued that a participative style of management should encourage the Controller in a hotel to have the support and confidence to build relationships with peers and supervisors. However, it seems that, at best, a General Manager’s benevolent autocracy is the management style under which the international hotel Controller operates.
A review of the studies into hotel Controllers has shown that respondents have been asked to indicate their involvement in general rather than specific work activities. In order to gather data on the hotel Controller's involvement in interpersonal and decision-making roles, it is necessary to examine a specific activity of importance that concerns the Controller and the General Manager. There is some evidence to suggest that, in the control environment of the hotel, the budgetary control process may be one such activity. An indication of such participation in the specific activity of budgetary control procedures might be a consultative approach to the formulation of the operating budgets. Similarly, the production of departmental performance statements might suggest at the very least an interpretive role, together with the expectations from peers that there would be the offering of solutions to problems of below budget performance. The organizational climate and the cultural norms of the participants could be expected to be critical to the conduct of the exercise. The impact of IT in easing the report preparation process and the effects of business process re-design in management thinking should, in theory, work to the benefit of a Controller who wished to get more involved.

It seems from the Western orientated research base, that the Controller is expected to produce operating budgets and then monitor progress against the budget by the preparation and distribution of reports within the hotel. It seems bto be an output that is expected of all hotel Controllers by supervisor and peers alike. There seems some evidence, from Tsui's study, that this output is also expected in Hong Kong hotels, but how important operating budgets are to Controllers and GMs is unclear. Before considerations of research design are undertaken, the importance of the operating budgetary control process in Hong Kong hotels and the Controller's involvement in that process needs to be established.
CHAPTER 4.

OPERATIONALIZATION OF THE RESEARCH QUESTION

This chapter describes three field studies undertaken with the objective of confirming the Operating Budgetary Control Process as relevant for the basis of the investigation into cultural influences on the managerial effectiveness of Chinese hotel Controllers in Hong Kong. After consideration of Mintzberg's research design that underpinned his theory of managerial roles, the methodologies of empirical research conducted into cultural studies and those involving Controllers are analyzed in order to point the way towards the most appropriate research design for this study.

4.1. The Area under Research.

This study is concerned with the extent that culture influences the productivity of Chinese hotel Controllers. From the literature review in chapter 2, it seems that a Chinese hotel Controller's cultural values may influence their beliefs held into expectations into involvement in managerial roles. From chapter 3 it appears that the hotel Controller may well be still a "bean-counter", often lacking formal qualifications and restricted in scope by the traditions of the role, organization climate and the expectations of the General manager [GM].

4.2. Defining the Specific area of Study.

Activities that involve the hotel Controller are diverse. In the few studies conducted on the subject of hotel Controllers, there has been no specific research on eliciting from Controllers themselves that which they regard as their most important activity. However, empirical research on work concerning hotel Controllers, described in chapter 3, has concluded that operating budgets are an important activity. Thus, it was suggested, in chapter 3 that the Operating Budgetary Control Process [OBCP] might be a suitable activity in which to measure a hotel Controller's expectations of involvement in managerial roles. For the most part, such studies have been conducted in the USA. Involvement of multinationals in hotel operations worldwide has meant an increasing emphasis on financial controls and the systems that
administer those controls. Rusth has investigated those budgetary systems practiced
by multinational hotel corporations. Whilst findings from a pilot study suggest that
managers prefer not to use a complex system, he acknowledges that budgeting even
in a simplistic mode is commonplace.

In the literature, the OBCP for hotels is clearly explained. Ninemeier and Schmidgall
and others outline the procedures detailed in the Uniform System of Hotel
Accounting, which for 60 years has been the basis upon which American hotels have
produced operating budgets and reported results internally within the organization.
Whilst the influence of the multinationals is clearly observed in Hong Kong hotels,
there has been no empirical research evidence to suggest that such systems are
commonplace. It is after all not compulsory for an organization to produce operating
budgets and they are essentially Western management control devices. Indeed, in
the West their effectiveness has often been questioned. Preston (1991) articulates
the view that budgets may impede creative processes within organizations and in
high environmental uncertainty the efficacy of using traditional budgeting techniques
may be of doubtful worth. In addition, should an organization produce operating
budgets there is no compulsion to follow procedures that are practiced by others in
the same industry or written in the literature on budgeting procedures (Lere 1991),
(Glautier and Underdown). Thus it is conceivable that organizations in the East have
not developed budgetary control processes along Western lines. Therefore, before
settling on the OBCP as the specific area of study it is necessary to establish the
degree of its use in Hong Kong hotels at the time of the study.

There is some evidence in the empirical research done by Tsui to support the
contention that an OBCP is practiced in hotels in Hong Kong. Tsui's study, replicated
the list of activities supplied by the Financial Executives Institute used earlier by
Moore and Stefanelli. Item 43 "Setting up budget procedures", and item 44,
"Approving operating budget" were the only activities out of a list of 46, that alluded to
budgets. However, in Tsui's study all respondents indicated on the scale provided a
"great deal of involvement" in these two items. Even were the Controller to be
involved in the operating budgets, it would also be necessary to identify the level of
importance put on the activity by management in Hong Kong hotels. It may be that
"lip service" of the process is the attitude prevailing. This is an important issue as
Mostyn (1985) and others stress the absolute necessity that the event under consideration is significant to the participants to a study.

For the OBCP in Hong Kong hotels to be deemed a suitable area of activity for this study, it needs to be capable of being clearly defined so that it is able to be measured, (Heap), an homogenous activity in all hotels and be perceived to be important by the participants to the study (Controllers and GMs).

Thus it would seem necessary to conduct empirical research to establish that the OBCP is a suitable activity as the focus of this study. However, asking direct questions on financial matters may be problematical in East Asia. Ng (1991) remarks on the sensitivity of asking questions in this area to Chinese organizations. Silen and Redding and Casey have concluded that there is a marked level in secrecy in many Southeast Asian organizations. Information they contend, is not made public as in the West, a view supported by Westwood and Chan (1992: 138).

"Leaders tend to be rather secretive, especially in relation to some areas of information on business activity. There will not be wide sharing of information."

Additionally, in discussions with hotel executives and others in Hong Kong, it is very evident that the desire to please the foreigner is a very important factor in social intercourse. This behaviour may pose problems in gaining objective answers to questions.

In the context of this study, assuming that permission had been given to discuss such "financial matters", to enquire of GMs and Controllers in the "direct question" mode whether the OBCP is important might well elicit a "yes" answer, as the perception might be that this is what you wanted to hear. On the topic of suitable methods of research, Sedlack and Stanley (1992), Frankfort-Nachmias and Nachmias (1992), Kidder and Judd (1986) emphasize the dangers of posing direct questions in matters of sensitivity and thus running the risk of non response and bias in the answers. However, as Payne (1980) points out, if the form of question and the wording in the "indirect question" mode is too confusing, misunderstandings, especially with non native English speakers, can easily occur. In addition, Judd, Smith and Kidder (1991) express concern over ethical issues in the use of the indirect mode of asking respondents' questions.
On the basis of these concerns, consideration was given to a suitable method of determining through empirical research that the OBCP might constitute a suitable activity as the focus of this study.

4.3. Confirming the OBCP as an Important Activity in Hong Kong Hotels.

Clearly it would be necessary to involve a representative number of operational management in Hong Kong hotels. Such operational management could be defined as GMs and Department Heads, of which the Controller is one.

Having reviewed research methods and questioning techniques suitable for eliciting from Controllers, in a non-direct question mode, activities that were considered to be important, the use of the repertory grid technique was suggested. For GMs and Department Heads, it was felt that the method could be more direct as the Controller would be the focus of questions.

Thus two separate studies were envisaged. In the event a third study was undertaken. The opportunity arose to survey junior management of Hong Kong hotels as to their perceptions of the Controller's importance and influence in the hotel. These junior managers were attending a course at the institution in which the researcher works.

Thus three preliminary studies were undertaken, each using a different questioning technique:

- with the Controllers using repertory grids.
- with GMs and Department Heads using conventional interviews.
- with junior hotel management using an administered survey.

A description of each of these studies follows.
4.3.1. The Use of Repertory Grid Technique to Identify Important Activities to the Controller.

Easterby-Smith (1980) comments on the design and interpretation of repertory grid applications in non-clinical situations. Repertory grids are known also as "Kelly's grids" after G.A. Kelly, who is accredited with devising the technique to help clinical psychotherapists. The repertory grid contains "elements" which define the material upon which the grid will be based and "constructs" which are the ways that the subject groups and differentiates between the elements.

Two Controllers were asked, in separate interviews, to identify first the elements and then the constructs of the grid. They then applied the constructs to the elements so that the researcher could examine how the Controllers thought about the elements in relation to each other by producing a cognitive map. An outline of the interview structure with each Controller is shown as Figure 4.3.1(a).

The analysis is shown below Figure 4.3.1 (a) in Tables 4.3.1(a) through 4.3.1(d). showing the elements and construct for each Controller. Comments are made under each table:
Introduce self and explain the nature of the research.
- Emphasize that this is not concerned with obtaining financial data about the hotel nor details about its performance.

Ask permission to tape.

Put subject at ease, ask about background:
- Position in the hotel
- Qualifications
- Work experience (promotion record)

What is the organization structure of the hotel (management team etc.)?

What is the role of the Controller in terms of the management of the hotel?

Anticipate that examples will be grouped into two areas:
- Protecting the assets of the business and financial recording (based on readings).
- Informing management - decision support.

Could you give examples of these activities that you have been involved with in the last month? Going further back, are their important activities that take place every quarter, every year?

Elicit examples of outputs in both areas:
- Aim for approximately five or more of each.

Elicit constructs - how are two of these the same and one is different.
- Aim for ten to twelve constructs.

Construe the elements.
The overall pattern is not very tight. Thinking about these elements may not be well developed; closest match at 79%. Two distinct clusters, not closely related.

EXPENDITURE APPROVALS are not related to these sets very closely. Cluster 1 refers to BUDGETS, TEAM PROJECT MEETINGS and ROOM RATE MEETINGS. Cluster 2 which is not differentiated appear to be more routine things such as INVESTIGATIONS AND INSPECTIONS. The monthly P/L sits somewhere between these.
Table 4.3.1(b). Constructs for Controller A.

Element cluster 1 is largely about PLANNING AND TEAMS (note the 1’s in the bottom left corner of the matrix). Cluster 2 is about INFLOWS OF MONEY and INFORMATION FOR THE CONTROLLER. MEASURING DEPARTMENT HEADS and LONG-TERM PLANNING is not really related to these broad constructs (15%). This is essentially a social/doing pattern, possibly less concerned with long term performance or strategy.
Not well differentiated. A tight but distant mental pattern. Cluster 1 is elements 9, 6 and 8, to do with CHAIRING THE MONTHLY P&L MEETING, COMMUNICATIONS WITH THE GM and PROPOSALS FOR MORE EFFICIENT PERFORMANCE. These are instrumental, task oriented. The INTERNAL BUDGET MEETINGS and MONTHLY P&L are next. Essentially this is a time/frequency pattern; the ANNUAL STAFF HEAD COUNT/BONUS MEETING is more or less unrelated to the rest.
Table 4.3.1(d). Constructs for Controller B.

The monthly meetings are concerned with SETTING UP PROCESSES and STANDARDS and FINANCIAL IMPACT. This is related to MONITORING CORRECTIVE ACTION and ATTEMPTING TO INFLUENCE STAFF. EXTERNAL INFLUENCE and NOT TAKE PLACE FREQUENTLY refers to those elements on the left of the matrix. This man is concerned to keep things on track.
In that the grids were constructed with a Regional Controller and his subordinate, the hotel Controller, the results were indicative of the different emphasis that each individual saw as the main focus of their activities. The Regional Controller's(A) constructs were more related to Planning, whilst the hotel Controller (B) was concerned more with an instrumental orientation towards maintaining standards. This is consistent with the control mechanisms of the budgetary system; the hotel Controller is concerned with keeping things on track.

The researcher attempted two more interviews with Controllers that were very unsatisfactory. Both Controllers, in their separate interviews, showed great impatience as the interviews "wore on", to the point where one expressed exasperation and requested the interview to stop. A contributory factor to the inexperiance of the researcher may well have been the poor English of this Controller. The choice of Controller was deliberate, as it was felt that the interview could be cited as a means of getting other Controllers to participate in the main study. As this individual was an influential member of the Hotel Controllers Association, to which all hotel Controllers belong, the researcher began to have concerns that interviews with Controllers during the main study may encounter some resistance.

It must be admitted, that problems arising with the technique can be laid mostly at the door of the lack of competence of the researcher. However, a very important lesson was learnt, namely that the instrument used by a researcher has to be one with which they are comfortable. Some consolation for this failure was found in Easterby-Smith (1985:15) who comments on the social context of elicitation in repertory grid exercises:

"With the exception of introspective grids, all applications of the repertory grid involve one person trying to persuade another to cooperate with his wishes. Clinical psychologists may disregard the power relationship between themselves and their clients, because the client is essentially a captive audience who is there to be helped - and who probably accepts the authority of the psychologist without question. This is patently not the case with managers. Murphy (1978) has found this to be a major problem when using the grid to help internal organizational consultants examine their roles."

From these exercises however, some evidence of the significance of the OBCP for hotel Controllers was confirmed.
4.3.2. Interviews with Executive Committee Hotel Members. [EXCOM]

A number of conventional interviews were conducted with personnel who had been employed at the Executive Committee level in Hong Kong hotels, but at the time of the interview were no longer in those executive positions in Hong Kong. These individuals were known to the researcher through professional connections over the previous years. Several of these people were leaving Hong Kong in mid-year 1994 for positions in hotels on the mainland and therefore this opportunity to obtain their inputs on related issues for this study was taken.

The list of people consisted of three General Managers, and one each of Operations Director, Food and Beverage Manager, Executive Housekeeper, Resident Manager, and Personnel Director. Six of these executives were western European, (including two of the GMs and the remainder local Hong Kong Chinese. No problems were experienced with the interviewing process; however it has to be admitted that the people concerned were known to the researcher as a result of past collaboration during their respective tenures in Hong Kong hotels. This collaboration also was related to the area of interest; budgetary control and department performance reports. The objective of the interviews was threefold:

- firstly, to confirm that the operating Budgetary Control Process was practiced in the hotel(s) in which they had worked in Hong Kong, and if so, to list out chronologically the OBCP procedures as they remember from their period as members of the senior management structure in Hong Kong hotels.

- secondly, to identify in the OBCP specific problems that might necessarily involve the opportunity for interaction between a Controller and a Department Head.

- thirdly, to gain experience in interviewing.

Eight interviews were held. As a result of these, there seems sufficient evidence to maintain that an OBCP is commonplace in Hong Kong hotels. In addition, there seem to be clearly defined procedures or steps. The procedures that were recalled in the OBCP showed great similarity between the interviewees. Therefore, the OBCP procedures can be detailed under 8 steps, as shown in Figure 4.3.2(a).
Figure 4.3.2. (a) The Eight Steps in the OBCP.

**Step 1.**
Sales and Marketing Department produce sales targets for the revenue producing departments, which are approved by the GM.

**Step 2.**
The Department Heads who constitute the Executive Committee in the hotel, [nomenclature is diverse as many hotels now describe, for example, the Rooms Division Manager, as the Executive Assistant Manager, (Rooms)] are charged by the GM to produce their Departmental budgets, using the sales figures supplied. These are then submitted to the Controller.

**Step 3.**
The Controller gathers all the budgets, and produces the overall picture to the level of Gross Operating Profit. The hotel may not strictly follow the format of the American Uniform System of Hotel Accounting but the principle of non allocation of cost centres to revenue producing centres is kept.

**Step 4.**
The operating budget to the level of Gross Operating Profit is passed together with the supporting schedules to the GM for review. These schedules include the revenue producing departments which show the level of Departmental Profit forecast [Rooms, Food and Beverage, Telephone, any Minor Operated Departments, (laundry, swimming pool etc.), Rental and Other Income], and the non-revenue producing Departments in the form of Administrative and General, Advertising and Sales Promotion, Energy, and Property Maintenance. An additional schedule showing the Payroll Related Benefits, (personnel costs) is submitted, which sometimes is allocated to Departments.

**Step 5.**
The GM either accepts or rejects the budget. If rejected, the relevant Department Head modifies the schedule.

**Step 6.**
At the hotel level, once approved, the operating budget is "updated" normally every month for the following three months; for example, in October for the months of November, December and January, and then again in November for the months of December, January and February, and so on.
Step 7.
The Controller produces monthly, (normally every four weeks), the actual performance against the budget for the hotel as a whole and for each schedule, and distributes these to the GM and the Department Heads.

Step 8.
Each Department Head examines the variances and prepares a report for the GM, as to the reasons for the variances and proposes action steps.

In respect of the second objective, the GMs and Department Heads identified several “issues” that might necessarily involve a Controller in interaction with either the GM or a Department Head outside the Controller’s “normal” duties of producing reports at the end of every month. Those illustrations given could be categorized into three, namely disagreements, dealing with ignorance on the part of the Department Head as to procedures, and poor performance against budget. The distribution of these categories by step is shown in Figure 4.3.2. (b).

Figure 4.3.2 (b). Illustrations of Problems in the OBCP by Step.

Step 1.
- GM disagrees with Sales targets.
- Sales department people themselves cannot agree on sales targets.

Step 2.
- Department Head disagrees with the sales target given.
- Department Head does not know how to do the budget.

Step 3.
- Department Heads are late with the figures to the Controller
- Figures from Department Head “do not make sense”.

Step 4 and 5
- GM does not accept the figures and
• Department Heads are not sure what to amend.

Step 6. [similar points as in 1 through 5 above]

Step 7.
• Controller to point out adverse variances?
• Department Heads disagree with the figures produced at month end.
• Department Heads figures are "not ready in time".

Step 8.
• Department Heads have no proposals to make.
• No action taken by Department Heads despite proposed action having been approved.

In summary, hotels in Hong Kong carry out an OBCP, which has a clearly defined number of steps (about 8) involving the GM and Department Heads, one of whom is the Controller. In addition, certain issues arose out of the process that might necessarily give the Controller the opportunity to be involved in problem solving with Department Heads and the GM.

4.3.3. Survey of Junior Department Managers of Hong Kong Hotels.

The objectives of the survey were twofold:

• firstly, to find out the perceptions of junior [non-executive] managers in Hong Kong hotels of what Controllers do, and their perception of the relative importance in the hotel of the Controller to the GM compared to other Department Heads.

• secondly, to gain experience in the use of the "indirect question" mode, in the eliciting of these perceptions, within acceptable ethical limits.
Three groups of 25 mature part-time students with similar educational background to that of Controllers as identified by Tsui, were surveyed separately between the period May and October 1994. These students were practicing professionals in the Hong Kong hotel industry attending a part-time course in the institution where the researcher worked. Each of the three categories of hotels in Hong Kong (High Tariff "A", High Tariff "B" and Medium Tariff) and departments both "line" and "staff", were well represented, as shown in Tables 4.3.3.(a) through (c). At the time of the investigation all were employed at the non-executive level but held junior management or senior management positions.

[Key to the tables: H.T.A. is High Tariff "A"; H.T.B. is High Tariff "B"; Med is Medium Tariff.]

Table 4.3.3.(a). Group A - Junior Managers by Hotel Category and Department.

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Total</th>
<th>Front Office</th>
<th>F/B</th>
<th>Club</th>
<th>Office Mgt</th>
<th>Sales</th>
<th>Accts</th>
<th>Purch</th>
<th>Hsek</th>
</tr>
</thead>
<tbody>
<tr>
<td>H.T.A</td>
<td>16</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>H.T.B</td>
<td>3</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MED</td>
<td>6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>2</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>TOT.</td>
<td>25</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 4.3.3. (b). Group B - Junior Managers by Hotel Category and Department.

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Total</th>
<th>Front Office</th>
<th>F/B</th>
<th>Club</th>
<th>Office Mgt</th>
<th>Sales</th>
<th>Accts</th>
<th>Purch</th>
<th>Hsek</th>
</tr>
</thead>
<tbody>
<tr>
<td>H.T.A</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>H.T.B</td>
<td>10</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MED</td>
<td>5</td>
<td>-</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>TOT.</td>
<td>25</td>
<td>2</td>
<td>10</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 4.3.3.(c). Group C - Junior Managers by Hotel Category and Department.

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Total</th>
<th>Front Office</th>
<th>F/B</th>
<th>Club</th>
<th>Office Mgt</th>
<th>Sales</th>
<th>Accts</th>
<th>Purch</th>
<th>Hsek</th>
</tr>
</thead>
<tbody>
<tr>
<td>H.T.A</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>H.T.B</td>
<td>10</td>
<td>2</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>MED</td>
<td>8</td>
<td>1</td>
<td>5</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>TOT.</td>
<td>25</td>
<td>4</td>
<td>9</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>-</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
Two sets of questions were developed and are shown as Figures 4.3.3.(a) and (b). The first set of six questions were designed to check for awareness of the issues and to identify the importance and the influence of the Controller to the GM without making the Controller the focus of the survey. Hence the separation of these questions from the second set of seven questions where the focus was stated as explicitly on the Controller. The second set of seven questions were developed as a consequence of Damitio and Schmidgall's study into perceptions of the important accounting skills possessed by Controllers.

Figure 4.3.3 (a). First Set of Six Questions put to Survey Participants. (1 to 6)

<table>
<thead>
<tr>
<th>First set of six questions - no focus on the Controller specifically.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Question 1.</strong></td>
</tr>
<tr>
<td>Do you know what an Executive Committee is? (Yes or No)</td>
</tr>
<tr>
<td><strong>Question 2.</strong></td>
</tr>
<tr>
<td>Does your hotel have an Executive Committee? (Yes or No)</td>
</tr>
<tr>
<td><strong>Question 3.</strong></td>
</tr>
<tr>
<td>How many times does your Executive Committee meet altogether each week, do you think?</td>
</tr>
<tr>
<td><strong>Question 4.</strong></td>
</tr>
<tr>
<td>Write down the position held and name of those people you think are on the Executive Committee.</td>
</tr>
<tr>
<td><strong>Question 5.</strong></td>
</tr>
<tr>
<td>How much influence do you think each of the following Department Heads has on the General Manager? (Write either &quot;not much&quot; or &quot;a lot&quot; against each position)</td>
</tr>
<tr>
<td>A Human Resource Director.</td>
</tr>
<tr>
<td>C Rooms Division Manager.</td>
</tr>
<tr>
<td>E Food and Beverage Manager</td>
</tr>
</tbody>
</table>

99
Question 6.
If you were the General Manager of the hotel, which of the following Department Heads would you think would be the most help in running the hotel? (Rank the positions shown below, with a number 1 against the position you feel would be most help.)

A Food and Beverage Manager  B Hotel Controller
C Rooms Division Manager  D Chief Engineer/Head of Maintenance
E Resident Manager  E Human Resource Director

The specific aims of each set of questions in the first group were as follows:

- Questions 1 through 4 to test for the existence of an Executive Committee structure in Hong Kong hotels, awareness of the membership of that committee and whether the Controller is a member of that committee. (This objective was also to check the awareness of the respondents to the issues at hand.)

- Questions 5 and 6, to identify perceptions of the importance of the Controller to the GM, and perceptions of the Controller's relative importance to the GM, compared to other members of the Executive Committee.

Figure 4.3.3. (b). Second Set of Seven Questions put to Survey Participants. (7 to 13).

Second set of seven questions - specific focus on the Controller.

Question 1.
What do you think the Controller does?
(Answer in no more than 50 words)

Question 8.
What do you think the General Manager in your hotel expects the hotel Controller to do?
Question 9.
If you were the General Manager, what would you expect the hotel Controller to do?
(Answer in no more than 50 words).

Question 10.
What do you think that the hotel Controller thinks is expected of him/her by the General Manager?
(Answer in no more than 50 words)

Question 11.
Who do you think that the hotel Controller reports to in your hotel?
(Name the position(s), not the name).

Question 12.
Who do you think hires the hotel Controller in your hotel?
(Name the position(s), not the name).

Question 13.
Who do you think can fire the hotel Controller in your hotel?
(Name the position(s), not the name).

The specific aims of the second set of questions in the second group were as follows:

- Question 7 to identify the respondents' perceptions of what the Controller does, and Questions 8 through 10 to ask the respondents to put themselves in the position of the Controller's and the GM's perceptions of what Controllers do.

- Questions 11 through 13 to identify perceptions of the respondents of the reporting relationships of Controllers to superiors in hotels.
A run through was conducted with two colleagues before administering the first survey. Some adjustments were made to the wording, form of presentation and the seating arrangements of the respondents.

In respect of the conduct of the surveys; the first group was surveyed in May, the second in June and the third in September, in order to effect a crude "split-half" situation as a test of reliability. None of the groups had prior warning of the exercise, neither were the groups connected in any way. Each group was seated in "exam" format, so as to avoid collaboration in the completion of the questionnaire. They were not told at the start of the exercise that the study concerned Controllers, rather that the survey was concerned with the membership and relative influence of each member of the Executive Committee, [known throughout Hong Kong hotels as "EXCOM"] on the GM. The questions were not supplied to the group on paper, rather on the overhead projector, one question after the other being taken in sequence. Respondents were supplied with an answer sheet. The questions were shown sequentially, each with a specific time allowed for the answer to be written down on the answer sheet supplied. After the first set of six questions the answers were collected, then the second set of seven questions followed immediately.

Results of the survey are shown below in Tables 4.3.3.(d) through (p). Commentary is made after each section. Each table shows whether the data are significant at the 5% level using the Chi-squared statistic.

First set of six questions.

Table 4.3.3.(d). Question 1. Awareness of what an EXCOM is?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>15</td>
<td>22</td>
<td>60</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
<td>7</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>Spoilt</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values of No/Spoilt. Significant at 5% level [9.32: 5.991]
Table 4.3.3(e) Question 2. Awareness that Hotel has an EXCOM?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>17</td>
<td>17</td>
<td>18</td>
<td>52</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>Spoilt</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values of No/Spoilt. Not significant at 5% level [0.125: 5.991]

Table 4.3.3(f). Question 3. Awareness of the number of EXCOM Meetings per week?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>18</td>
<td>17</td>
<td>20</td>
<td>55</td>
</tr>
<tr>
<td>Not known/spoilt</td>
<td>7</td>
<td>8</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Not significant at the 5% level [0.953: 5.991]

Table 4.3.3. (g) Question 4. Controller mentioned as a Member of EXCOM?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentioned</td>
<td>18</td>
<td>19</td>
<td>14</td>
<td>51</td>
</tr>
<tr>
<td>Not mentioned. [others but not Controller].</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Spoilt [nobody mentioned]</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values Not mentioned/Spoilt. Not significant at 5% level.
[2.572:5.991]
Table 4.3.3. (h) Question 5. Influence of the Controller on the GM?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A lot</td>
<td>18</td>
<td>16</td>
<td>20</td>
<td>54</td>
</tr>
<tr>
<td>Not much</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Spoilt</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values of Not much/Spoilt. Not significant at 5% level [1.586: 5.991]

Table 4.3.3. (l) Question 6. Ranking of Controller in Influence to GM compared to other Department Heads.

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranked first</td>
<td>9</td>
<td>10</td>
<td>11</td>
<td>30</td>
</tr>
<tr>
<td>Ranked second</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Ranked between third and sixth</td>
<td>7</td>
<td>8</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>Spoilt</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>10</td>
</tr>
</tbody>
</table>

Not significant at 5% level [1.401: 12.592]

The results from the first set of six questions showed that most of the hotels had an Executive Committee, and the Controller was shown as a member by 68% of respondents. The Controller was perceived as having "a lot" of influence on the GM by 72% of the respondents (Question 5). The Controller was placed in first or second place 60% of the time, in the ranking of six Department Heads and their perceived influence on the GM (Question 6).

The general conclusion from the first set of questions was that there is general awareness of the Controller as an important and influential member of Executive Committees in Hong Kong hotels. Question 1 was significant on the Chi-square statistic. This may be due to adjustment to the survey conditions. Questions 2 and 3 on related matters were not statistically significant between groups.
Turning to the second set of seven questions.

Table 4.3.3.(j) Question 7. What do you think the Controller does?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of times budgets and/or control of expenses mentioned</td>
<td>19</td>
<td>17</td>
<td>21</td>
<td>57</td>
</tr>
<tr>
<td>No. of times other matters mentioned</td>
<td>5</td>
<td>6</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Spoilt</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Combined values of Others/Spoilt. Not significant at 5% level</td>
<td>11.753: 5.991</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3.3 (k) Question 8. What do you think the GM expects the Controller to do?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>no. of times &quot;control expenses&quot; mentioned</td>
<td>7</td>
<td>10</td>
<td>13</td>
<td>30</td>
</tr>
<tr>
<td>no of times “produce reports” mentioned</td>
<td>10</td>
<td>8</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td>no of times other matters mentioned</td>
<td>7</td>
<td>4</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Spoilt</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Combined values of Others/Spoilt. Not significant at 5% level</td>
<td>3.060: 9.488</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3.3. (l) Question 9. If you were the GM, what would you expect the Controller to do?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>no. of times &quot;control expenses&quot; mentioned</td>
<td>6</td>
<td>9</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>no of times “produce reports” mentioned</td>
<td>12</td>
<td>9</td>
<td>8</td>
<td>29</td>
</tr>
<tr>
<td>no of times other matters mentioned</td>
<td>7</td>
<td>4</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>Spoilt</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Combined values of Others/Spoilt. Not significant at 5% level</td>
<td>1.937: 9.488</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3.3. (m) Question 10. What do you think the Controller thinks is expected by the GM?
Combined values of Others/Spoilt. Significant at 5% level [10.161: 9.488]

Table 4.3.3. (n) Question 11. Who do you think the Controller reports to in your hotel?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM</td>
<td>6</td>
<td>5</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>Others</td>
<td>17</td>
<td>19</td>
<td>10</td>
<td>46</td>
</tr>
<tr>
<td>Spoilt</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values of Others/Spoilt. Not significant at 5% level [5.39: 5.991]

Table 4.3.3.(o).Question 12. Who do you think hires the Controller in your hotel?

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM</td>
<td>4</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>21</td>
<td>31</td>
</tr>
<tr>
<td>Spoilt</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>50</td>
</tr>
</tbody>
</table>

Combined values of Others/Spoilt. Significant at 5% level [6.890: 2.991]

Table 4.3.3.(p). Question 13. Who do you think can fire the Controller in your hotel?

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM</td>
<td>6</td>
<td>3</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Others</td>
<td>19</td>
<td>21</td>
<td>21</td>
<td>46</td>
</tr>
<tr>
<td>Spoilt</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>75</td>
</tr>
</tbody>
</table>

Combined values of Others/Spoilt. Not significant at 5% level. [1.786: 5.991]

The results from the second set of seven questions revealed the perception held by 76% of the respondents that Controllers work on budgets and/or on controlling expenses (Question 7). In respect of their putting themselves in the in place of Controllers concerning their perceptions of what the GM expects of the Controller, 40% gave the answer "control of expenses", and 33% gave the answer "producing
Placing themselves in the position of the GM, 33% felt they would want the Controller to "control expense", and 39% felt they would want the Controller to produce reports, that is to provide figures (Question 9). 33% were unable to complete question 10 where they were asked to put themselves in the position of the Controller and suggest what the Controller thinks that the GM expects the Controller to do. For those who answered, 35% gave the answer "control of expenses", and 16% gave the answer "production of reports". The results of Questions 11 through 13 on the matter of reporting relationships, and the hiring and firing of Controllers were mixed. Combinations of Owner/GM/Head Office were common in the responses. The GM alone was cited in only 18% of the responses. These answers closely reflected Tsui's findings as to the many different forms of reporting relationships found in Hong Kong hotels. Questions 10 and 12 were statistically significant; an explanation might be difficulties in understanding Question 10 and the many forms of reporting relationships perceived for Question 12.

In summary, hotels in Hong Kong have Executive Committees of which the Controller is a member. This supports Geller, Ilvento and Schmidgall's findings. The Controller is perceived as an influential figure to the GM. The Controller is perceived as involved with budgets and the control of expenses, and the producing of figures. The reporting, hiring and firing of Controllers seems to involve Owners, Head Office personnel, as well as the GM.

The survey concluded that these junior, non-executive managers perceived the Controller as usually an actor in the budgetary process, and someone who exerted some influence on the GM. The methodology used of the "indirect question mode" passed off successfully.

4.4. Opportunity for the Controller's Involvement in Managerial Roles in the Operating Budgetary Control Process. [OBCP]

In respect of the three investigations outlined above, the OBCP would seem to afford the opportunities for a Controller's involvement in informational, interpersonal, and decision making roles as described by Mintzberg. The nature of the OBCP in Hong Kong hotels, as identified through interviews with GMs and Department Heads, would seem to support a case for narrowing down the roles. Mintzberg's theory of
managerial roles identifies 10 specific roles within the categories of informational, interpersonal and decision making. His theory was developed as a result of investigations of the daily activities over a period of time of Chief Executive Officers (CEOs). Clearly, as observed by Pearce and Robinson (1989), the nature of the CEO's daily tasks and those of middle managers in hotels may not bring all 10 roles within the scope of every manager. In respect of a study into the OBCP in hotels, three of these 10 roles would seem sufficient and relevant for the purpose of identifying the involvement expectations held by a Controller. These are for example:

- within the informational group of roles, the dissemination of information, where the GM and the Departmental Heads need historical performance, such as trends of employee remuneration to produce their budgets: [Steps 1, 2 and 6], and to measure their performance against that budget: [Step 7].

- within the interpersonal group of roles, liaison with Department Heads and the GM, which owing to the co-ordination nature of the Controller's task in putting together the budgets, [Steps 1 through 6], and the dissemination of the performance results against the budget, [Steps 6 and 7], would seem to afford a legitimate opportunity for liaison type activities.

- given the problem issues illustrated by the GMs and Department Heads within the decision making group of roles, the disturbance handling situation (in Mintzberg's words), which would arise in the case of a Department's difficulties in preparing their budgets and failure to control its expenses, [all Steps.]

By way of illustration: an example of an involvement opportunity might be in a training role. The Controller, as possibly the only member of the Executive Committee who is comfortable with figures, could offer a training role which spans both dissemination and liaison roles. New incumbents in both the Department Head and GM positions would need briefing sessions from the Controller on the origins and peculiarities of the way that figures are collected and presented in a particular hotel. Thus the Controller may be involved in matters of disagreement and ignorance [disturbance handling].
4.5. The Research Area Narrowed Down.

The OBCP appears to be central to tactical planning and apparently common in style to most Hong Kong hotels. Therefore it would seem a suitable focus for a research study intending to examine the extent to which culture influences the expectations held by the Chinese hotel Controller in their involvement in liaison, dissemination and disturbance handling roles in each of 8 defined steps of the OBCP. Information [data] needs to be gathered on this area, and analyzed, with a view to coming to a conclusion as to the extent that culture influences the productivity of the Chinese hotel Controller [as defined as expectations held by the Chinese hotel Controller into involvement in the OBCP].

4.6. Research Design Considerations.

As in a restaurant, where the diner needs to check their teeth are up to the task, before they order a steak, so in the design of a programme of research, the form of analysis needs to be considered at the same time as the instrument to be used to collect the data. It is useful to look at the instrument and form of analysis [research design] used by Mintzberg and others in studying the work that managers do and those used in the studies of Controllers detailed in chapter 3, and in Chinese cultural studies detailed in chapter 2.

In this discussion, the issues of triangulation, validity and reliability will be considered, with the objective at arriving at the most appropriate research design for this study.

4.6.1. Design of Mintzberg's study of managers at work.

Mintzberg (1973:233) in his study on the activities of five chief executives, which helped form his theory on managerial roles, obtained his data through observation, which was subsequently transcribed, subjected to content analysis, and then categorized:
“Finally, when the research was completed, the data were then recorded... with the aim of producing accurate, tidy and concise categories. It should be noted that the essence of the inductive process is in the successive iterations of the processing of raw field data- recording, tabulating, coding and recoding, analyzing these results- until meaningful conceptualizations appear.”

In rationalizing the use of his instrument for the study of managers at work, he identified seven research methods used in studies in the 1950s and 1960s, which he categorized as:

- secondary sources,
- interviews/questionnaires,
- critical incident/sequence of episodes,
- diary,
- activity sampling, unstructured observation, and
- structured observation (used in his study).

Mintzberg cites Carlson's leading diary study in the 1950's which stimulated considerable follow-up activity by Burns and more importantly Stewart who in the late 1960's studied 160 senior and middle managers for four weeks each. He summarizes these studies as useful tools for the study of managerial work characteristics, but a "useless" one for the study of work content. His study concerned the work done in a typical day by CEOs, and therefore differs from the proposed investigation into a Controller's involvement in the OBCP in three major features:

- firstly, it looks at a higher level of management where the technical content of work is very much subsidiary to the strategic content;

- secondly, it is not looking at involvement in a specific activity that takes place in the organization, but rather the CEO's involvement in the organization generally;

- thirdly, it does not contain a cultural dimension.
In this study the selection of three out of the ten roles reflects the different nature of the manager's work at the level of middle management, and their involvement in a specific activity carried out in a hotel. In his work, Mintzberg was not content to take the word of the manager to tell him what work was carried out in a typical day. Mintzberg, (1973:222) comments on the problems of questionnaires and interviews in eliciting from managers, statements as to what they do or do not do.

“There is ample evidence from studies cited in Appendix A [of Mintzberg's study], that managers are poor estimators of their own activities. Despite their convenience, the interview and questionnaire methods should be recognized as useful only in the study of managers' perceptions of their own jobs.”

The problem of receiving an inflated view of the managerial role held by the manager, if their statements are uncorroborated, is a serious threat to validity. As Mintzberg was unable, owing to the nature of his study to get this corroboration, he settled on a form of structured observation to gather his data, referencing the study through the use of a chronological report. [Appendix 3 of Mintzberg's study]. On the question of reliability, Mintzberg (1973:257)) defends the small sample of 5 executives as follows:

“Evidence from this study and from other work suggests (a) that the one-week periods were representative of each man's work, (b) that these men were, in their work, typical of chief executives of large organizations, and (c) that important basic similarities exist between the types of jobs studied here and those of other managers.”

As Mintzberg pointed to the consistency in the data collected in justifying his judgment as to the representativeness his work, the issue of repetition may be significant in such studies of work content. If this is true, then the occurrence in data collected of this phenomenon, which may be described as "repetitive redundancy", seems to point to the possible reliability of the instrument in such studies. This study on Controllers does not concern actual involvement in the OBCP, but rather expectations and beliefs of roles. It can be said to deal with perceptions and therefore the use of a questionnaire and/or interview designed to reveal repetitious occurrences were they to be found present might be deemed appropriate.
4.6.2. Design of the Studies of Hotel Controllers.

Chapter 3 detailed the few studies conducted into the work performed by hotel Controllers; the studies by Geller and Schmidgall and Geller, Ilvento, and Schmidgall, Moore and Stefanelli and Tsui. All these studies used as an instrument self-administered questionnaires, sent out in the mail.

Geller et al's studies use descriptive statistics and are entitled "profiles". They consist of tables detailing the percentage responses in answer to specific questions. For example, in the 1989 study, under Exhibit 3, which deals with the educational background of Controllers, the percentage responses to the Controllers area of study is listed as follows:

<table>
<thead>
<tr>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting</td>
<td>54.7%</td>
</tr>
<tr>
<td>Hospitality Management</td>
<td>17.4%</td>
</tr>
<tr>
<td>Finance</td>
<td>7.0%</td>
</tr>
<tr>
<td>Others</td>
<td>20.9%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The two studies headed by Geller (1984 and 1989) are related. That of the 1989 study is intended as a follow-up to the 1984 study. However, the problem of the sample of respondents identified in the design of the survey in the 1984 study, was left unchanged in the 1989 survey Geller and Schmidgall (1984:21) write:

"This study represented the first known attempt at a scientific assessment of hotel controllers. Its results are indicative, but they should not be viewed as definitive. The implications drawn from this initial measure are largely the opinions of the authors. Because hotel controllers, who are not members of the IAHA were not included in the sample (and because we estimate that there are two or three times as many hotel accountants as IAHA members), the findings presented here cannot be generalized to the entire universe of hotel controllers. We hope to repeat the study in subsequent years, using the current study as a base to measure changes in the profession over time."

This problem was not eliminated in the subsequent study. Geller Ilvento and Schmidgall (1989:91) write in their introduction to the study:

"The 1989 survey was based on a questionnaire mailed to 750 members of the International Association of Hospitality Accountants (IAHA) that were identified as working in hotel accounting positions."
Moore and Stefanelli's study deals in perceptions of role. They use the format of a five point Likert scale, using a list of activities from the Financial Executives Institute followed by the calculation of means and standard deviations. As in the other studies, they do not focus on a specific activity common to all Controllers. Their study concerns perceptions of the power role of Controllers in hotels and compares those responses from Controllers with those of peers and superiors. The authors test for significant disagreements between Controllers and Superiors, and Controllers and Peers, using the one way ANOVA test statistic. They found significant disagreement in 6 of 46 decisions, at the 5% significance level. However, so broad was the list of activities, that the findings are accompanied by the following caveat by the authors (1989:5):

"The evidence suggests that in the moderately uncertain environment in which hotels operate, controllers, peer managers and superiors find only moderate equivocality in the controller's role. Hypothesis I [There is less agreement about involvement in strategic and non-financial decisions than accounting and assessment decisions], was not strongly supported. Since the questionnaire could not include and weigh all possible strategic, assessment or non-financial decisions, it is difficult to affirm the hypothesis with any degree of certainty although the proposition is intuitively reasonable."

Tsui replicated Moore and Stefanelli's study with the questionnaire and calculated means and standard deviations as measures of dispersion. She did not deal with perceptions of a Controller's involvement. She addressed her questionnaire to all the hotels in Hong Kong, care of the Controller. This approach ensured that the respondents were currently working as Controllers in hotels, in contrast to Geller et al (1984 and 1989), who took the approach of mailing out to association members. This latter approach inevitably would have involved many who were no longer working as hotel Controllers.

In these studies described above, there appears to have been little attention paid to cross-checking the responses of Controllers in order to determine the veracity of those responses, so as to offset the effects of "talking-up" the job. According to Bell (1993) such studies should attempt to gather data from a number of informants and a number of sources so that in the comparison of responses a full and balanced study can result. Tsui (1993:35) comments:
"Another limitation [apart from the poor response rate], is that the questionnaire is intended to distribute (sic) to the hotel controllers only. Thus the results only represent the controller's own perceptions. There is a high risk of subjective personal bias by the respondents because they are the people to be studied. Their recommendations may not be objective enough to reflect the actual situation which is acceptable to all affected parties like their bosses, their subordinates and other peer groups in the organization."

Kidder and Judd indicate on the subject of pertinency, that problems of reliability are bound to occur if respondents are faced in a questionnaire with a series of activities that do not fall within their area of influence. The use of the list of activities supplied by the Financial Executives Institute contains much that is irrelevant. Payne and Bell caution that the use of questionnaires sent out in the mail is problematical, owing to the poor response rate and the lack of opportunity to answer queries on the meaning of questions. In Hong Kong, Pine (1992) in his study of transfer of technology in Hong Kong hotels obtained a response rate of 18% of those multinational corporations approached. After a follow-up by phone, Tsui managed to attain a 31% response rate for her study. In a related issue, according to Zikmund (1984), in the business environment particularly, words that are unclear as to their exact meaning raise issues of validity. Such might seem to be the case where undefined words such as "involvement" and "member of a committee" are to be used as true indicators of a Controller's influence. The self administered questionnaire approach does not assist in clarifying the desired response to such loosely worded questions. In any case, it would seem necessary to ensure that a respondent is working in a hotel in the designated position, and therefore, at least mailing to hotels would seem the sensible thing to do in such surveys.

4.6.3. Designs Used in Cultural Studies.

Chapter 2 discussed in detail the several cultural studies in the work place that have been carried out in the last fifteen years, since Hofstede's study into work values of IBM employees worldwide. In his later work, Hofstede (1991:255) comments on the influence that his 1980 study has had on researchers:

"The state of the art in cross-cultural research suffers from ill-advised replications."

In his conclusion, he says (1991:259)
"My advice to prospective researchers on national and ethnic culture differences is to develop their own survey instruments aimed at the particular kind of people they want to study."

Many cultural studies have used the questionnaire formulated on Likert type scales. Possibly, this phenomenon resulted from Hofstede's instrument used in his 1980 study. Hofstede describes in some detail how the questionnaires on the four indices were constructed. For example for the composition of the "power distance" index (1991:25):

"The three survey questions used for composing the power index were:

1. Answers by non-managerial employees on the question: 'How frequently in your experience, does the following problem occur: employees being afraid to express disagreement with their managers?' (mean score on a 1-5 scale from 'very frequently' to 'very seldom').
2. Subordinates' perception of their boss's actual decision-making style (percentage choosing either the description of an autocratic or of a paternalistic style, out of four possible styles plus a 'none of these' alternative).
3. Subordinates' preference for their boss's decision-making style (percentage preferring an autocratic or a paternalistic style, or, on the contrary, a style based on majority vote, but not a consultative style)."

Similar designs were used for the other indices. Thus in IBM, respondents were asked to respond to a set of prepared statements. Other features of the survey were that the initial analysis of the IBM data was done on the 40 largest subsidiaries. Hofstede (1991) acknowledges that IBM has a strong corporate culture, and that the surveys were held for reasons internal to the corporation, not for studying culture differences.

The surveys were very large indeed. Hofstede used the data from 116,000 employees to investigate the relative positions of forty countries on four value dimensions. The reported results were very complex, as the average positions of all countries were plotted on every pair of these dimensions. Trice and Beyer (1993:338) articulate the concerns expressed on the validity of the research in general and the use of the questionnaire as the instrument, in particular:

"Despite attempts to buttress these results by showing how they correlate with a large number of variables from past research (Hofstede 1980b, pp 326-31), these results have been criticized by various scholars. The use of questionnaires to measure culture has been criticized for two basic reasons:
(1) to the degree that culture is implicit, respondents may not be fully aware of their values and ideologies and thus cannot report them accurately (Schein 1985); (2) the method itself has biasing features - different respondents can have somewhat different understandings of the words employed (despite back translations), cultural tendencies can lead to respondents' either minimizing or exaggerating feelings and positions on numerical scales, and researchers can impose their conceptions on respondents by the questions which are asked and the ways those questions are worded."

These criticisms seem to highlight one of the fundamental concerns of research into culture; that views would not be put explicitly by reasonable people. Culture is evident and important, but if it is abstracted, in the way that Hofstede and studies replicating Hofstede have done, then its importance is going to be overemphasized. Culture is most likely to be only one part of a complex multidimensional problem.

As Hofstede himself admits (1991), there are limits to the usefulness of a questionnaire written for use inside IBM for replications on other populations. The multinational hotel environment of the international hotel, is a very different one from that of IBM; different in the nature of the relationship between the operator [service oriented] and the owner [often manufacturing in orientation], in the ever changing multicultural mix of management, staff and customers, and the overriding influence of the GM on the operating philosophy that dictates how a hotel is run.

In their Chinese Values Survey, Bond and Huang elicited the help of a number of social scientists from Hong Kong and Taiwan to prepare in Chinese a list of at least ten basic values for Chinese people, which have been described in chapter 2. Bond added some more from readings to arrive at the forty items that corresponded with the Rokeach value survey, and administered the survey to students in several countries around the world. Thus the respondents were very different to "IBMers" and very different from the practicing functional specialist managers in service industries that are the subject of this study.

Several other studies on cultural issues using self administered questionnaires, and described in chapter 2 have been carried out in Hong Kong. In respect of studies on worker attitudes, Chau had administered Whitehill and Takezawa's (1968) survey in 1976 to 360 production workers, employed in three manufacturing companies in Hong Kong. Her study was followed by Everett, Stening and McDonald who used
Whitehill and Takezawa's (1981) updated survey instrument on 171 Hong Kong shopfloor workers in three industries, namely electronics, plastics and textiles, administered through managers of 12 firms who were undertaking postgraduate studies. Percentage responses for four alternatives to each of 20 items were calculated together with the median. An illustration of the questionnaire item No. 10 on the role of the company follows (Everett et al. 1987:46):

"I think of my company as:
(1) the central concern in my life and of greater importance than my personal life;
(2) a part of my life at least equal in importance to my personal life;
(3) a place for me to work with management, during work hours, to accomplish mutual goals;
(4) strictly a place to work and entirely separate from my personal life."

They concluded (1987:48) from the above options chosen by their respondents that:

"Overall, the study provided considerable evidence to support the proposition that the emotional bonds between Hong Kong workers and their employers are considerably weaker than those between Japanese workers and the organizations for which they work."

Students and questionnaires seem to be a popular combination and source of respondents. Indeed, in Kirkbride, Tang and Westwood's (1991:371) study into the conflict styles of managers in Hong Kong, described in Chapter 2, the authors illustrate a part of the Thomas-Kilmann Conflict MODE Instrument used in their study:

"...[it] consists of thirty pairs of statements describing different behavioural responses to conflict situation [sic]. Typical items contrast responses such as 'I try to avoid creating unpleasantness for myself' and 'I try to win my position' or 'I try to find a compromise solution' and 'I sometimes sacrifice my own wishes for the wishes of the other person'. Respondents are forced to choose the response most typical of their own behaviour from each pair of statements and the resulting pattern of responses generates individual scores for each of the five conflict orientations. We believe that this model can be used cross-culturally, albeit with due caution, despite its origins in the United States (Van de Vliert at al. 1989)."

Mean scores and modes on five alternative conflict handling preferences were calculated. Separate analyses (including T-tests) were conducted on sub-samples, based on sex, working status, employment sector, and managerial status, in order to identify statistically significant differences between the mean scores for each
style. They suggest that these results reveal a fairly consistent pattern of response across the whole sample (1991:375):

"We feel able to hypothesize, therefore, that traditional Chinese cultural values and cognitive orientations have influenced the Chinese people to preserve overt harmony by avoiding confrontation and to adopt a non-assertive approach to conflict resolution."

It is later in the study that the authors admit to the problems of validity (1991:382):

"... the more obvious limitations of such self-report instruments for the study of conflict preferences. For these reasons, we suggest that further penetration into this area could come from the use of experimental simulations......"

In the hotel industry, Mok and Finley studied job satisfaction and its relationship to demographics and turnover of hotel food-service workers in Hong Kong. They had administered a questionnaire in 1983 to food-service personnel of three first-class hotels, and subsequently compared to records showing leavers in the survey in June of the following year. Least squares analyses of variance were used to compare means of JDI [Job Descriptive Index] component scores for groups categorized by age, marital status, sex, education level, job level, work section, and length of employment.

4. 6. 4. Implications from the Analysis of these Studies. Preliminary Design Considerations.

It may be concluded from the analysis of these studies that the research design most used in both the area of studies of hotel Controllers and cultural studies has been the self administered questionnaire sent out in the mail, offering the respondent a set of prepared statements and requesting the choice of one that best represents their view or attitude. The data has been subject to measures of central tendency, and suitable tests of significance. An exception to these studies was Mintzberg who did not use a self administered questionnaire sent out in the mail, but concerned himself with observing an homogenous group of specialists [CEO’s] as he could find. He did not subject his findings to measures of central tendency; rather he used a qualitative form of analysis.
Few cultural studies seem to involve the practicing manager in a specialist function working in one industry, such as are the subject of this study. Were such a research design as those used in cultural studies to be followed it may be useful, in the preliminary consideration of a suitable research design, to construct a contingency table (2 x 2 matrix), to focus on the variables at issue in the study. Such a contingency table might be shown as in Figure 4.6.4.(a).

Figure 4. 6. 4 (a) Illustration of the Variables at Issue.

Expectations of Controller's [C] involvement.

<table>
<thead>
<tr>
<th>Extent of cultural influence</th>
<th>HIGH</th>
<th>LOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>[C] are productive</td>
<td>[C] are not productive</td>
</tr>
<tr>
<td></td>
<td>owing to cultural</td>
<td>owing to cultural</td>
</tr>
<tr>
<td></td>
<td>influences</td>
<td>influences</td>
</tr>
<tr>
<td>LOW</td>
<td>[C] are productive</td>
<td>[C] are not productive</td>
</tr>
<tr>
<td></td>
<td>owing to non-cultural</td>
<td>owing to non-cultural</td>
</tr>
<tr>
<td></td>
<td>influences</td>
<td>influences</td>
</tr>
</tbody>
</table>

Such a contingency table would need to be drawn up for each of the three forms of managerial roles under investigation, liaison, dissemination, and disturbance handling. Data would need be gathered on each of the 8 Steps of the OBCP, with each of the areas above being the subject of investigation under each Step. Thus it would seem logical to design a questionnaire comprising some 24 questions [eight steps by three areas in each step]. Such a questionnaire might incorporate one or a combination of instruments that have been shown in the critique of research instruments into cultural studies. These are:

- Hofstede’s use of Likert instrument (choice of a position on a scale in response to a prepared statement).
- Everett, Stenning and McDonald’s use of Whitehill and Takezawa’s instrument (choice of one of four prepared statements).
Kirkbride, Tang and Westwood's use of the Thomas-Kilmann conflict MODE instrument (choice of one of a pair of prepared statements).

Serious reservations are held on such research designs. From the point of view of this study, dealing in role expectations and the influence of culture on those expectations, the approach may be deemed inappropriate on the following counts, namely:

- in the area concerning expectations held by managers as to the roles that they perform, it may not be valid to take the uncorroborated word of the managers themselves.

- in the area concerning reasons for the expectations/non expectations held, the use of such prepared statements as shown above may not be valid as true indicators of a person's reasons for holding or not holding expectations of involvement.

- Matters concerning money [budgets] and culture [expectations of Chinese hotel Controllers] are issues involving the sensitivities of individuals, and necessitate a subtlety in approach and design of the study in order to elicit as far as is possible, truthful responses.

- in such statements, the respondent must be capable of differentiating in the language used, the meanings of each prepared statement.

However, were a study based on responses to prepared statements to be conducted, such questions in the form of prepared statements need to be derived from an appropriate use of technique. The interviews with Controllers GMs and Department Heads and the survey with junior hotel management have supplied some possible statements that may be relevant. To demonstrate how these statements might be generated and presented in a questionnaire, the following postulates are posed as an illustration. One area of the study, for example that of asking a Hong Kong Chinese Controller in a hotel where the Department Heads are expatriate, in the Disturbance Handling topic in step 3 refers. Figures 4.6.4(b)
through (d) illustrate each of the instruments mentioned above and how they might be combined.

Figure 4.6.4(b). Illustration of a prepared statement in a scaled response instrument (Likert)

In your hotel would you expect to challenge the Heads of revenue producing departments on the budgets that they produced?

[circle the appropriate comment along the scale.]

[----------|----------------|----------------|----------------|----------------|]
Never  Rarely  Sometimes  Often  Always

Figure 4.6.4(c). Illustration of a prepared set of alternatives (Whitehill and Takezawa).

Which of the following statements best describes the reasons for your answer given above? [in Figure 4.8.4 b.]

(1) As a Chinese Hotel Controller, I feel that I can better reflect the wishes of the owners than expatriate Department Heads.

(2) Irrespective that the Department Heads are expatriate, and I am Chinese, we have worked together for some time in this hotel.

(3) The expatriate Department heads would not welcome a Chinese Controller's interference in their job.

(4) Irrespective of the different cultures, Controllers should not interfere in the Department's business.
It can be seen how the two instruments could be combined. Each of the four alternative reasons, can be seen to determine a cultural or non-cultural influence on the Controller. Answers (1) and (3) are showing "high" cultural influence, and (2) and (4) "low" cultural influence, whilst a "high" expectation on the Controller's part is reflected in (1) and (3), and "low" expectation in (2) and (4). Responses along the scale of involvement, could be matched with the cultural or non-cultural reason. Obviously, responses towards the end of the scale marked, "never" and "rarely", should be matched with the items (3) or (4). Conversely responses marked "often" and "always" can be matched with the items (1) and (2). It might be able to conclude that a relationship exists between the influence of culture and a Controller's expectation to be "highly" involved.

A third approach using Kirkbride, Tang and Westwood's application of sets of paired statements might be illustrated as shown in Figure 4.6.4(d) below.

**Figure 4.6.4(d). Illustration of prepared sets of paired statements (Thomas-Kilmann conflict MODE instrument)**

**Paired statement 1**
It would not occur to me to ever challenge a Department Head's budget. I feel a Controller is better placed to reflect the wishes of the owners in respect of budgets.

**Paired statement 2.**
I would never challenge, as an expatriate Department Head is unlikely to produce a poor budget. I would challenge, as a Chinese Controller is more likely to reflect an accurate picture in a Hong Kong hotel than an expatriate Department Head.

A concern with these approaches is that the respondent is forced down an avenue of predetermined options, of which one or some need be selected. It may be the case that the respondent had other influences which these forms of instrument do
not permit to be expressed. In consideration of the design of the study, therefore, some essential requirements need to be borne in mind, which are shown below:

- the respondent must be “free” to say what they feel on certain issues, [not to be “led” by the researcher],

- the respondent must not be able to establish exactly what it is that the researcher is after, [but the method must be ethical] and

- what the respondent says must be able to be corroborated in some way, to lend that comment more weight; [similar to the witness concept of establishing guilt in a court of law].

4.7. Proposed design criteria

It has been seen in the discussion in the literature that Mintzberg’s study into managerial roles has underpinned empirical studies into the work of General Managers, (Arnaldo), (Worsfold). Certainly, features of Mintzberg’s (1973) research design can be usefully employed in this study. Of particular reference is the attention paid to the problems of the respondent being influenced by the researcher, and the issue of corroboration. By observing the activities of chief executives, Mintzberg did not “lead” his respondents. He was unable to disguise the true nature of his work, therefore, the issue of executives desiring to please was not a problem he could avoid. He did acknowledge this problem, (1973:269)

"Does the presence of a researcher influence the work that the manager does?. There is reason to believe that it does not, although it may influence his style of performing the work."

His attempt at corroboration, was to affect a comparison with other empirical studies; (1973:259)

"Furthermore, most of the conclusions on job roles, as they derive from the analysis of work content, are supported by a number of studies reported in the literature (particularly in that of Sayles, 1964) and by two follow-up studies - one on chief executives of small businesses, and one on middle managers in industry and government."
Mintzberg's basic research design using an instrument that collects data, avoiding interference [observation], and followed by the content analysis of that data, seems worthy of consideration for replication. However, there are two important differences between Mintzberg's work and this study;

- firstly this is a cultural study, and
- secondly the OBCP does not lend itself to an obvious method of corroboration.

The matter of the suitability of interviews, as a valid instrument has been discussed. The use of content analysis in a cultural study and issues of corroboration are discussed below.

4.7.1. The use of Content Analysis as a valid statistical method in cultural studies.

The areas of discourse, content and conversation analysis are related. O'Sullivan et al (1994:92) define these forms of analysis as follows:

"Discourse is a term now widely used in a number of different disciplines and schools of thought, often with different purposes. Most uncontroversially, it is used in linguistics to refer to verbal utterances of greater magnitude than the sentence. Discourse analysis is concerned not only with complex utterances by one speaker, but more frequently with the turn-taking interaction between two or more, and with the linguistic rules and conventions that are taken to be in play and governing such discourses in their given context.

Content analysis is the analysis of frequencies in manifest content of messages using the identification and counting of key units of content as the basis of its method. It stresses the objectivity and repeatability of its methods, and uses the empiricism of its data to define itself in contrast to more interpretive methods of studying content. It is a statistical method .......O'Sullivan et al (1994:62)

Conversation analysis is the search for patterned regularities in the details of conversational behaviour. It forms part of a continuing reaction in the human and social sciences against ill-considered and over-optimistic use of quantitative and statistical method. True to its sociological origins, conversation analysis is interested in verbal interaction primarily as instances of the situated social order. O'Sullivan et al (1994:65)."

Jefferson developed a complex method of transcription, attempting to record objectively each nuance, inflection and non-verbal meaning from conversational
encounters. Notwithstanding the skill level needed to conduct such an exercise, it is doubted how meaningful such an activity would be, given the linguistic background of the local Hong Kong Chinese, who are often fluent neither in English nor Cantonese (the Chinese dialect spoken in Hong Kong). In addition, expatriate GMs and Department Heads use English as their second language and cannot be said to be linguistically perfect. Therefore, inferences from pauses, inflection and non-verbal communication run the risk of being badly misinterpreted.

Judd, Smith and Kidder (1991:293), describe content analysis as:

"similar to the definition of systematic observation of natural behaviour. Both techniques require objectivity of coding categories to ensure reliability, systematic application of these coding systems across a representative sample of material to control observer bias, and consistency in theoretical aims so that the findings can be related to some relevant variable."

Holsti (1969:32) contends in his overview of content analysis research designs, that content analysis is suitable for a research problem that seeks to infer aspects of culture and cultural change:

"Messages are examined for the purpose of answering the questions "who?" and "why?". Who was the author of a given document? What are the meanings, associations, values, motives, or intentions of the communicator that can be inferred from his messages? Whereas the description of text can be classified under semantics or syntactics, this use of content analysis is a problem in pragmatics, the relationship of signs to those who produce them."

However, Holsti (1969:32) goes on to voice his concern over issues of validity, stressing the need for corroboration:

"The problem inherent in this use of content analysis is that the relationship between a person's statements and his motives, personality, intentions, and the like, is at best only vaguely understood. Owing to possible differences in the ways people may express their feelings, intentions and other traits, inferences about the antecedent causes of messages drawn solely from content data cannot be considered self-validating. Thus, however precise our measures of communication content, it is hazardous indeed to assume, without corroborating evidence from independent, non content data, that inferences can be drawn directly from content data."

Therefore, content analysis, providing data collected is in some form corroborated, seems a valid form of analysis in cultural studies.
4. 7. 2. Corroboration of a Controller's Utterances on the Question of Expectations held into Involvement in the OBCP.

In an earlier section of this chapter, in the description of the Steps of the OBCP in hotels, the Controller, the GM and the Department Heads were identified as individuals who, to a greater or lesser extent might be expected to hold expectations of involvement in the process. Therefore, corroboration of any statement made by the Controller could come from the GM and/or the Department Heads. However, in the area of expectations, corroboration by another individual is problematical. Who is to say that an expectation is truthful or not? Probably, the best that can be achieved is to elicit from the subject that expectations are in fact held at all on certain topics, and that these expectations seem, in the light of other independent data gathered, to reflect the true feelings of that individual.

Clearly, for there to exist expectations the event must be held as significant to the respondents. As the Department Head reports exclusively to the GM, it is possible that some Department Heads are indifferent to any expectations of the Controller. However, it is very unlikely, that the GM is totally disinterested on the subject of expectations of their Controller, as responsibility for the hotel's budgets and the performance of the hotel against that budget, lies with the GM. The Controller, although having a reporting relationship outside of the hotel, will hold some kind of reporting relationship with the GM of the hotel. From a detailed review of Tsui's raw data, the following unsolicited comment from a Controller had been written on the questionnaire:

"A Controller must always bear in mind that he/she has custody over the owner's assets, so reporting to the board - as the owner's selected team to run the enterprise - is necessary, as well as reporting to the GM on day-to-day operational matters."

Therefore, it is the GM who is much more likely to hold views on their Controller's involvement, than the Department Heads, and it is from the GM's that some kind of corroboration for the expectations expressed by the Controller is expected.
4.7.3. Proposed Research Design.

Judd, Smith and Kidder remark on the use of analogies in content analysis to explain certain phenomenon. Therefore, to illustrate the design of the research, an analogy to a domestic situation is used below and forms Figure 4.9.3.

Figure 4.7.3. Analogy to Illustrate Proposed Research Design.

Assume that a research study needs to be carried out into the extent of influence of a teenager's friends on the expectations that the teenager holds, on helping around the house on coming home from school. How could the study be carried out?

Obviously, the teenager could be confronted with a direct question, such as: "Do you expect to have to help out around the house when you come home from school? Give reasons for your answer."

The teenager may answer: "No, I do not expect to have to help out, because none of my friends expect to have to help out at home, so why should I?" Alternatively, the teenager who is well brought up and eager to please the interviewer might answer: "Yes", followed by some kind of reason.

Whatever the answer, such an approach is too direct, leaving some doubt as to the genuine nature of the response.

An alternative approach might be to put the following general question: "What do you expect to have to do when you come home from school?", to which the teenager is free to answer as they like. They may mention helping out around the house, but they may not. It may be tempting to lead the teenager, in the case that they do not mention helping out, by asking as a follow-up: "What about helping out around the house?" It is very likely, the response might be: "Oh, yes, I forgot". Again, this approach is "leading", and therefore unsatisfactory.

A way to avoid the leading question, but to probe the teenager's views, is to ask: "What expectations do you think your parents have about you helping out around
the house when you get home from school?" All kinds of responses could be expected, showing that the teenager feels their parents have no expectations, to them having explicitly stated explanations. Reasons for the parents' holding those expectations, in the teenager's opinion, could be elicited, together with the teenager's views of those expectations.

As a form of corroboration of the teenager's thoughts on parental expectation in the matter of helping out, the parents could be asked separately, but directly, as to their expectations of their teenage child. The response might corroborate the lack of expectation in the response of the teenager, and may also match the reason; for example: "Oh, we do not expect them to help out, as their friends are not expected to", or some more general reason; "you know what kids are like today".

Equally likely is an explanation that is far from the one desired: "they are a little behind in their schoolwork, and we want them to study", or "the journey to school is long and stressful, and we want them to relax".

In respect of this study such an approach may open up avenues for a variety of explanations. There is no indication of a restriction being imposed by the researcher as to the answer that can be given [unlike a questionnaire containing prepared statements]. However the scope of the inquiry has been closely defined. In this way the broader context of the event has been revealed. The linkage, that has been sought, has not been communicated to the respondents.

Interest in the significant event is important. The scenario above assumes that the parents feel that they have certain rights to the expectations of their children's behaviour, and that the teenager recognizes that the parents have certain rights of expectation. Hence the reference to the well brought-up child. In the context of this study, the connection in the GM/Controller work relationship is assured, as a reporting relationship between the two exists. This feature is lacking in the Controller/Department Head relationship.

Thus, translating the above analogy to this study the investigation should gather data, showing:
that the Controllers themselves hold expectations or non-expectations of involvement in liaison, dissemination and disturbance handling roles in the OBCP with Department Heads, and the reasons for them holding these expectations or non-expectations,

that the GMs hold expectations or non-expectations of their Controller's involvement in the areas described above, and the reasons for the GMs' holding those expectations or non-expectations of the Controller, and

that the expectations or non-expectations held by the GM of the Controller's involvement are matched or not matched by the Controller's feelings as to the expectations or non-expectations held by the GM of the Controller's involvement, and the reasons for the Controller to hold those feelings.

From the analysis of the above comments, it might be possible to come to some conclusions as to the productivity of the Controller in respect of expectations and the extent that the reasons for these expectations or non-expectations are influenced by culture.

4.8. Definition of the Research Design

Three separate investigative areas present themselves, the data from which would be subjected to content analysis. These three areas are described below.

4.8.1. Controller's Expectations of Involvement in the OBCP.

The objective of this investigation is to elicit from the Controller, whether or not they hold any expectations of involvement in liaison, dissemination and disturbance handling in the 8 Steps of the OBCP and the reasons for holding those expectations.

The need for corroboration, the need for the Controller to be "free" to state an expectation/non-expectation, and not to be aware of the real purpose of the researcher must be borne in mind. It would seem feasible, in order to arrive at as truthful a set of comments as possible, to ask the Controller to identify with reasons,
those in the hotel who the Controller expects to be involved in each of the steps of the OBCP.

Providing always that the Steps were discussed in a consistent and systematic way, not only by one Controller, but also by others, it is possible that a picture of expectations/ non-expectations held by Controllers generally might emerge. The real objectives of the study, as one examining cultural influences on the role expectations of Chinese hotel Controllers would not be revealed. The study might be called “an investigation into operating budget control processes in hotels”, without identifying the real focus of the research.

4.8.2. GM’s expectations of the Controller’s involvement in the OBCP.

The objective of this investigation would be to elicit from the GMs of the same hotel as the Controller their expectations, with reasons, of the Controller’s involvement in liaison, dissemination and disturbance handling in the 8 Steps of the OBCP.

The GM would need to be part of a separate investigation from that of the Controller. From the outset, the focus of the research on expectations of the Controller would be made explicit. A consistent and systematic approach for all GMs, as conducted with the Controllers would need to be achieved.

4.8.3. Controller’s thoughts on the expectations of the GM of the Controller’s involvement.

The objective of this investigation would be to elicit from the Controller, those thoughts that the Controller holds, with reasons, as to expectations of the GM of the Controller in involvement in liaison, dissemination and disturbance handling in the 8 Steps of the OBCP. Care need be taken to ensure that the objective was understood. In this case the objective would be made explicit, and logically, this investigation could follow on from the first investigation [see 4.10.1. above].
4.8. Implications for the instrument to be used.

The choice of instrument needs to arise out of an examination of what is required and necessary to ensure the integrity of the research. Given the three investigative areas described above, it may be possible to approach the GM through a questionnaire. A problem with the use of the questionnaire in these circumstances, other than the normal problems associated with lack of understanding, is the possibility that the busy GM might hand it over to the Controller, or at the very least, coordinate the answers with the Controller. It may be difficult to insist that such an approach should not be considered.

It would seem sensible to obtain an interview with the GM, to ensure consistency of approach between the GM's and the Controllers.

Turning to the investigations concerning the Controller, it would seem necessary, if the covert strategy in the first investigation was to be maintained, that an interview be carried out with the Controller after completion of the first investigation. Alternatively, it may be possible to return for the second investigation at a later date.

4.9. Summary.

As a result of this discussion into the operationalization of the research question, the general area under investigation has been narrowed down. The examination of the extent that culture influences the productivity of Chinese hotel Controllers in Hong Kong has resulted, after some preliminary, investigative fieldwork, into the identification of a clearly defined task conducted by Controllers.

The study therefore, concentrates on the extent that culture influences the expectations held by Chinese Hotel Controllers in involvement in liaison, dissemination and disturbance handling roles in the eight steps of the Operating Budgetary Control Process [OBCP]. The OBCP has been shown, as a result of the
preliminary studies involving some Controllers, GMs, Department Heads and junior management in hotels and a review of the literature, to be considered important by both Controllers and their General Managers. It is expected, therefore that Controllers and General Managers are very likely to hold opinions on this issue of expectations of Controller involvement. Mintzberg's study has been shown to be the basis of some empirical research into managerial roles in the hospitality industry. Using Mintzberg's theory of managerial roles, areas to be investigated are the Controller's expectations of involvement in the OBCP, the Controller's thoughts as to the expectations held by the General Manager of that Controller's involvement, and the General Manager's expectations of their Controller's involvement in the OBCP.

The search for a suitable research design reviewed empirical studies on Controllers specifically and culture generally. This review found the self administered questionnaire seeking responses to a prepared set of statements to be the most prevalent in use. It was postulated that, whilst these could be combined into a form of instrument that was capable of being administered, quantitative methods are inappropriate for eliciting analytically useful responses on sensitive matters.

Hence, this study seeks to use a qualitative tool shaped by questionnaires and by cognitive mapping. Instead of examining a perceptual stance, it is looking at an unfolding process. A form of interview needs to be found that allows freedom of expression for the respondent. It must be ethically acceptable as the real purpose of the cultural aspect of the research will not be disclosed. Corroboration and systematic application are critical criteria for the form of interview chosen. Data must be capable of analysis of it's content in a consistent manner.

A review of the literature on interviewing and pilot testing of the design would be necessary pre-requisites to the fieldwork proper. These considerations are discussed now in chapter 5.
CHAPTER 5.

FIELDWORK.

This chapter considers the form that the interviews should take, drawing on the analysis of the methodologies described in the previous chapter and the literature on sociological research methods. The chapter describes how the participants to the study came to be chosen and how the pilot tests led to the modification of the final interview schedule. Sensitive issues concerning culture and finance, may require the use of research strategies that are able to capture deep feelings and meanings held implicitly by individuals. Webb (1978) comments that an understanding of social behaviour is obtained, without alerting the subject to the nature of an investigation. Ackroyd and Hughes (1992:114) stress the importance of the standardization of stimuli. Questions need to be understood in the same way by all respondents, whatever differences they may have in other aspects, such as education, gender and race.

"Indeed, knowledge of the society and its culture, as well as variations among members of the culture, is essential for a researcher to evaluate how best to go about interviews."

5.1. Profile of the Intended Respondents.

The prospective participants of the study are practicing managers, from a variety of backgrounds. The essential difference is that the Controllers are all ethnic Chinese, born and resident in Hong Kong and that the GMs interviewed would be mixture of expatriates and Hong Kong Chinese. Tsui's (1993:42) study identified that most hotel Controllers did not enter higher education:

"From previous discussions, we know that most of the Controllers are at the age of 35 to 44, when this group of people were at their teenage [sic], the education system of Hong Kong was not as well developed as today's [sic]. Shortages of universities and colleges induced keen competition for studying at higher level of education."

Whilst a comparative study of the educational background of the GMs in Hong Kong is not available, it is understood that they are generally professionals in the hotel
industry of many years standing and have had little opportunity to enter higher education. Both expatriates and local Hong Kong Chinese would be using English, which apart from the British contingent of GMs, would be the second language. It is acknowledged that cultural barriers in addition to the sensitive nature of the subject material may pose difficulties in obtaining valid data.

Potter and Wetherell (1992), mention studies that show that people provided with the same kind of scenario can describe it in quite different ways. Social perceptions and self presentation play a role in the modification of behaviour, depending on the social context and the perceived status of the individuals. The incidence of "impression management" results in the considerations of "face saving" and creating a good impression. Whyte (1982) confirms the desire to please as a main factor, together with ulterior motives and idiosyncratic factors, such as the presence of others in the room, that influence an informant's reporting in the interview situation. Whyte stresses that the best informants are those who are involved in the "significant event" and that the major way to correct such distortions present in the accounts of informants is by comparing that informant's account with another informant or informants.

The preliminary fieldwork of this study has identified the GM and the Controller as key players in the OBCP and that the GM and the Controller's inputs are designed to be as far as possible corroborative one of the other. Consideration of the best method has to take into account, not only the theoretical, but also the practical. Mostyn and Potter and Wetherill (1992:165) review skills that are necessary for the successful elicitation of the truth, and note that:

"interviews that systematically cover a range of topics, yet are open ended enough to allow the respondent to elaborate on their views in a relatively naturalistic conversational exchange is a craft skill that needs developing."

They go on to stress that the adequacy of the schedule has to be assessed by pilot interview and necessary modifications made to both the question wording and the overall organization of the interview, in order to ensure that the interviews are consistent in accurately revealing an unbiased set of responses. Mostyn describes the need for the "funnel" approach; that is the development in the interview from the
general to the specific, which "provides a general focus for respondents as they adjust to the interviewing".

The exercise in eliciting constructs, which was useful in giving data on the way that the budgeting issue is construed, was not able to keep the respondent on the point and was problematical in respect of the researcher's ability to maintain control over both the content and the time frame available. Hence the conduct of the construct approach could not be considered as systematic or consistent.

5.2. The Research Instrument.

Literature on qualitative research methods, Babbie (1983) Berg (1989) and others identifies three types of interview structure; namely the formal (standardized), the informal (unstandardized), and the guided semistructured (semistandardized). Three essential requirements might be considered in respect of the most appropriate method in this study.

- First, there is the objective to identify a Controller's expectations in the OBCP without overtly declaring this as the purpose of the interview. This objective would seem to need an approach that would allow a Controller to direct their comments freely on a topic, and at the same time ensure that they would stay focused on the issues.

- Second, there is the need to avoid the tendency to ask specific questions that are leading. This is more likely to occur where the organization of the interview is too loose. Were this to occur, questions might need asking that would bring the respondent back on track, but might reveal the focus of the research which the researcher wishes to avoid.

- Third, there is the need to avoid any connotation with culture in the preamble and subsequent conduct of the interview.

The semistandardized interview would seem the most preferable option of the three. Berg says that questions used in this style of interview can reflect an awareness
that individuals understand the subject matter in varying ways. Researchers can accomplish an approach that takes into account the respondent's perspective through a series of scheduled questions, scheduled probes and unscheduled probes. This method would seem to fit the context here. However, attention would need to be paid to a systematic and consistent conduct of each interview. Clearly the interview along such lines would need pilot testing amongst the three types of people that would form the sample selection: the Hong Kong Chinese Controller; the expatriate GM, and the local Chinese GM.

Bearing in mind the above requirements, an interview schedule was drawn up. The length of the interview was considered. Experience of the construct exercise with the Controllers had established a period of about one hour and a half. The interviews with the GMs which had been conducted to establish the steps of the OBCP had found a period of about an hour for the GMs as practically feasible, excluding any interruptions. Within this time frame, it would be necessary to develop from the general to the specific, (Mostyn), to confirm that the Controller and the GM were involved in the significant event (Whyte), and to systematically cover a range of topics, (Potter and Wetherill).

Clearly the topics to cover in the study were the problem areas, as identified in the interviews conducted with the GMs and discussed in chapter 4, that might necessarily involve the Controller and the Department Heads in the roles of liaison, dissemination and disturbance handling within each step in the OBCP. In addition for the interview with the Controller, the cycle would have to be repeated for them to comment on their beliefs held as to their GM's expectations of them in the OBCP. For the GM, it would be necessary to go through the cycle only once.

5.3. The Interview Schedule.

Three phases to the interview were considered following guidance from the literature on the conduct of semi-structured (semistandard) interviews and the use of "scheduled probes". Phases 1 and 2 would be common to both Controller and GM. Phase 3 would need to be separated into the three interviews as detailed in chapter 4, sections 4.7.1. through 4.7.3. Phase 1 in respect of the background information, concerns an introduction to focus the respondent as they adjust to the
interview; Phase 2 concerns a confirmation of involvement generally in the significant event; and Phase 3 concerns a systematic “covering” of the topics.

- In Phase 1 an important objective would be an assessment of the competence in English, for respondents whose first language was not English. A general opening statement would be an invitation to the respondent to give a little background. The intention would be not to spend more than five minutes on these introductions and to make a judgment on the level of English comprehension and adjust accordingly. Were the respondent to look blank or request some guidance, then the following scheduled probes might be asked:

  How long have you worked in the hotel?
  Have you always worked in hotels?
  How long [expatriates], or have you always [locals] worked in Hong Kong?

- In Phase 2 the interview would move on to the confirmation of general involvement in the significant event; operating budgetary control. The respondent would be asked how organized [existence of laid down procedures] was the process of preparing the operating budgets and the control of the operating budgets [in the monthly reporting exercise]. The intention would not be to spend more than ten to fifteen minutes in establishing that the respondent was involved generally in the significant event. The plan would be to arrive at the topics after about 20 minutes of such general conversation. Guidance would be given, were the respondent to look blank and need guidance, with the following scheduled probes:

  is there a “paperwork trail” in the hotel for the OBCP?
  is it clear who does what in the preparation? in the control process?
  describe the steps in the preparation of budgets and the control.

- In Phase 3, the main phase of the interview, each step would be taken in turn, 1 through 8. For the Controller’s interview, in the first part that deals with the expectations on people’s involvement for each step, the respondent would be asked the following on the subject of their expectations:
who do you expect to be involved?
how would you expect these people to "interact"? [liaison]
whose job do you expect it is to get the necessary information to those
doing the budgets/responsible for performance? [dissemination]
whose job do you expect it is to deal with any problems in the process?
[disturbance handling]

Guidance would be given, if needed with the following structured probes

Under "who do you expect to be involved"; this concerns which Department
Heads?

Under "how would you expect these people to interact"; informal/ formal
methods; face to face; telephone, memo etc., and reasons for the expected
form of interaction; an expected answer might be for example: "the
Department Head and the Controller will meet informally, because they have
been together a long time in this hotel."

Under "information", each step might need specific illustrations of
"information" peculiar to that step. For example, in step 1, statistics and the
competition; step 2, deadlines format etc. and the reasons for an individual
to be giving that information. For example, "I expect that the Sales Manager
would get the information themselves, because they would not like to involve
other departments.

Under "problems in the process", each step might need specific illustrations
of "problems" peculiar to that step. For example, in step 2, "who do you
expect to get involved if the Department Head does not know how to do the
budgets?", or in step 7, "if the Department Heads disagree with the figures
produced in the monthly results?" The reasons for the involvement of others
[or not as the case may be], are expected; for example, "I expect the
Department Head will turn to colleagues in the section, rather than the
Controller, as they do not want to show ignorance."
It is important that the complete cycle is completed for the Controller's expectations so as not to compromise the remainder of the interview. Thus, the cycle would have been repeated for the Controller's beliefs as to the GM's expectations. Guidance would be given as to the time spent on each step: about 5 minutes for the first part of the interview and quicker for the second part. Total time for the interviews would be approximately an hour.

As for the GM, they would be given the same four areas as the Controller but the emphasis would be on their expectations of the Controller for the whole interview. The question: “who do you expect to be involved”, would be replaced with "do you expect the Controller to be involved?", and it would be stressed to the GM that reasons for the expectation, [or lack of expectation] be given. For example, the GM might not expect the Controller to get involved in the action steps under step 8 to correct poor performance, because he is not a professional in that area.

In addition to strict avoidance of any anticipation of a "cultural " reason, other factors that would need careful attention in the preamble at the start of the interview would be:

- permission for the taping of the conversation,
- the confidentiality of the respondents and their comments,
- an outline of the time frame and
- the three phases comprising the interview.

[In the initial approach to potential respondents, the matter of there being no request for any financial information in the discussion of the OBCP, would have been dealt with.]

On this basis the pilot tests went ahead. Reference the literature cited, changes to the wording and organization were fully expected to have to be made as a result.

5.4. Choosing Controllers and GMs to be Interviewed.

For the study to have integrity, it is necessary to ensure as far as the practical situation allows, of a random selection of respondents.
Before explaining how GMs and Controllers came to be a part of the pilot tests and the study proper, it is necessary to recognize that of the two groups of people, GMs are likely to have more demands on their time than Controllers. Their availability is more likely to be evenly spread over the week, months and year as a whole, than Controllers. For the Controller, the first few days of each month are very busy, owing to the month "closing" [that is the production of the performance figures against budget], and the "year end" which in Hong Kong falls at Chinese New Year [around February, when the year's bonus is paid]. It would be generally more difficult to interview the Controller around these periods, but relatively more simple outside of these periods. For the GM, it would be more or less equally difficult at any time.

For the study, it is necessary to interview both GM and Controller, but not together. The GM is regarded as the more senior of the two, and therefore in the study proper it was planned to interview a hotel's GM first before the hotel's Controller. Apart from protocol, it was felt that with the researcher's profile in the Hotel Controllers Association, with whom a considerable amount of educational development of basic job level courses had been ongoing for some two years, that obtaining an interview with the Controller once the interview had been agreed [or already carried out with the GM], was not going to be problematical. However the most important consideration was the necessity to ensure the randomness of the selection of the Controller, given the impracticality with one researcher to include all Controllers in Hong Kong in the study. By interviewing the GM first, with whom the researcher has little professional contact, the selection of the Controller became automatic, and therefore less likely to be biased.

5.4.1. Choosing of the Controllers and GMs for the Pilot Tests.

In the middle of February 1995, the institution in which the researcher works, hosted a forum for hotel GMs as part of a general educational initiative. The opportunity was taken to ask about half a dozen GMs equally split between Hong Kong Chinese and expatriate GMs whether they would be prepared to give an hour of their time in the near future to do the pilot tests. As these GMs had appeared at the forum it was assumed that they were, at the very least not "anti-institutional". Four of these GMs
were used in the two pilot tests that took place during the month following; two in
the first round, and two in the second round.

During the same period, two hotel Controllers were emigrating, and the opportunity
was taken, before they left Hong Kong at the end of February to carry out the first
pilot test [it was not known at the time, that a subsequent pilot test would be
needed]. The opportunity was taken at the Annual Spring Dinner of the Hotel
Controllers Association in the middle of March, [held to celebrate the "closing" of the
year end hotel accounts], to ask two Controllers to assist in the second pilot tests.

It can be said that the participants to the pilot tests were selected and thus were not
random. However, those participating in the pilot tests were excluded from the study
proper.

5.5. The Pilot Tests - First Round.

Four pilot tests were carried out; two with Hong Kong Chinese hotel Controllers,
one expatriate non British GM, and a local Hong Kong Chinese GM. The interviews
were taken in the order mentioned above. Certain of the experiences from the first
interview were taken to the second in the case of the Controllers. The main points
from the four pilot interviews are shown below in Figures 5.5.(a) through 5.
5.(b).The interviews are reported in their four sections, namely the Preamble, Phase
1 (Background), Phase 2 (Confirmation of the "significant event") and Phase 3
(Covering the topics). A conclusion and implications for the study are shown at the
end of each interview's report.

Figure 5.5.(a). Interview with the First Controller.

Preamble.

In the preamble, there was an initial reticence in front of the tape recorder, which
disappeared after about half an hour. No problems were encountered on
confidentiality; [the Controller had in fact resigned from his position and was
emigrating]. A time frame of one and a half hours was not regarded as a problem.
However some glancing at the watch after one hour was evident. The mention of
the three phases passed without comment.
Phase 1.
Immediate problems were experienced with the invitation to the Controller to give some background: "what was meant by background?" The Controller was comfortable with mentioning the length of time in the hotel and the hotel industry, and had always worked in Hong Kong. His level of English comprehension was fairly good.

Phase 2.
The problems of open ended conversations were made apparent immediately. The Controller went off the point on the question of the organization of the operating budgets, discussing problems of capital expenditure instead. It took some time to return to the issue, which was achieved with the researcher posing a "leading question" on the "paperwork trail". The Controller probably thought that they had answered wrongly as he sought confirmation of his response as being appropriate with the query "is it correct?". This would seem to have arisen as a result of the question on the "paperwork trail" and explains the need for care in interviewing.

Phase 3.
On the question of the steps in the OBCP, much time was taken by repetition of the step, perhaps because of comprehension problems. These were especially difficult with the giving of the examples of problems faced. This phase was the least successful of the three, and became difficult to control. There was much evidence of leading questions by the researcher. In the area of beliefs as to expectations held by the GM, the Controller set off with an answer without waiting for the step by step approach. It was not possible, owing to the time that had elapsed to get back on the track. Thus the interview was closed.

Conclusion and implications.
This interview could not be termed systematic. The use of structured and unstructured probes resulted in leading questions on the aspects of involvement.

Figure 5.5(b). Interview with the Second Controller.
In this case, the English was much poorer, and much the same problems arose as with the first interview, despite more careful introduction to the various steps.

**Phase 1.**
The Controller went chronologically through his life, which took much longer than the expected allocation of time for the introduction. However, this Controller had recently achieved promotion, and therefore may probably have decided to impress. 

[This was the first exposure to the "ego" factor for the researcher.]

**Phase 2 and 3.**
The main concern was in the second phase, where the Controller took the invitation to identify at length "who does what" in preparing the budgets. He used the example of labour cost to demonstrate expected involvement by individuals. It was difficult to see how this could be said to be systematic and able to be compared with interviews by others. It caused problems in the third phase of the interview and was repetitious.

**Conclusion and implications.**
Keeping the interview on track needed the use of the structured probe, which, in reality, could be described as nothing more than a leading question. A lack of a systematic approach was the main problem here.

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**Figure 5.5.(c). Interview with the Expatriate GM.**

**Preamble.**
Immediately on having started the preamble of describing the exercise, the GM [from a Western European country] asked why a set of questions had not been sent out before prior to the interview. He commented that this would have made the scope of the interview clear, and also allow time for some prior investigatory work on the part of the GM. [Note: it was the desire to avoid a prepared response that such a step was not taken.] The tape recorder was a problem. The GM said that they would like to have known in advance that the comments would be taped. This issue was linked with that of confidentiality, which became important when a member of staff [the Controller], was going to be the subject of the interview. The GM also thought that the tape recorder might inhibit people, in respect of asking for clarification of something that was not perhaps clear and thus being exposed to a situation of being seen to be ignorant. He queried whether it was necessary to have it on all the time. The time frame was confirmed as around about an hour; [indeed at
the hour mark, although the interview had been completed, the GM showed no sign of "fidgeting". Mention of the three phases of the interview passed without comment.

Phase 1.
The invitation to talk about the background was met with the question: "whose background, the GM's or the Controller's?" The scheduled probes of length of time in Hong Kong, in the industry and in the hotel went off within the allotted time frame of about five minutes. English comprehension was excellent.

Phase 2.
The GM had some suggestions on wording changes and organizational changes. For "paperwork trail" he suggested "procedures" or "guidelines", the division between the preparation of the budgets [a once a year exercise, apart from the periodic revisions (step 6)]. The regular control processes [once a month], needed to be made clearer.

Phase 3.
The suggestion was made to have some "guidelines" on each step available for the GM to consider and then be given a chance to compose a response. Alternatively these could be sent in advance. This would lessen the uncertainty of what was coming up. Such phrases as "who do you expect to be involved if the Department Head does not know how to do the budgets" were better substituted in the GM's opinion by "not aware of the processes". It was evident that the "harsh" phrase was being replaced by the "softer" phrase. Some words also came in for some comment; what was meant by "disagreement"? in the problem of "who do you expect to be involved if the Department Heads disagree with the figures produced in the monthly results"? Many leading questions were put by the interviewer, but these were in respect of explanatory matters on wording and organization generally. The GM's opinion was that the use of the "theory" words [liaison, dissemination and disturbance handling] should be introduced, but immediately followed by an explanation in simple words. The use of the "theory" in his view, lent more weight to the academic nature of the inquiry and might serve to "calm" down the respondent.

Conclusion and implications.
The result of the interview, whilst not systematic, gave invaluable insight into organization. It was clear that words needed simplifying and that the respondent needed some time to compose an answer in the phase that asks for expectations on the expected involvement in liaison, dissemination, and disturbance handling.
Figure 5.5(d). Interview with the local [Hong Kong Chinese] GM.

Preamble.

In this case, the format did not change from that carried out with the expatriate GM, except for the substitution of the simpler words. However a mention was made at the start that, after the interview the opinion of the GM would be asked as to any improvements that might be made. [This GM was somewhat involved with education, in that he had recently completed an MBA at the institution, and his wife had formerly worked as a lecturer]

Phase 1.

Similar to the interview with the second Controller, the GM went chronologically through his life stressing the "onward and upward" aspects. This was clearly the "ego and status" factor. Timing therefore in this phase was well over the fifteen minutes. Indeed the GM showed signs, in the researcher's mind, of wanting to finish after the introduction. There was no need for the structured probes. The mention of the three phases only elicited the comment of the limited time to carry out the interview. Neither the tape nor confidentiality was seen as a problem.

Phase 2.

In respect of involvement in the significant event, the GM strayed off the point, to discussing the budgeting policy of the group as a whole, and it was difficult to bring the discussion around to the procedures within the hotel. The use of the words suggested by the expatriate GM were seen to be well understood.

Phase 3.

Difficulties were found in the third phase, [the steps], owing to interruptions to the interview which the GM did nothing to prevent. Thus, much repetition of the Steps was made, and the phase was cut short by the interviewer. In the remaining time, (signaled by the GM stating that he could give me a few more minutes only), a constructive comment was made as to why the researcher could not let him have a copy of the notes on the steps and topics, which were being used as the researcher's guidelines?

Conclusion and implications.
This interview could not be said to be systematic. However, support for the idea of guidance notes suggested by the expatriate GM was given by the Hong Kong Chinese GM. The "making of an impression" was a revealing aspect of the interview. There is a need to accept and handle the incidence of interruptions, which cannot be avoided.

5. 5.1. Summary of Findings from the Pilot Tests and Implications for the Research.

The main issue arising from the pilot tests was the lack of a systematic and consistent approach to the main phase, [Phase 3 the "covering" of all the topics]. This problem has resulted, within the allotted time frame, in poor quality data, that would pose problems in transcription and subsequent analysis of its content.

The main cause of the problem can be said to be a combination of the lack of skills on the part of the researcher and the inadequacy of the technique to direct the respondent towards the relevant areas given the specific requirements of not overtly revealing to the Controller and GM the cultural focus of the study. Thus, questions were posed to keep the respondent on track, rather than "drawing out" the respondent's views. These were in reality "leading", in that the respondents' attention was focused on specific parts. It is possible that comments were given that otherwise might not have been made. Similar problems to the self administered questionnaire approach were being raised. Respondents were asked to comment on matters that otherwise might not have aroused any particular feelings one way or the other.

Other conclusions and implications were:

- The "conversational " technique within the semi-structured approach was satisfactory in the first two sections [settling the interviewee down, and confirming general involvement in the significant event], but less satisfactory in eliciting comments on the topics in the area of liaison, dissemination, and disturbance handling.
The question of the time allotted for the interview is critical. A possibility might be lengthening the interview, or coming back at another time. Possibly some of the steps could be cut out or combined. Consideration might be given to reviewing some of the topics in respect of liaison, dissemination and disturbance handling. Certainly, a systematic and consistent approach would be needed for all interviews. It would not be possible to come to a conclusion after the analysis of content, that certain topics had been deliberately avoided by the respondent if time had simply run out. The avoidance of a topic was a real possibility, given the conclusions from the literature review of the characteristic of the Chinese to avoid contentious issues. The possibility to return another time would really only apply in the case of the interview with the Controller, which consists of two parts. The objective, following the literature (Webb), is to obtain the spontaneity of the Controller. Were the interview to be split, the possibility that reflection might compromise the second interview might cause problems as far as reasons of validity were concerned. In addition, time would have to be spent “rebuilding” the focus (Mostyn) to simulate the same conditions as on the first occasion. It is also possible that a Controller might refuse a second interview.

On closer examination of the steps, it was decided that step 6, which is a repetition of steps 1 through 5, could be omitted, and that steps 4 and 5 could be run together, as these were essentially part of the same process. Thus, it was decided to review the approach to the main phase [Phase 3, “covering” the topics], in order to attain a comprehensive, consistent, and systematic process. In addition, attention need be paid to:

- making the language simple,
- dealing with the problems of interruption,
- retaining the “academic flavour”

5.6. Restructuring the Interview Approach.

It was evident that after a revision of the wording and general organization of the interview that more pilot tests would be necessary. The conversational technique employed within a semistructured interview technique may well be unsatisfactory.
Those organizational problems which were in evidence during the exercise on constructs had reappeared in the interviews.

Clearly a technique was required that elicits a semi-controlled response from a subject, without leading them into a pre-designated answer. The skills necessary for successful interviewing are adequately dealt with in the literature. Stress is laid on the researcher capitalizing on any particular strengths that they may possess. Coulthard, Montgomery and Brazil (1981) in their studies into discourse analysis, discuss the elements of "teacher/pupil" exchanges, that may seem relevant in this situation; the eliciting of responses on specific topics from Controllers and GMs. It is in this phase of the interview that control maintained by the researcher is of paramount importance if a systematic and consistent approach is to be achieved across all interviews.

In respect of "teacher/pupil" exchanges, four components are present; structure, solicitation, responding, and reacting. Three of these seem relevant to this study; structure which is the act of focusing attention on the topic and the setting of the context for subsequent behaviour, soliciting which is the eliciting of an actual verbal response, and responding, which is the reciprocal relationship to soliciting moves. Such a framework for the third phase of the interview would have the desired effect of controlling the exchanges. At the same time it might ease the transcription exercise, as the relevant material would be encompassed in a block of material, to the exclusion of superfluous matter. The use of some written material distributed as "guidance" notes prior to each Step being discussed, would reinforce the idea of the "teacher/pupil" exchange in the respondent's mind. In this way a clear division would be made between the preamble and settling down exercises and the real "purpose". This could be further accentuated by the use of the tape only at the point where the "teacher/pupil" type of activity started. This would serve to reinforce this phase as the one of greatest importance.

Therefore, the following sheets of "guidance notes" were drawn up, for each of the steps. There were four sheets of paper, which it was hoped would have the desired effect of making the phase less "onerous" in respect of interviewee fatigue. This is analogous to a person leafing through a self-administered questionnaire, in order to determine its length, before deciding whether or not to fill it out. These four
guidance sheets are shown in Figures 5.6.(a) through 5.6.(d). Obviously the wording changes slightly for the interviews with the Controller and the GM. In addition there is a slight change of wording when eliciting expectations from the Controller as to their thoughts on what the GM expects.

These guidance sheets are as follows:

- Sheet Number 1 concerns step 1 and the sales and marketing department (Figure 5.6.(a)).
- Sheet Number 2 concerns step 2 and the Department Heads (Figure 5.6.(b)).
- Sheet Number 3 concerns steps 3 and 4/5 and the Controller and the GM in the approval procedure of the budgets (Figure 5.6.(c)).
- Sheet Number 4 concerns steps 7 and 8 and the control section of the budget (Figure 5.6.(d)).

In the Figures, the questions for the Controller's interview on expectations are shown in "bold" type. Questions for the Controller's interview on their thoughts as to the GM's expectations are shown in "italic" type. Those questions for the GM are shown in "normal" type. In this way, it can be seen how the design of the sheets attempts to maintain a consistency over the interviews.

The examples illustrating "problems": under disturbance handling arise from the results of the interviews with the GMs in the preliminary fieldwork and are discussed in chapter 4.

Figure 5.6.(a). Sheet Number 1 concerning step 1 and the sales and marketing department.

**Guidance notes.**

Section - Preparing the budgets. Formulating the sales targets.
STEP 1.
Sales and Marketing Department produce sales targets for the revenue producing departments.

Who do you expect to be involved in this step? and why?

Do I think the GM expects me to be involved in this step? and why?
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
how do I think the GM expects me to interact with others? and why?
how do I expect the Controller to interact with others? and why?
[ for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call? ]

Dissemination.
who do you expect to get these people the information needed to produce the sales targets? and why?
do I think that the GM expects me to get the people preparing the sales targets the information? and why?
do I expect the Controller to get the people preparing the sales targets the information? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
do I think the GM expects me to deal with any problems? and why?
do I expect the GM to deal with any problems? and why?

for example:
if the GM disagrees with the sales targets?
if there is disagreement in the Sales Department on what the sales targets should be?

Figure 5. 6.(b). Sheet Number 2 concerns step 2 and the Department Heads.
Guidance notes.

Section - Preparing the budgets. Departments prepare their budgets.

STEP 2.
Department Heads produce their department's budgets.

Who do you expect to be involved in this Step? and why?
*Do I think the GM expects me to be involved in this step? and why?*
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
*how do I think the GM expects me to interact with others? and why?*
how do I expect the Controller to interact with others? and why?
[for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call? ]

Dissemination.
who do you expect to get these people the information needed to produce their budgets? and why?
*do I think that the GM expects me to get the people preparing he budgets the information? and why?*
do I expect the Controller to get the people preparing the budgets the information? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
*do I think the GM expects me to deal with any problems? and why?*
do I expect the Controller to deal with any problems? and why?

for example:
if the Department Head(s) disagrees with the sales targets?
if the Department Head(s) is not aware of the budget processes?

Figure 5.6. (c). Sheet Number 3 concerns steps 3 and 4/5 and the Controller and the GM in the approval procedure of the budgets

Guidance notes.

Section - Preparing the budgets. Budgets gathered together for acceptance/rejection.

STEP 3.
All budgets put together to form the operating profit for the hotel.

Who do you expect to be involved in this Step? and why?
Do I think the GM expects me to be involved in this step? and why?
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
how do I think the GM expects me to interact with others? and why?
how do I expect the Controller to interact with others? and why?
[for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call? ]

Dissemination.
who do you expect to get the information needed to produce the budgeted operating profit? and why?
do I think that the GM expects me to get the information from those people preparing the budgets? and why?
do I expect the Controller to get the information from those people preparing the budgets? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
do I think the GM expects me to deal with any problems? and why?
do I expect the Controller to deal with any problems? and why?

for example:
if the Departments are late with the figures.
if the Department's figures do not make sense.

STEP 4/5.
The operating budgets are passed for review, and acceptance/rejection.

Who do you expect to be involved in this Step? and why?
Do I think the GM expects me to be involved in this step? and why?
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
how do I think the GM expects me to interact with others? and why?
how do I expect the Controller to interact with others? and why?
[for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call? ]

Dissemination.
who do you expect to have to explain the background of the figures? and why?
do I think that the GM expects me to explain the background to the figures? and why?
do I expect the Controller to explain the background to the figures? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
do I think the GM expects me to deal with any problems? and why?
do I expect the Controller to deal with any problems? and why?
for example:
if the figures are not accepted
if the Department Heads are not sure what has to be amended [changed].
Figure 5.6.(d). Sheet Number 4 concerns steps 7 and 8 and the control section of the budget.

Guidance notes.

Section - Control. Performance against budget reported regularly.

STEP 7.
Actual performance against budget reports produced.

Who do you expect to be involved in this Step? and why?
Do I think the GM expects me to be involved in this step? and why?
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
how do I think the GM expects me to interact with others? and why?
how do I expect the Controller to interact with others? and why?
[for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call? ]

Dissemination.
who do you expect to have to explain the background of the figures? and why?
do I think that the GM expects me to explain the background to the figures? and why?
do I expect the Controller to explain the background to the figures? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
do I think the GM expects me to deal with any problems? and why?
do I expect the Controller to deal with any problems? and why?

for example:
if the figures show a poor performance.
if the Department Heads disagree with the figures produced.
if the figures from Departments are not ready in time.

STEP 8.

Reasons for poor performance and proposals for improvements.

Who do you expect to be involved in this Step? and why?
*Do I think the GM expects me to be involved in this step? and why?*
Do I expect the Controller to be involved in this step? and why?

Liaison.
how do you expect these people to interact? Why in that way?
*how do I think the GM expects me to interact with others? and why?*
how do I expect the Controller to interact with others? and why?
[for example: face to face formally - meetings? informally - lunchtime discussions etc.? written: memorandum? other: telephone call?]

Dissemination.
who do you expect to point out the problem areas? and why?
*do I think that the GM expects me to point out the problem areas? and why?*
do I expect the Controller to point out the problem areas? and why?

Disturbance Handling.
who do you expect to deal with any problems? and why?
*do I think the GM expects me to deal with any problems? and why?*
do I expect the Controller to deal with any problems? and why?

for example:
if the Department Heads have no proposals to make.
if no action is taken despite proposed action steps being approved.
Reference to the above figures, 5.6. (a). through 5.6.(d), shows how the interview procedure is designed as the same for both the Controller and the GM to ensure a consistent and systematic approach across each step and interview in Phase 3. (The repetition of the headings is designed to refocus the interviewees attention, as they approach each new step.)

The proposed introduction to Phase 3 would go something like this for the GM:

I am now going to ask for your expectations of the Controller in each of the two main areas of preparing the budgets and control. I have prepared some topic "guidance sheets" [show that there are only four sheets] with some space for you to make some notes, if you wish before giving your comments. The notes are just for you to consider the points; I shall only be keeping on the tape your comments. [this part designed to give the interviewee a chance to clarify something without being exposed on tape as ignorant; reference comment made by the expatriate GM in the first round of interviews.]

I shall give you the sheets one by one, and ask you first to look to see if there is anything that I have not made clear. When you are ready, please make your comments on the step(s); I will not interrupt what you have to say.

At the end of each output, the interviewee would be thanked and the next sheet would be introduced. This procedure would be somewhat similar to that employed in the construct exercise, where the cards would be presented one after another, and the Controller asked to consider them.

5.7. Pilot Tests - Second Round.

Four pilot tests were carried out in the second round. The same profile of interviewees was taken as in the first round. However different people were approached, who had no previous knowledge of the exercise. In these cases, unlike in the first round where a telephone call had arranged the interview, these four people were written to after having solicited their approval to take part in the pilots.
Thus, an opportunity presented itself to iron out any problems in the initial approach. These letters to the Controllers and GMs are shown in Figures 5.7.(a) and 5.7.(b) and illustrate the covert approach and the assurance that although the study concerns budgets, no financial information is required.

Figure 5.7.(a). Letter of approach to the Controllers (Pilot test)

Dear xxxxxxx,
My name is Duncan Gibson, and as you are aware, being a member of the Hotel Controllers Association, I have been very much involved in the past year in the setting up of the Basic Job Knowledge Course, that perhaps some of your staff have participated in.

A few days ago at the Hotel Controllers Association Annual Spring Dinner, you very kindly agreed to put aside some time out of your busy schedule to help me with some research.

I am a Lecturer at the Hong Kong Polytechnic University, and currently studying for a Ph.D., supervised by the University of Surrey in the UK.

My study is concerned with the operating budgetary control process in Hong Kong hotels, and I would very much like to spend about an hour and a half interviewing you about the process that is carried out in your hotel.

No financial data is required in this study, and all data will be kept confidential, and of course used for academic purposes only. I would like to tape record our conversation to help me analyze the data, and hope this causes you no problem.

May I telephone you within the next week to fix a mutually convenient appointment, when I would be pleased to come over to the hotel? In the meantime, if you have any queries please feel free to contact me on telephone number xxxxxxx.

Yours etc.
Dear xxxxxx,

My name is Duncan Gibson, and I am a Lecturer in Hotel Accounting at the Hong Kong Polytechnic University, and currently studying for a Ph.D., supervised by the University of Surrey in the UK.

Last month when you attended the forum for GMs in our Department, you kindly agreed to put aside about an hour of your busy schedule to help me with some research.

Part of my study is concerned with the operating budgetary control process in Hong Kong hotels, and I would very much like to conduct an interview with you about the process that is carried out in your hotel; specifically your expectations of the hotel Controller within the process.

No financial data is required in this study, and all data will be kept confidential. I would like to tape record our conversation to help me analyze the data, and hope this is acceptable.

For your information, I have been very much involved in the past year in the setting up of the Basic Job Knowledge Course, for hotel accounting staff who are members of the Hotel Controllers Association. It is possible that some of your staff have participated in one or more of the modules. Mr xxx of the Federation of Hotel Owners, and Mr xxxx Chairman of the Hotel Controllers Association, would be pleased to vouch for the purely academic nature of my study.

May I telephone your secretary within the next week to fix a mutually convenient appointment, when I would be pleased to come over to the hotel? In the meantime, if you, or your secretary would like to phone me, my telephone number is xxxxxxxxxxx.

Yours etc.
In the subsequent pilot tests conducted, the approach through the letter and the contents passed without comment. [Interestingly, one of the GMs had not seen the letter, it presumably having been opened by the secretary.]

All three phases of the interviews went well, in that the main section revealed worthwhile data. A general description of the conduct of the interviews, revealed one minor adjustment, that of appending to the interview an assessment of the "quality" of the interview, in respect of the level of understanding, and the level of irritation. The second Controller's level of expression in English was poor, and thus some indication would need to be made to that effect. The local Hong Kong Chinese GM, showed what seemed to be a little irritation in the use of the "guidance notes"; however, this may have been as a result of his mobile phone ringing towards the end of the process.

The comments made against each phase are shown as Figure 5. 7.(c).

Figure 5. 7. (c). Comments of second round of pilot tests.

Preamble.
The preamble really repeated the contents of the letter, This procedure may well seem to be necessary as one of the GMs had not seen the letter.

Phase 1.
Instead of the general invitation to "give a little background", there was a specific request to give the length of time in the industry and in the hotel, and whether all the work experience has been in Hong Kong.

Phase 2.
In the second phase of the interview, attention was focused on whether there were organized procedures for the operating budgets in respect of preparation and control. In the interview with the first Controller, she immediately began to explain the steps, and the researcher had to restrain her. Thus, in the remaining three interviews, there was a greater emphasis on describing the contents of the phases, which effectively kept the relevant points in their correct context.

Phase 3.
The main phase, using the guidance notes, went very smoothly in all cases; there were some queries, which centered on the meaning of words; in particular "problems" to which the interviewer used the alternate "conflicts", which implied it was in the area of personal relationships in the process that was meant. Consideration was given to adding the word "conflict" in parentheses after "problems" to indicate that the area of interest was the people concerned in the process. It was decided to leave the wording, and to introduce alternatives if and when the occasion demanded.

No problems were encountered with the tape recorder, which was discussed at the start, but which was activated only for the comments in the third phase.

5. 8. Choosing the GMs for the Study Proper.

It has been explained that the GMs were regarded as the more likely to have greater time constraints than the Controllers. The approach used was to write a letter to GMs by name, similar to that written for the pilot tests. However, one significant difference was the taking advantage of an upcoming conference where it was felt that the opportunity to physically meet GMs and mention the research, thus possibly gaining permission for an interview was not to be missed. This letter is illustrated as Figure 5.8.(a).

Figure 5. 8.(a). Letter of request for interview (GM).

Dear xxxxxxx,

My name is Duncan Gibson, and I am a Lecturer in Hotel Accounting at the Hong Kong Polytechnic University, and currently studying for a Ph.D., supervised by the University of Surrey in the UK.

Part of my study is concerned with the operating budgetary control process in Hong Kong hotels, and I would very much like to spend about an hour interviewing you about the process that is carried out in your hotel, specifically your expectations of the hotel Controller within the process.
No financial data is required in this study, and all data will be kept confidential. I would like to tape record our conversation to help me analyze the data, and hope this is acceptable.

For your information, I have been very much involved in the past year in the setting up of the Basic Job Knowledge Course, for hotel accounting staff who are members of the Hotel Controllers Association. It is possible that some of your staff have participated in one or more of the modules. Mr xxxx of the Federation of Hotel Owners, and Mr xxxx Chairman of the Hotel Controllers Association, would be pleased to vouch for the purely academic nature of this study.

May I telephone your secretary within the next week to fix a mutually convenient appointment, when I would be pleased to come over to the hotel? Possibly, you may be attending the upcoming Horwath Hotel Investment Conference in a few days' time, when I look forward to making your acquaintance. In the meantime, if you, or your secretary would like to phone me, my telephone number is xxxxxxxxxx.

Yours etc.

At the conference, the researcher managed to meet about two dozen GMs, who were all generally positive to the research. Six agreed to be interviewed and interviews were arranged with their secretaries, whilst a further seven were happy for me to contact them again in the following few weeks. In the event, of the 18 hotels that formed the data base, only about a third came to fruition as a direct result of this initiative. The interviewer was not especially surprised at the "poor" conversion rate, as obviously, commitments and subsequent reflection were taken into account in the decision not to partake.

The remaining two thirds of the GM participants came from replies and the subsequent follow up telephone conversations [two calls were made in the period middle of March to middle of May to mainly the secretaries to the GMs, who in many cases promised but often failed to deliver on the promise to get an answer.
from their boss]. Some concern was felt initially, as too many GMs from the conference initiative had agreed to partake which might have given some bias to the sample. However in the event, as described above, this source did not dominate the sample.

Thus the process of selection of GMs, given the practicalities of dealing with practicing managers, was as near random as possible. The final figure of 18 completed pairings, was determined by time pressure on the sole researcher, (as was Mintzberg's), given the need to conduct interviews within a fairly closely defined period of time in recognition of the importance of a specific contextual frame of reference in social science investigations.

5. 9. Choosing the Controllers for the Study.

The day after the Annual Spring Dinner of the Hotel Controllers Association, the letter as shown in Figure 5.9. was sent to all Controllers by name.

Figure 5.9. Letter of request for interview (Controller).

Dear xxxxxxx,

My name is Duncan Gibson, and you may know, if you are a member of the Hotel Controllers Association, that I have been very much involved in the past year in the setting up of the Basic Job Knowledge Course, that perhaps some of your staff have participated in.

I am a Lecturer at the Hong Kong Polytechnic University, and currently studying for a Ph.D., supervised by the University of Surrey in the UK.

My study is concerned with the operating budgetary control process in Hong Kong hotels, and I would very much like to spend about an hour and a half interviewing you about the process that is carried out in your hotel.
No financial data is required in this study, and all data will be kept confidential, and of course used for academic purposes only. I would like to tape record our conversation to help me analyze the data, and hope this causes you no problem.

May I telephone you within the next few weeks to fix a mutually convenient appointment, when I would be pleased to come over to the hotel? In the meantime, if you have any queries please feel free to contact me on telephone number xxxxxx.

Yours etc.

In the light of the procedures described in the above letter, the first Controllers to be subject to the follow up call were those six whose GMs had indicated their willingness to be interviewed and who had agreed to a firm date around late March. Two of these Controllers were interviewed and their interviews transcribed. The other four were completed in the latter part of April 1995. As more GMs were interviewed or appointments had been arranged for interview, so more of the Controllers were contacted. Six Controllers responded to the letter, four of whom were members of the education sub-committee of the Hotel Controllers Association, and an interview was carried out with them. However, as the GM of their hotels had not been willing, despite the follow up call, to participate, their data could not be used. In one respect, this was a good thing, as undoubtedly there would have been evidence of bias and the “willingness to please” had they been part of the data base in respect of their familiarity with the researcher.

There was one case of the GM having been interviewed, but the Controller, although having stated her willingness, procrastinated on the firming up of an interview time. Again, such data as was collected, could not be used.
5.10. The Hotels Participating in the Study.

Hong Kong Hotel industry statistics for each year are produced by Horwath Asia Pacific on data provided through survey by the Hong Kong Hotels Association. Table 5.10. shows the profile of the hotel stock in Hong Kong by category as reported in the 1995 statistics which relate to returns in 1994 and the distribution of hotels by category for this study. There is a unique system of classification of hotels in Hong Kong which is now explained. Hotels are classified by the Hong Kong Hotel Association, to which all hotels belong, into one of two categories; either “High Tariff” or “Medium Tariff”, on the basis of room rate and staff to room ratio. Within the “High Tariff” category, hotels are further classified into Group “A” and Group “B”. In order to be classified at the beginning of 1995 as a Group “A” High Tariff hotel, a rack rate per night of HK$1,800 or above, and a staff/room ratio of 1.6 or above had to be in evidence. In order to be classified as a Group “B High Tariff” hotel, a rack rate of between HK$ 1,200 and HK$ 1,800, and a staff/room ratio between 0.97 and 1.6 was needed. For a hotel to be classified as “Medium Tariff”, a rack rate of below HK$ 1,200 and a staff/room ratio of less than 0.97 was needed.

Table 5.10. Distribution of Hong Kong Hotels in 1995 by category compared with distribution of hotels in the survey.

<table>
<thead>
<tr>
<th>Category of Hotel</th>
<th>Number of hotels</th>
<th>Average number of rooms</th>
<th>Average room occupancy</th>
<th>Hotels deemed international (&gt; $600 a night)</th>
<th>Number of hotels in this survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Tariff A</td>
<td>20</td>
<td>540</td>
<td>82%</td>
<td>20 (30%)</td>
<td>7 (39%)</td>
</tr>
<tr>
<td>High Tariff B</td>
<td>23</td>
<td>504</td>
<td>88%</td>
<td>23 (34%)</td>
<td>6 (33%)</td>
</tr>
<tr>
<td>Med. Tariff</td>
<td>32</td>
<td>280</td>
<td>85%</td>
<td>24 (36%)</td>
<td>5 (28%)</td>
</tr>
<tr>
<td>Guest Hses</td>
<td>10</td>
<td>126</td>
<td>81%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
<td>N/A</td>
<td>N/A</td>
<td>67 (100%)</td>
<td>18 (100%)</td>
</tr>
</tbody>
</table>

Source: “Hong Kong Hotel Industry 1995.”

The distribution of hotels in the survey approximates the distribution of hotel stock across categories, and therefore can be said to be generally representative. Thirteen out of the eighteen hotels in this study were run by expatriate GMs. Whilst this ratio may seem high, it is representative of the position found in the territory, in respect of the management of hotels in the “High Tariff” group. 93% of the hotels that belong to this Group, either in the “A” or “B” category have expatriate GMs.
Therefore, the mix of expatriate GM's to local Hong Kong Chinese GM's is representative of the situation existing in Hong Kong hotels at the time of the field research.

Prior to the interviews, background data on the hotels had been gathered. This consisted of identifying the market for which the hotel catered, and the background of the owners/ operators, GMs, and Department Heads. Neither GMs nor Controllers were involved in this background data gathering exercise. This background data is described fully in later chapters.

5.11. Transcription.

The taped portion of the interviews [phase three] were transcribed. Given the structured format resulting from the use of the "guidance notes", each step of the OBCP was able to be transcribed without difficulty.

As an illustration, the first Step of the Controller's interview for Hotel A, [hotels are referenced by letter] is shown as Figure 5.11.

Figure 5.11. Transcription of Step 1 of Controller's interview of Hotel A.

**STEP 1**

I believe that the superiors, the Sales and Marketing Department and all Senior Executives and Departments Heads of the revenue producing departments should be involved in this step.

Both formal and informal interactions should take place between these people. All the Senior Executives and Department Heads involve discussion in formal meeting to discuss the sales target based on their personal opinion. The Director of Marketing produces the sales target for the revenue producing departments and submit it to the superiors. Apart from this, the relevant parties may discuss the sales target such as contention during the lunch.
It is the responsibility of Director of Marketing to get these people the information needed to produce the sales targets. It is because she is the person who finalizes the decision making of the sales target for the revenue producing departments before it is approved by the superiors. Thus, to get accurate and enough information (such as historical data and sales forecast of each department) are necessary for her to analyze and set the sales target.

If the superiors disagree to the sales targets, they would address the problem to the Director of Marketing and the individual Department Heads.

If there is disagreement in the Sales Department as to the value of information presented, the disagreed parties (the Senior Executives and Department Heads of the revenue producing departments) would address the problem to the Director of Sales or the Financial Controller. If dissension still exists, they would address the problem further to the Resident Manager or the General Manager.

The following guidelines were used throughout the transcription process.

- References to individuals by their name were removed and substituted with their formal job title in the hotel. For example, if in the above excerpt the Resident Manager had been mentioned by name, then the job title “Resident Manager” would have been substituted. Even though the Controller would naturally have used the first person singular, the title “Controller” would have been substituted in the transcription. This applied to all transcripts; it was envisaged at the time of transcription that the transcripts might be subjected to computer key word recognition programmes, which could only recognize proper words.

- The actual words uttered by the respondent were kept, without any note, [that is, the insertion of “sic”]. In the above excerpt, the word “contention” probably was meant to be “contentious”. This may not necessarily be an error, as pronunciation and inflection of the voice of certain words was often found to be problematical.
Whilst no complex transcription method was used (Jefferson 1984), as the emphasis was on the content, not on the form of discourse, an attempt was made within each step to break up the statements. In the above excerpt, therefore, having deliberated over their comments on the step with reference to the "guidance notes", the Controller had paused after each section. The use of a new paragraph reflects this break. However, although sometimes fairly obvious as to which topic within the step the respondent is addressing their comments, these are not headed in any way as there is no absolute consistency.

As noted in the preamble to the exercise, the interviewer did not interrupt during the taped part of the interview.

Two of the hotel interviews, both Controller and GM were regarded as less than satisfactory in that the interviews were somewhat reluctantly given and not as systematic as the others. However, no judgment was made at this stage and they were duly transcribed. Thus the 54 transcripts were in a form ready for the analysis of their content, which is discussed in chapters 6 and 7.

5.12. Summary

In this phase of the research project, the literature on interviewing was reviewed to attempt to obtain an interviewing schedule that would be systematic and consistent, whilst allowing also maximum freedom of expression. A conversational technique was the design felt most appropriate.

As a result of the first round of pilot tests it was found that this conversational technique did not seem to yield the necessary systematic and consistent process to elicit responses on each of the steps in the OBCP. The connotation of certain words to the respondents, such as "disagreement" and "conflict", highlighted the sensitive nature of research into culture and perceptions of productivity. Problems in consistency were encountered probably as a result of a combination of factors - lack of competence of the researcher, low "comfort level" of the respondent, and the inappropriateness of the technique in the cultural and task context.
After consideration, the instrument settled upon was that of the semi-structured interview administered by a technique that would elicit a semi-controlled response from a subject, without leading them into a pre-designated answer. This technique of "teacher/pupil" exchange was found in the second round of pilot testing to have eased the atmosphere of the interviews. This effect might be attributed to the degree of "comfort" with this technique on the researcher's part, and the familiarity on the part of the interviewee from their schooldays. The interviews thus, became more structured in their conduct than might have been originally planned. However, given the sensitive nature of the subject matter, the pause for reflection before the measured response, that resulted from the use of the "guidance notes", may have ensured the fullest possible contribution from the respondent. A positive result from the technique was the relative ease in which transcription could take place, and therefore allow the analysis of content to proceed smoothly.

Fieldwork was conducted on the Controllers/GMs on 18 hotels. Background data on the participating hotels were gathered. The hotels partaking in the exercise were found to be broadly representative of the hotel population in Hong Kong in respect of hotel classification.

Thus, the transcripts of the interviews were ready for analysis of their content - an unfolding process which is described in the next two chapters.
CHAPTER 6.

DATA ANALYSIS - PART 1.

This chapter describes the process of analysing the data collected from the fieldwork in four main areas which are introduced in greater detail below. The feature that distinguishes Part 1 from Part 2 of the data analysis which forms chapter 7, is that this chapter is concerned solely with summarizing and describing that which has been found.

6.1. Introduction to the First Part of the Data Analysis.

Holsti and others, stress that success in content analysis is not to take the utterances made by individuals alone, but to take into account the wider context. It is necessary to examine the immediate context that surrounds the utterance and the circumstances under whose influence the particular utterance has been made. He contends that content analysis succeeds in its objectives of arriving at categories by successive iterations of the data and a focus being maintained on the purpose of the analysis. In this study the focus on the data is clearly that of cultural influences on perceptions of productivity, defined in this study as expectations as to a Controller's involvement in the Operating Budgetary Control Process [OBCP], in the areas of liaison, dissemination and disturbance handling.

Mostyn and others claims that the key to success in making inferences and thus categorizing utterances, lies in the most careful attention being paid at the outset to distilling accurately those utterances. The focus needs to be kept constantly in mind, and care taken not to let inferences take the place of summaries. Whilst the immediate context of a culturally attributable utterance is probably fairly well defined by the data given the methodology employed in this study, that of limiting the wider context is more problematical. The problem with the wider picture is where to stop. The individual is influenced by many people at the work place; their subordinates, peers, superiors, customers etc. One of the people likely to have the greatest influence on the
expectations of the Controller's involvement is the Controller's superior. Hence their
expectations of the Controller's involvement are critical.
However, as a result of findings from recent research by Tsui, other superiors who may
also influence the expectations of the Controller need to be identified.

The work place to the Financial Controller is conveniently defined as a building.
Whichever way the hotel runs is influenced by the division or group to which that hotel
belongs [if any], the group by the parent company; the parent company by Hong Kong,
and so on. The level of the hotel may be a relevant place, and a sensible one, to stop.
As the literature concerning cultural studies comments, the frame of reference has to
be identified, which is very limited in time (Hofstede, 1980). People and the structures
described have to relate to the circumstances that prevail at the time of the interview.
The influences on the 18 hotels in this survey, in respect of the markets served, and
background on the owners, operators, and nationality of the GMs and the Department
Heads have been researched and discussed. Hence, the immediate context is defined
as the transcribed passages around the utterances, whilst the wider context is defined
as the expectations of the Controller's superiors and the background data of the hotel
in which the Controller's work takes place.

Four main areas are therefore the subject of analysis in this chapter, namely:

- what was said in the transcripts that is culturally attributable on the subject
  of expectations of the Controller in respect of their involvement in the areas
  of liaison, dissemination and disturbance handling in the OBCP in the 18
  Hong Kong hotels taking part in the survey;

- what was said in the transcripts that is non culturally attributable in respect
  of the areas described above.

- what the Controller expects to be involved in; what the GM expects of the
  Controller; what is the important (sanctionable) output; and who is the "boss
  that matters" to the Controller?
6. 2. What was said by the Controllers and the GMs. - Cultural Utterances.

In the immediate context, the analysis is concerned with the utterances.

The specific objectives of the analysis are twofold.

- Firstly, to identify from the transcripts culturally attributable utterances. These utterances are to be found in topics relating to liaison, dissemination, and disturbance handling, for each Step of the OBCP.

- Secondly, to generate general statistics on the dispersion of these utterances, across hotel, transcript, step, and topic, in order that any concentration on a particular area can be identified and considered, before proceeding to the stage of making inferences and categorization.

6. 2.1. Towards Identifying Culturally Attributable Utterances.

In the first readings through the transcripts the culturally attributable utterances did not become immediately apparent. Two possibilities presented themselves from the conclusion above; either that the data was faulty or the cultural references were hidden.

A criticism of previous research studies, was that questionnaires with closed categories using Lickert style responses were possibly inappropriate for studies of cultural behaviour. Questionnaires demand an explicit type of response, when requiring a respondent, on an "agree or disagree" basis, to tick a box to questions. For example, in Hofstede's (1991: 25) study, non-managerial employees were asked to respond to a question along the following lines:
"How frequently, in your experience, does the following problem occur: employees being afraid to express disagreement with their managers?" (mean score on a 1-5 scale from 'very frequently' to 'very seldom')."

One of the rationales determining the form of instrument used in this study was that comments of a cultural nature are more likely to be made in an implicit rather than an explicit manner, owing to the sensitivity of the issue of culture. Indeed, on sensitive issues involving culture and finance, it might be expected that reasonable people would not make explicit comments but would make statements that perhaps implied an understanding of the sensitivities involved. Hence, it might be reasonable to expect that having given the interviewee some time to compose their response, more "implicit type" responses might be made than "explicit". The issue of whether the utterance is implicit or explicit is important as the "weight" attached to an explicit statement will differ from that of an implicit statement. It might be argued that a test of the reliability of the data obtained on sensitive issues would be the very "implicit " nature of the comments made.

The criteria used for determining the conditions under which an implicit reference or an explicit reference may be defined is somewhat problematical. The conditions may be, that for an implicit cultural reference to be deemed to exist, then culturally attributable words, possibly combined together and compared to their immediate context, suggest a cultural implication. Hence an implicit comment needs more information whilst an explicit comment is clear without the need for further information in order to interpret the comment. The conditions for an explicit reference may be said to be a direct, culturally attributable statement, that stands alone requiring no further explanation.

Thus, definitions were determined as follows:

- those utterances of a cultural nature, distinctly expressing all that is meant, leaving nothing merely implied or suggested were to be considered as "explicit". Those culturally related utterances implied, though not plainly expressed, perhaps contained in the mind without being clearly formulated, were to be considered as "implicit".

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Clearly, in the search through the data, words that reflected a cultural influence would need to be identified. Logically, an utterance of a cultural nature might reasonably be expected to contain some "key words" pertaining to culturally influenced behaviour. These words would be those that expressed behavioural attributes of the Chinese at work. The ideas identified in the literature reviewed in Chapter 2 include two significant themes.

- Priorities in the workplace seem to be keeping a superior happy and avoiding conflicts amongst one’s subordinates and one’s peers, even to the detriment of involvement in activities that might help the organization to be more effective.

- Performance is likely to be judged more in terms of personal relationships with superior(s), rather than in terms of effectiveness in achieving the goals of the organization.

For example, "keeping the superior happy", might be inferred from such words as "loyalty", "support" "honour" etc.

The immediate objective was to identify and highlight from the transcripts "key words", to consider the utterances that contained the "key words", and then classify them as either "explicit" or "implicit".

6.2.2. Selection of Utterances and Referencing.

In the process of identifying utterances a referencing system was needed which is explained with the help of Hotel J as an illustration.

The reference system developed was one that had to meet the objective of identifying the source of an utterance from the standpoint of:

- the hotel, by letter [A through R]
• the transcript containing the Controller's expectations of involvement in the OBCP on a step and topic basis [referred to as the "FC" transcript].

• the transcript containing the Controller's thoughts on the expectations of the GM of the Controller's involvement in the OBCP on a step and topic basis [referred to as the "GMEX" transcript].

• The transcript containing the GM's expectations of the Controller's involvement in the OBCP on a step and topic basis [referred to as the "GM" transcript].

• the step, by number; either 1, 2, 3, 4/5, 7, 8. [Step number 6 is omitted as a result of the pilot tests described in chapter 5. However, as each step relates to the "eight" step process, the original numbering has been left]

• the topic, by number 1, 2, 3, 4.

This scheme of referencing is illustrated in figure 6.2.2.

Figure 6.2.2. Illustration of scheme of referencing using Hotel J as an example.

| In the illustration for Hotel J, a reference "JFC/2/4." means the utterance is as follows: Hotel J, in the FC transcript, in Step 2, under Topic 4. |
| In words, the utterance is concerned with Disturbance Handling [Topic 4], in the step concerning the Department Heads preparing the budget [Step 2] in the transcript containing the Controller's descriptions of people's involvement in the OBCP, [FC], for the Hotel identified as J. |

6.2.3. Summary of Key Words per Hotel.

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The transcripts were examined for the occurrence of key words and short phrases which were summarised in the order of transcript, step and topic. In keeping with the methodological literature on content analysis, words and short phrases in the immediate context of the selected cultural utterance were also identified. Immediate context was defined as being limited to the same step.

Appendix 1 shows each related cultural utterance by hotel. Within the utterance the key words are highlighted in bold. Figure 6.2.3. shows utterance JFC/2/4 as it appears in Appendix 1.

**Figure 6.2.3. Illustration of highlighting of key words in cultural utterances using Hotel J as an example.**

<table>
<thead>
<tr>
<th>JFC/2/4</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the Department Head does not know how to do the Budgets because of the unclear guideline given by General Manager, he will address the problem to him formally and work cooperatively to solve the problem. If it is due to the inadequate or unclear information given by other departments, he will ask the department to discuss together in a cooperative and informal way provided that their relationship is good or formally but always in a cooperative manner, provided that the relationship is not very close.</td>
</tr>
</tbody>
</table>

6.2.4. General Summary of Utterances.

The objective of the summary at this stage, was to attach a meaning to the utterance without making any judgment or assumption. The immediate context was taken into consideration, which might consist of nearby passages containing highlighted key words. In some cases, this might concern the whole step. At this stage, however short the contribution from the interviewee, no contextual reference was made to other steps. Where possible, the "general summary" of utterances should incorporate as many of the key words found in the utterance as possible. More importantly the statement made in summary should reflect, if possible from the immediate context, an action taken, an action not taken or a description of an attitude or state of mind. If it is given in the
transcript, the reason for the taking of that action/inaction or the attitude/state of mind should also be recognized.

So as not to read too much into the utterance, the general rule adopted was not to force an input [action] with an output [reason] if none was apparent and could not be substantiated by the actual words in their immediate context. In other words no inferences were being drawn at this stage, as in:

JGMEX/45/4, the GM expects the Controller, to act as a go between so as to balance the conflict between HO and the management of the hotel. The action [acting as a go between] has an expected consequence [balance the conflict between HO and the management of the hotel], and in

JGMEX/2/3, the Controller is embarrassed [state of mind] and avoids contact with the Department Heads because of his perception that they are unwilling to be helped.

Appendix 1 shows the summaries under each utterance. Therefore the summary shown for JFC/2/4 is:

**Summary: Relationships. Relationships between D.Heads dictates the availability of information to solve problems;**

The above Summary is in italics which denotes that the utterance does not relate to the Controller. Within the FC transcript, it is very likely in the Controller's description of expectations held, that the utterance did not mention the Controller specifically in the transcript. This is an important consideration, as it is the Controller whose expectations form the focus of this study and it would not be valid to connect the Controller to utterances that were not relevant specifically to the Controller. Obviously, as the subject of transcripts GMEX and GM are concerned only with Controller expectations, the problem in these transcripts does not arise.
Figure 6.2.4. shows the summaries for each utterance for Hotel J. [Note: utterances JFC/2/2 and JFC/2/4 are in italics as the utterances do not mention the Controller.].

Figure 6.2.4. Illustration of cultural utterance summaries using Hotel J as an example.

**JFC/2/2:**
*informal ways for the D. Heads to get together to solve problems.*

**JFC/2/4:**
*relationships between D.Heads dictates the availability of information to solve problems.*

**JFC/3/4:**
Controller and D.Heads to minimize conflict with EXCOM.

**JGMEX/2/3:**
Controller to avoid conflict with D.Heads who are unwilling to be helped.

**JGMEX/2/4:**
Controller to support GM against D.Heads (loyal to GM but embarrassed).

**JGMEX/3/4:**
Controller in a support role to D.Heads.

**JGMEX/45/4:**
Controller to act as go-between, so as to balance conflict between Head Office and hotel management.

**JGMEX/78/4:**
informal ways for Controller to discuss with D.Heads prior to avoiding an argument in main meeting.
JGM/1/2:
Controller's role is neutral, therefore he should be effective.

JGM/2/4:
GM expects support from the Controller against D.Heads' objections to budgets.

JGM/78/4.
Controller not to be involved as left to professionals, i.e. cultures stick together.

6.2.5. Grouping Together of Utterances.

Once all the utterances have been selected, referenced and summarized after the key word and short phrase exercise, utterances relating to a common step and topic across the three possible transcripts were grouped together. In addition, a group could be formed where the common step and topic was to be found in two of the three transcripts. This would leave just the utterances that were found in one transcript only. Groupings are possibly a significant feature. A cultural utterance for the same topic in the same step found in two or three transcripts, is by itself a form of cross referencing and gives support to the reliability of the data.

In Appendix 1 the utterances have been listed in order of their groupings in the following order:

- utterances common to three transcripts/step/topic;
- utterances common to two transcripts/step/topic;
- utterances in one topic only.

Thus, in the example for Hotel J, the topic dealing with disturbance handling [4], was identified as a cultural reference in Step 2, in all three transcripts, [ FC, GMEX,GM].
Hence the references JFC/2/4, JGMEX/2/4, GM/2/4 are grouped together for analysis purposes, and are "re-referenced" as J/2/4. Again, disturbance handling was a common Topic in JFC and JGMEX in Step 3, and again in JGMEX and JGM in Steps 7/8. [These two steps had been taken together by the interviewees in Hotel J]. These two transcripts are re-referenced as JGMEX/JGM/3/4 in the former instance, and JGMEX/JGM/78/4 in the latter instance.

The above exercise leaves four utterances on their own; namely JFC/2/2; JGMEX/2/3; JGMEX/45/4; and JGM/1/2.

In this way, the 11 utterances have been grouped.

Figure 6.2.5. illustrates these combinations for Hotel J.

Figure 6.2.5. Illustration showing grouping together of common cultural utterances using Hotel J as an example.

| Utterances common to three Transcripts/Step/Topic. [in order of transcript FC, GMEX, GM.] |
| J/2/4: |
| Relationships between D.Heads dictates the availability of information to solve problems; Controller to support GM against D.Heads (loyal to GM but embarrassed); GM expects support from the Controller against D.Heads' objections to budgets. |

| Utterances common to two Transcripts/Step/Topic. |
| JFC/JGMEX/3/4: |
| Controller and D.Heads to minimize conflict with EXCOM; Controller in a support role to D.Heads. |
informal ways for Controller to discuss with D.Heads prior to avoiding an argument in main meeting; Controller not to be involved as left to professionals, i.e. cultures stick together.

Utterances in one transcript only.

JFC/2/2:
informal ways for the D. Heads to get together to solve problems.

JGMEX/2/3:
Controller to avoid conflict with D.Heads who are unwilling to be helped.

JGMEX/45/4:
Controller to act as go-between, so as to balance conflict between Head Office and hotel management.

JGM/1/2:
Controller's role is neutral, therefore he should be effective.

6.3. What was said by the Controllers and GMs - Non- Cultural Utterances.

Essentially the same procedure as detailed in Section 6.2 above was carried out with the non-culturally attributable utterances. The main difference with the approach was that actual phrases from the Controllers and GMs were selected that gave explanations to expectations in involvement. The phrase was given a category immediately as there was no need for a summary. Appendix 2 shows these non-cultural utterances with their assigned categories in bold; outputs were by hotel, transcript, step and topic. Figure 6.3. illustrates the phrases and their categories from Hotel J, taken from Appendix 2.
Figure 6.3. Illustration showing non-cultural utterances with their assigned categories using Hotel J as an example.

JFC/1/2:
...the inherent problem between sales and production.
...high task uncertainty.
...time and goal orientation differences.
...as standards and size of hotels increase, so does the degree of specialization

[Phrases in response to Step 1 that were not specific to the Topics in that Step.]

JFC/3/2:
...reason that it is a central department that provides information and data

[Head Office pressure.]

JGMEX/3/1:
...some of them [D.Heads] think that their previous experience is more reliable.

[Experience (D.Heads)]

JGMEX/78/4:
...important to understand the expectations of Head Office, and the performance of our sister hotel.

[Head Office pressure.]

JGM/1/4:
6.4. General Characteristics of the Data - Cultural Utterances.

The objective of describing these general characteristics is to arrive at a judgment as to the reliability of the data. It seeks to discover any parts of the data that may have to be dealt with separately or even discarded. Above all, the specific aim of the general statistics is to be able to be in a position to judge whether it would be valid to consider all the data together or whether it would be necessary to consider various sections separately.

In order to arrive at a position to make such judgments the data are considered in two areas;

- firstly the frequency and dispersion of all the cultural utterances throughout the data [both explicit and implicit]; and

- secondly, the frequency and dispersion of explicit utterances.

The reasons for taking these two areas are explained below;
A main concern would be if an imbalance in the dispersion of utterances were found to be a feature of the data. If so, the specific area would have to be identified. This imbalance could arise in one or a combination of culturally referenced utterances relating to the hotels, the transcripts, the steps and the topics within those steps. Any such imbalances would need to be assessed for implications on the treatment of the data as a whole. It may be that the analysis would have to be broken up. It is necessary to identify whether "explicit " utterances were atypical, other than by the number of occurrences. This might be illustrated by the fact that interviewees who made explicit utterances also made implicit ones, thus showing that unsubtle individuals did not dominate or distort the data with their views. This is an important consideration for the reliability of the data.

Clearly, if there were to be a dominance of explicit over implicit utterances, then the methodology of the structured interview and the premise on which it was built, and indeed the critique of previous research studies into this area, would seem to have been misplaced. In this case asking direct close ended questions in questionnaire form would have yielded the data needed. Should there be such explicit utterances however, the matter of language fluency would need to be carefully considered. The incidence of explicit utterances might be found concentrated in a few individuals who, perhaps owing to the infrequency with which they had to speak English for business, [as distinct from everyday conversation with guests], were only able to express themselves in "explicit " ways. The related issue of whether an expatriate GM faced with an expatriate interviewer, albeit of a different nationality, would use more of an explicit than an implicit form of speaking would also need to be considered, were the data to reveal such a bias.

6.4.1. Frequency and Dispersion of all Culturally Attributable Utterances.

The results of the exercise are summarised in Table 6.4.1. [Distribution of Implicit and Explicit Culturally Attributable Utterances by Hotel/Transcript/Step/Topic]. The data are shown as Appendix 1 as previously described.
TABLE 6.4.1.

DISTRIBUTION OF IMPLICIT AND EXPLICIT CULTURALLY ATTRIBUTABLE UTTERANCES BY HOTEL/TRANSCRIPT/STEP/TOPIC.
<table>
<thead>
<tr>
<th>HOTEL</th>
<th>NOS OF U TTERANCES</th>
<th>PRO DUC IN G THE B UDGET</th>
<th>C O N T R O L</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STEP 1</td>
<td>STEP 2</td>
<td>STEP 3</td>
</tr>
<tr>
<td></td>
<td>TOPIC 1</td>
<td>TOPIC 2</td>
<td>TOPIC 3</td>
</tr>
<tr>
<td>A</td>
<td>10</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>B</td>
<td>12</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>C</td>
<td>13</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>D</td>
<td>20</td>
<td>5</td>
<td>7</td>
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<tr>
<td>E</td>
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<td>2</td>
</tr>
<tr>
<td>F</td>
<td>11</td>
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<tr>
<td>G</td>
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</tr>
<tr>
<td>H</td>
<td>9</td>
<td>3</td>
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</tr>
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<td>I</td>
<td>8</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>J</td>
<td>11</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>K</td>
<td>11</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>L</td>
<td>11</td>
<td>6</td>
<td>1</td>
</tr>
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<td>9</td>
<td>4</td>
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<td>3</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>O</td>
<td>10</td>
<td>3</td>
<td>4</td>
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<tr>
<td>P</td>
<td>9</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Q</td>
<td>10</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>R</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>187</td>
<td>3</td>
<td>14</td>
</tr>
</tbody>
</table>
The main conclusion from the data is that the utterances are well dispersed over hotels and transcripts, but not over steps and topics. Topic number 4 [disturbance handling], generated 71% of the 187 utterances identified overall. In support of the above conclusion, Tables 6.4.1. (a) through (d) summarize the main features of the frequency and dispersion of the data as depicted in Table 6.4.1.

Table 6.4.1. (a) Dispersion of Utterances between Hotels.

<table>
<thead>
<tr>
<th>Number of utterances per hotel (Band)</th>
<th>Number of Hotels</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-7</td>
<td>2</td>
</tr>
<tr>
<td>8-10</td>
<td>8</td>
</tr>
<tr>
<td>11-13</td>
<td>6</td>
</tr>
<tr>
<td>14-20</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
</tr>
</tbody>
</table>

Utterances were evenly distributed over the 18 hotels taking part in the exercise. 14 (78%) of the hotels had each between 8 and 13 utterances.

Table 6.4.1.(b). Dispersion of Utterances between Transcripts.

<table>
<thead>
<tr>
<th>Transcript</th>
<th>Number of Utterances</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC</td>
<td>74</td>
</tr>
<tr>
<td>GMEX</td>
<td>52</td>
</tr>
<tr>
<td>GM</td>
<td>61</td>
</tr>
<tr>
<td>Total</td>
<td>187</td>
</tr>
</tbody>
</table>

Utterances were generally evenly dispersed across transcripts. As might be expected the number of utterances per transcript reflected the different length of interview of Controllers and GMs.
Table 6.4.1.(c). Dispersion of Utterances by bands between Hotels/Transcripts.

<table>
<thead>
<tr>
<th>Number of Utterances (Band)</th>
<th>Hotel FC Transcript</th>
<th>Hotel GMEX Transcript</th>
<th>Hotel GM Transcript</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2</td>
<td>2</td>
<td>8</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>3-5</td>
<td>12</td>
<td>9</td>
<td>13</td>
<td>34</td>
</tr>
<tr>
<td>6-8</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>54</td>
</tr>
</tbody>
</table>

63% of the 54 transcripts had each between 3 and 5 utterances. Thus, concern that there may be an imbalance between transcripts would appear to be unfounded.

Table 6.4.1.(d). Dispersion of Utterances between Step/Topic.

<table>
<thead>
<tr>
<th></th>
<th>Topic 1</th>
<th>Topic 2</th>
<th>Topic 3</th>
<th>Topic 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>3</td>
<td>14</td>
<td>1</td>
<td>33</td>
<td>51 (27%)</td>
</tr>
<tr>
<td>Step 2</td>
<td>2</td>
<td>10</td>
<td>4</td>
<td>40</td>
<td>56 (30%)</td>
</tr>
<tr>
<td>Step 3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>7 (4%)</td>
</tr>
<tr>
<td>Step 4/5</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>12</td>
<td>18 (10%)</td>
</tr>
<tr>
<td>Step 7</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>27</td>
<td>38 (20%)</td>
</tr>
<tr>
<td>Step 8</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>13</td>
<td>17 (9%)</td>
</tr>
<tr>
<td>Total</td>
<td>7 (4%)</td>
<td>34 (18%)</td>
<td>14 (7%)</td>
<td>132 (71%)</td>
<td>187 (100%)</td>
</tr>
</tbody>
</table>

Amongst the Steps of the OBCP, Steps 1, 2 and 7, generated respectively 27%, 30%, and 20% of the utterances. Step 3 had only 4%, whilst Steps 4/5 and 8, had 10% and 9% respectively. An explanation for the distribution of utterances amongst the steps is made in 6.6 below. Topic 4, that of disturbance handling, dominated the culturally related utterances (71%). 30% of the disturbance handling utterances occurred in Step 2. Of the other topics, Topic 2, that of liaison, generated 18%, Topic 3, that of dissemination 7%, whilst Topic 1 which required the interviewee to identify only those people in the hotel expected to be involved in the particular step in question, generated 4%.
6.4.2 Frequency and Dispersion of “Explicit” Cultural Utterances.

Table 6.4.2 refers. [Distribution of explicit culturally attributable utterances by Hotel/Transcript/Step/Topic.] The data are shown as Appendix 1 with the utterances underlined.

31 explicit cultural utterances were identified, which accounts for approximately 17% of the total utterances. This is not, therefore a dominating feature of the data. In all, 36 individuals took part in the interviews. Two transcripts, the FC and the GMEX are the result of the interview with the Controller and one transcript is the result of the interview with the GM. Twelve individuals out of thirty one gave explicit culturally attributable utterances, of whom eight were Chinese Controllers and four were GMs. Of the four GMs, two were British, one was German and one was Chinese. It is interesting to note that the Chinese and one of the two British GMs each made only one explicit utterance. In the case of the Chinese GM, this is in the context of only two cultural utterances made in the interview. In the British GM's case it is one out of five made in his interview. Of the other two GMs the situation is more noteworthy, in that five out of six of the German GM's utterances and four out of four of the British GM's utterances were explicit. It is difficult to make judgments on language capability or on temperamental quality. However, it is apparent that both of these GMs wished to make their position explicit and this may be a function of temperament, linguistic inclination or underlying predisposition.

As for the Controllers, only one had made the majority of his utterances explicitly, (five out of a total of seven). The hotel in which the Controller worked was a wholly Chinese environment, as were the cases of two other Chinese Controllers who made respectively three out of nine, and six out of fourteen explicit utterances. The conclusion drawn in the case of the Controllers is that speaking in English was not a normal occurrence in the course of a day. Hence, unfamiliarity with the language may have caused comments to be expressed explicitly. In that twelve of the eighteen hotels had expatriate Western GMs there seems to be no evidence of an expatriate talking more explicitly to another expatriate. It should be borne in mind that of the twelve GMs, only three were British. The occurrence of explicit references was atypical.
<table>
<thead>
<tr>
<th>TABLE 6.4.2.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DISTRIBUTION OF EXPLICIT CULTURALLY ATTRIBUTABLE UTTERANCES BY HOTEL/TRANSCRIPT/STEP/TOPIC.</td>
<td></td>
</tr>
<tr>
<td>188</td>
<td></td>
</tr>
<tr>
<td>HOTEL</td>
<td>NOS OF UTTERANCES</td>
</tr>
<tr>
<td>-------</td>
<td>-------------------</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOPIC 1</td>
</tr>
<tr>
<td>A</td>
<td>1</td>
</tr>
<tr>
<td>B</td>
<td>2</td>
</tr>
<tr>
<td>C</td>
<td>5</td>
</tr>
<tr>
<td>D</td>
<td>5</td>
</tr>
<tr>
<td>E</td>
<td>1</td>
</tr>
<tr>
<td>F</td>
<td>1</td>
</tr>
<tr>
<td>G</td>
<td>3</td>
</tr>
<tr>
<td>H</td>
<td>6</td>
</tr>
<tr>
<td>I</td>
<td>0</td>
</tr>
<tr>
<td>J</td>
<td>0</td>
</tr>
<tr>
<td>K</td>
<td>0</td>
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<tr>
<td>L</td>
<td>5</td>
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<tr>
<td>M</td>
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<td>N</td>
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<tr>
<td>O</td>
<td>0</td>
</tr>
<tr>
<td>P</td>
<td>0</td>
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<tr>
<td>Q</td>
<td>1</td>
</tr>
<tr>
<td>R</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>31</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STEP 7</th>
<th>STEP 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOPIC 1</td>
<td>TOPIC 2</td>
</tr>
<tr>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>
6.5. Frequency and Distribution of all Non-Cultural Utterances.

Table 6.5. refers. [Distribution of non-cultural utterances]. The data are shown as Appendix 2. To summarize the data, 84 utterances were identified. These were well spread over hotels and steps. Just under half the reasons came from the GM transcripts, with the remainder equally spread between the FC and the GMEX transcripts. As both the FC and GMEX transcripts are a result of the Controller's outputs, the comments were roughly equally divided between Controller and GM. In respect of the topics, number 4, which deals with disturbance handling, generated just over a third of the utterances.

The main features of the utterances were the number of references to experience and influence of Head Office. The issue of experience was mentioned in relation to hotels generally, that particular hotel and the length of time that GM and Controller have worked together. Almost half of the reasons were on this issue with many phrases combining some of the above themes. The other issue, accounting for almost all the remainder of the utterances, was that of the issue of Head Office influence. However, unlike the issue of experience these tended to be concentrated in a few hotels, namely L, O, P, Q, and R. In respect of this effort at categorization, Table 6.5. (a) [Categorization of non-cultural utterances distributed between hotels] refers.
TABLE 6.5.

DISTRIBUTION OF NON-CULTURAL UTTERANCES
BY HOTEL/TRANSCRIPT/STEP/TOPIC.
<table>
<thead>
<tr>
<th>HOTEL</th>
<th>NOS OF UTT copyrightences</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TOPIC 1</td>
</tr>
<tr>
<td>A</td>
<td>4</td>
</tr>
<tr>
<td>B</td>
<td>1</td>
</tr>
<tr>
<td>C</td>
<td>4</td>
</tr>
<tr>
<td>D</td>
<td>3</td>
</tr>
<tr>
<td>E</td>
<td>2</td>
</tr>
<tr>
<td>F</td>
<td>9</td>
</tr>
<tr>
<td>G</td>
<td>4</td>
</tr>
<tr>
<td>H</td>
<td>5</td>
</tr>
<tr>
<td>I</td>
<td>5</td>
</tr>
<tr>
<td>J</td>
<td>6</td>
</tr>
<tr>
<td>K</td>
<td>4</td>
</tr>
<tr>
<td>L</td>
<td>14</td>
</tr>
<tr>
<td>M</td>
<td>3</td>
</tr>
<tr>
<td>N</td>
<td>0</td>
</tr>
<tr>
<td>O</td>
<td>7</td>
</tr>
<tr>
<td>P</td>
<td>3</td>
</tr>
<tr>
<td>Q</td>
<td>6</td>
</tr>
<tr>
<td>R</td>
<td>4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>84</td>
</tr>
</tbody>
</table>
Table 6.5 (a). Categorization of non-cultural utterances distributed between hotels.

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Exp. in Indust</th>
<th>Exp. in hotel</th>
<th>Time work together</th>
<th>Type of</th>
<th>FC is Spec.</th>
<th>Head Office Pres.</th>
<th>Other reason</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>B</td>
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<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>C</td>
<td>1</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>4</td>
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<tr>
<td>D</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>E</td>
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<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>2</td>
</tr>
<tr>
<td>F</td>
<td>1</td>
<td>7</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9</td>
</tr>
<tr>
<td>G</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
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<td>H</td>
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<td>-</td>
<td>5</td>
</tr>
<tr>
<td>I</td>
<td>3</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>TmCo*</td>
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</tr>
<tr>
<td>J</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>OrTh*</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>K</td>
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<td>2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>SoAt*</td>
<td>4</td>
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<td>6</td>
<td>-</td>
<td>6</td>
<td>-</td>
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<td>-</td>
<td>3</td>
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<td>0</td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>OrSt*</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>P</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>-</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Q</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>-</td>
<td>6</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4</td>
<td>-</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>17</td>
<td>11</td>
<td>2</td>
<td>3</td>
<td>31</td>
<td>4</td>
<td>84</td>
</tr>
</tbody>
</table>

Figure key: TmCo = Time Constraints.

OrTh = Organization Theory.

So At = Social Attributes.

Or St = Organization Structure.
6.6. Other Characteristics of the Data - Combining Steps in Responses.

Table 6.6 refers. [Distribution of occurrences of combining of Steps in responses by Hotel/Transcript/Step/Topic].

The main feature of the data shows the combination of steps by the interviewees [running together of certain steps] almost exclusively involving Step 3 and Steps 4/5 being run together, and Step 7 being run together with Step 8. Despite this phenomenon the occurrence of omitting to comment on a topic was rare. The data show that 23 out of the 54 transcripts ran Step 3 and Step 4/5 together, whilst in 19 of the 54 transcripts, Step 7 and Step 8 had been run together; a total of 42. In the distribution across transcripts, GMEX accounted for 52%, GM 38% and FC 10%. Two possible reasons are suggested, for these occurrences, both of which relate to the way the interviews were conducted.

The first of these reasons deals with the issue of why the interviewee should run the steps together, and is linked to the second series of pilot tests. These had indicated that the use of “guidance” sheets would help keep the interview on track and thus obtain a consistency in responses to each topic from every interviewee. In preparing the “Interview Guidance sheets” for Step 1 and Step 2, each had a separate sheet; however Step 3 and Step 4/5 shared one sheet of paper, as did Step 7 and Step 8. The reason for doing this was that the people likely to be involved in Step 1 are very different from those expected to be involved in Step 2; The first dealt with Sales and Marketing and the second dealt with Department Heads. However, Step 3 and Step 4/5 are linked, gathering the budgets together and getting them approved, as are Step 7 and Step 8, producing the monthly results and taking action. Possibly, some individuals made this connection and others did not. The important point is that topics were not left out. As can be seen from Table 6.6. only very few incidences of omission to deal with a topic coincided with a running together of steps.
The second of the reasons deals with the distribution across transcripts and is linked to the issue of the behaviour of the interviewee. Taking the Controller, of note is that only in four cases were the FC transcripts run together. A possible reason to explain the occurrence of this phenomenon may lie in the "fatigue or boredom" factor. The GMEX transcript comes after the FC, and thus an element of weariness may have crept in. The corresponding factor using questionnaires may well be associated with a declining interest in the interview. As for the GM's, the interviews may not have been perceived as central to their main operational concerns, relating as they did to budgets; they may have wanted simply to get the interview over.

From Table 6.6, the generally unsatisfactory nature of the interviews with Hotels N and R can be seen, in respect that the interviews did not conform to the general pattern. However some insights were gained from the interviews; thus they are not discarded in respect of the further analysis.
TABLE 6.6.

DISTRIBUTION OF OCCURRENCES OF COMBINING OF STEPS IN RESPONSES, BY HOTEL/TRANSCRIPT/STEP/TOPIC.
<table>
<thead>
<tr>
<th>HOTEL</th>
<th>TRANSCRIPT</th>
<th>STEP 1</th>
<th>STEP 2</th>
<th>STEP 3</th>
<th>STEP 4/5</th>
<th>STEP 7</th>
<th>STEP 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>GMEX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>GMEX, GM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>GMEX, GM</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>E</td>
<td>GMEX</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>GMEX, GM</td>
<td></td>
<td></td>
<td></td>
<td></td>
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TAPE MALFUNCTION ON STEPS 3, 4 AND 5
6. 7. Conclusions and Implications Relating to the General Characteristics.

The main conclusion and implication arising from the identification of the general characteristics of the data described above is that as the data are generally well dispersed amongst hotels and transcripts but not amongst steps and topics, there is nothing that mitigates against taking the whole of the data into consideration. Thus there is no need to discard or divide up the data. In essence, a judgement has been made as to the common nature of the responses of Controllers and GMs throughout the exercise. No datum stood out as atypical, with the possible exception of the explicit nature of the comments of the GM in Hotel H. The most distinguishing feature consistent across the data, is the "interest" generated in Topic 4 in all steps. The generation of a response for either cultural or non-cultural reasons seems to have been "triggered" by this topic. Disturbance handling is, of course, a topic that is by nature contentious. At this stage it is interesting to note that this issue was not avoided.

The other main finding concerns the non-cultural utterances. Although the organization structure under which hotels exist may not alter much in a period, the comings and goings of Controllers and GMs, certainly to the individuals concerned, seem to matter in respect to their expectations of the Controller's behaviour. As has been noted in chapter 3, this would seem to lend some justification to the consideration that the hotel environment is something special. The matter of pressure from Head Office, would seem to be a constant worry to Controllers in every hotel and was commented upon in chapter 3. Certainly, the position of a GM or a Controller, relatively low within a corporate hierarchy, is a common one and should not be regarded as something special to hotels. In summary, the running of steps together did not result in topics being omitted.
6.8. The Controllers and the GMs Expectations.

This section examines specifically expectations of the Controller and their GM; what the Controller expects to be involved in; what the GM expects of the Controller; what is the important [sanctionable] output; who is "the boss that matters" to the Controller.

In the wider context that surrounds the utterances made by both Controller and GM is the role played by the OBCP itself. The OBCP is therefore, the subject of analysis here.

The specific objectives of this analysis are twofold:

- firstly, to examine from the transcripts the expectations of the Controller and to arrive at a judgement as to what areas in the OBCP the Controller expects to be involved in. At the same time to examine what areas the GM expects the Controller to be involved in,

- secondly, to examine the transcripts for evidence of the performance output for which the GM holds the Controller responsible. If there is failure to perform, what sanctions might be brought against the Controller together with a judgement of whether the GM is the "boss that matters" to the Controller.


The content analysis of the transcripts is required to achieve the objectives as shown above. The results of this analysis is shown as Appendix 3. The main aim in the content analysis was to discover a statement, either explicit or implicit, that would indicate whether or not the Controller held expectations of involvement. Where possible, those who were expected to be involved were noted.

Figure 6.8.1. illustrates for Hotel J, the summary of the FC transcript from Appendix 3.
SUMMARY OF THE TRANSCRIPT - FC.

Steps 1 through 5 - Setting the budget.

Step 1
No mention of the C's involvement. No specific topic by topic detail. Implied that it is for the Sales and Operating Departments to sort it out.

Step 2.
No mention of the C. between DHs and GM to sort out.

Step 3.
C in charge to sort out the budget.

Step 4/5
C in charge of any amendments, but EXCOM members will explain to the GM.

Conclusion: Seems C relied on for Step 3 and adjustments in Step 4/5, on the wishes of the GM.

Steps 7 and 8. - Control.

Step 7
C to get out figures and be involved in 4a and 4c to check with DHs for calculation errors, no more.

Step 8
No mention of C. Between the DHs and GM.

Conclusion: Seems C just to make sure the figures are OK. Then leave it to the DHs and GM to sort out.
A feature of these records is the note against each step of the findings. For example, against Step 1 and Step 2, the words “no mention” have been recorded. This signifies that on reading the comments made by the Controllers on the topics that comprise the steps they made no mention of their own involvement. Also, it can be seen that a short summary has been written that summarizes the expectations held by the Controller as to their involvement in the step. In addition, the OBCP has been split into two sections for this exercise; one dealing with Steps 1 through 5 on the setting of the budget, and one dealing with Steps 7 and 8 on the control of the budget. A summary conclusion has been made at the end of each section. The objective of the summaries is to identify the roles of the various people where possible.

6. 8. 2. Towards the Objective of Determining the Areas in which the Controller expects to be involved, and what the GM expects of the Controller.

A necessary adjunct to the Appendix 3, Summary of Findings as to Expected Involvement, is the recording against topics of expectations of involvement. A step summary is a sum of the topics in that step. Appendix 3 (a) entitled Overall Picture of Expected Involvement for all hotels across Steps/Topics. Where the Controller had mentioned their own expectation of involvement, or the GM had mentioned an expectation of the Controller, then a tick was noted against that transcript/step/topic. Where the Controller, or the GM, had mentioned their own non-expectation, a cross was noted against that transcript/step/topic. Where there had been no mention of themselves, a circle was noted against that transcript/step/topic.

For example, taking Hotel J in Step 8, Topic 4 (a), the Controller in the FC transcript had not mentioned themselves, [noted with a circle]; in the GMEX, the Controller mentioned that they felt there was no expectation on the part of the GM of their involvement; [noted with a cross], in the GM transcript, the GM said that they had no expectation of the Controller’s involvement in that topic [noted with a cross].

Taking these summaries of all the hotels, Table 6. 8. 2., an Overall picture of expected involvement by hotel/transcript/step/topic” was drawn up, which is shown.
The information shown in Table 6.8.2. has been grouped into three sections showing first liaison, then dissemination and finally disturbance handling. In the transcripts, there were four possible results for each transcript and for each step and topic. Firstly the respondent may make no mention [NM], secondly the respondent may answer in the affirmative [Ys], thirdly the respondent may answer negatively [No] and fourthly it was occasionally found that the interviewee had "strayed" from the specific topic; hence, the letters "NS" in the Table 6.8.2. stand for Non-Specific.

Commenting on the findings shown in Table 6.8.2., the frequency of the instances of "no mention"[NM] were found mostly in the FC transcripts. The incidence of Controllers not mentioning their involvement is limited to specific steps. Indeed for the topics dealing with liaison and dissemination in Step 7, there is no instance of the Controller not mentioning an expectation of involvement. However, in the disturbance handling topics of Steps 1, 2 and 8 the majority of Controllers made no mention of their expected involvement. Such a pattern suggests that the Controllers were either being "selective" in that which they chose to mention, or that they did not have expectations of involvement in those topics at that stage of the process.

From the expectations of GMEX and GM in the topics dealing with liaison and dissemination a corroborating pattern to the above in all steps is revealed. The majority of GMs expect involvement in these two areas. In Steps 1 and 8 there is little expectation on the part of GMs of the Controller's involvement in disturbance handling, which is corroborated by the Controller's feelings as to the GM's expectations in these two steps. The main area of "mismatch" between the Controllers and the GMs seems to come in the disturbance handling topics of Step 2. The majority of Controllers make no mention of their expected involvement. However some two thirds of the GMs expect their Controllers to be involved. This is matched by only about a half who feel the GM expects them to be involved. Interestingly, it was from this area that the majority of culturally attributable utterances came. In the matching of comments to hotels there is no discernible pattern. The one comment necessary is that Hotels M and Q had a very high instance of "no mention" occurrences.
Table 6.8.2. Overall picture of expected involvement by hotel/transcript/step/topic.

<table>
<thead>
<tr>
<th>Transcript</th>
<th>FC Transcript</th>
<th>GMEX Transcript</th>
<th>GM</th>
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<tbody>
<tr>
<td>Lia 1</td>
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<td>Lia 2</td>
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<td>7</td>
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<td>3</td>
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<td>1</td>
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<tr>
<td>Lia 4/5</td>
<td>2</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Lia 7</td>
<td>2</td>
<td>0</td>
<td>18</td>
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<tr>
<td>Lia 8</td>
<td>2</td>
<td>7</td>
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<td>Dis 1</td>
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<td>DH 1</td>
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<td>DH 4/5</td>
<td>4a</td>
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<td>12</td>
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<td>DH 4/5</td>
<td>4b</td>
<td>5</td>
<td>12</td>
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<td>DH 7</td>
<td>4a</td>
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<tr>
<td>DH 8</td>
<td>4b</td>
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It is possible to come to some conclusions as to the expectations of Controllers as to their involvement in topics on a hotel by hotel basis. Table 6.8.2.(a) [Summary of expectations of Controllers as to involvement per topic across Hotel/Step] shows
for each hotel a judgement that has been made, having taken into account the data gathered and analyzed as shown in Appendix 3 (a) and summarized in Table 6.8.2. It was necessary to form three categories of expected involvement from the data which are described as "fairly definite non-involvement" shown with a cross, "probable non-involvement" shown with a circle, and "fairly definite involvement" shown with a tick.

Figure 6.8.2 (a) illustrates the analysis with an example from Appendix 3 (a) and summarized in Table 6.8.2(a). [Summary of expectations of Controllers' involvement by topic across hotel/step.]

Figure 6.8.2(a): Illustration of categorizing expected involvement using Hotel D as an example.

- In the instances described as "fairly definite non-involvement"; taking Step 8 in Hotel D, there is no mention in Topic 4(a) in the FC transcript that he has a role to play in dealing with the problem of a Department Head who made no proposals to correct an adverse variance [from transcript DFC]. In the GMEX transcript on this same topic, there is also no mention.[DGMEX]. Finally, in the GM transcript on this topic, the comment is that the GM does not expect involvement. [DGM]. The conclusion drawn from the above, is that the Controller has a fairly definite expectation of non-involvement. There is no role expectation for handling this disturbance expressed by the GM. Neither has expected involvement been mentioned by the Controller in either of the two transcripts attributable to them.

- In the instances described as "probable expectation of non-involvement"; Topic 3 in Step 8 can be referenced from Appendix 3 (a) for Hotel D. It can be seen that there is no mention of the Controller's involvement in the informational role of identifying the variances that need a response, in the FC transcript [DFC]. However, there is an acknowledgment of an expectation of involvement in both the GMEX transcript [DGMEX] and the GM transcript [DGM]. This situation raises the question of what is happening here. Given the careful preparation at the start of the interview, the Controller's description is hopefully identifying the truth of the situation accurately. This would suggest that the Controller has no expectations in
This topic. It has been shown from Table 6.8.2. that the lack of mention of involvement seems to indicate a non-involvement expectation. Indeed, from the Table there is only one recorded instant in all of the FC transcripts, of the Controller saying definitely no involvement. Therefore, it suggests that the form of saying "no involvement expected" by the Controller is to make no mention. Hence, the conclusion is that the Controller probably holds an expectation of non-involvement in this topic.

- In the instances described as "fairly definite expectation of involvement"; if Topic 4a of Step 2 is referenced from Appendix 3 (a), there is a mention of the Controller's expected involvement in the disturbance handling role if the Department Heads disagree with the sales targets. In addition, there is an acknowledgment of an expectation of involvement by both the GM and the Controller's thoughts of the GM's expectation. Thus, the conclusion in this topic is that there is a fairly definite expectation of involvement.

In this way an overall judgement at this stage as to the Controller's expectations and the GM's expectations of the Controller can be made from the data gathered on a topic by topic basis. From the Controller's viewpoint, there seems to be little expectation of involvement in Step 1, Step 2, and Step 8. On the other hand the GMs seem to expect a lot more involvement than the Controller does. This difference in expectation seems particularly acute in the disturbance handling topics, especially in Step 2. In Step 3, Step 4/5, and Step 7, the Controller is more involved, especially in the informational role in Steps 4/5 and 7. Controllers generally seem to expect less of an involvement in the informational role in Step 3 than their GMs. In disturbance handling roles in Steps 3, 4/5, 7 and 8, the expectations of the GM and the Controller are well matched.
TABLE 6.8.2. (a)

SUMMARY OF EXPECTATIONS OF CONTROLLERS’ INVOLVEMENT BY TOPIC, ACROSS HOTEL/STEP.
| STEP | TOPIC | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R |
|------|-------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8    | 1/2   | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
6.8.3. Towards the Objective of Identifying the important [sanctionable] Output for the Controller, and Determining who is the "boss that matters" to the Controller.

From Table 6.8.2. it is clear that the GM in the hotel expects certain performance from the Controller. What is not so clear from the table, and the data gathered on each topic is the important performance from the GM's point of view. For example, in Hotel 1, the transcript GM, [shown in Appendix 3 (a)] shows that the GM expects involvement in all topics in all steps. Clearly, some of these steps and topics are going to be ones that, were the Controller not be able to perform adequately, sanctions might be expected to be brought against the Controller. The focus of concentration on the expectation of involvement did not reveal any emphasis placed on a particular output. Of equal importance, and linked to the matter of expected performance outputs, is whether the GM has the power and authority to invoke sanctions against the Controller. In other words, is the GM the boss that really matters to the Controller, or is there an individual outside the hotel, in the Head Office to whom the Controller has a greater allegiance?

Research by Tsui described in chapter 3, found in Hong Kong hotels that in many cases the Controller did not regard the GM as the boss to whom they had a primary reporting relationship.

Specifically, data from Appendix 3 is used to help towards such judgments. Figure 6.8.3. extracts from Appendix 3 the conclusions for each part of the transcripts to illustrate the process for Hotel J.

**Figure 6.8.3. Illustration of summaries used to judge the important output for the Controller using Hotel J as an example.**

**SUMMARY OF THE TRANSCRIPT - FC.**

Steps 1 through 5 - Setting the budget.
Conclusion: Seems C relied on for Step 3 and adjustments in Step 4/5, on the wishes of the GM.

Steps 7 and 8. - Control.

Conclusion: Seems C just to make sure the figures are OK. Then leave it to the DHs and GM to sort out.

SUMMARY OF THE TRANSCRIPT - GMEX.

Steps 1 through 5. - Setting the budget.

Conclusion: C feels the GM want a lot of interpersonal action, but the DHs will not cooperate.

Steps 7 and 8. - Control.

Conclusion: C not taken too seriously, but does not want to push himself forward either. Seems to accept the way it is.

SUMMARY OF THE TRANSCRIPT - GM.

Steps 1 through 5. - Setting the budget.

Conclusion: GM wants C as a proactive helper; that is to get involved.

Steps 7 and 8. - Control.

Conclusion: C is to produce the figures. No more. No mention of the HO responsibility of the C.
From these conclusions of the three transcripts, a more complete picture can be built up of the overall level of involvement. These "Capstone Summaries of Expectations" are shown at the end of each hotel's summary of findings of expected involvement in Appendix 3. The intention in the "capstone summary" is to identify the Controller's expected output in relation to the other people that might be expected to be involved. In this way, a conclusion can be drawn as to the "sanctionable" performance output and whether the GM is the "boss that matters".

The capstone summary of the three transcripts for Hotel J forms Figure 6.8.3 (a)

Figure 6.8.3 (a) Illustration of capstone summary using Hotel J as an example.

The Controller has the job of supporting the DH's proactively. However the DHs are unwilling to be helped and the Controller remains a producer of figures. The GM and the DHs are the main players in the OBCP. The Controller has the job of liaising with the HO. The GM of the hotel seems to be the boss that matters.

The GM seems to be holding the Controller responsible only for getting out the figures; the "critical" output. Sanctions might be expected to occur as a result of non compliance by the Controller in this respect.

The conclusions of the "capstone summaries" for all the hotels are shown in Figure 6.8.3 identifying the "boss that really matters" and a short sentence or two on the GM's major expectation.
Figure 6.8.3. Conclusions of capstone summaries for all hotels.

Hotel A. Head Office.
To get the budgets through; "treat herself as the boss"; to take charge of all steps: [expects Controller to sort out Step 8, which Controller does not]; liaise with H.O.

Hotel B. GM.
To get together with D. Heads and report to her; [spy role and "gofer".]

Hotel C. GM
To make sure of the whole process conducted "effectively and accurately".

Hotel D. GM and Head Office.
To be a "go-between" [GM-Head Office-D. Head.]; get out budgets and concentrate on costs.

Hotel E. GM and Chief Financial Officer.
To give out information and get information from H.O.

Hotel F. GM.
To produce figures and keep in the "back room".

Hotel G. GM. [also Operations Director of the group]
To do whatever the GM requires.

Hotel H. GM.
To handle the Chinese D. Heads who are in charge of cost centres; leave expats to the GM.

Hotel I. GM.
To act as consultant, analyst and report writer; to coordinate Department's proposals [which Controller feels is too much].

Hotel J. GM.
To get out the figures - that is all.

Hotel K. GM.
To get figures and liaise, but the Controller says: "I want to do only accounting work, but not human relationship."

Hotel L. Head Office [C.F.O.]
To report to H.O, but expected through the GM.

Hotel M.  Head Office [C.F.O.]
To report to owner, but GM expects loyalty and “cover-up”.

Hotel N.  GM [also Regional Operations Director]
To get out of “comfort zone” and be a “hands on” Controller.

Hotel O.  Head Office.
To do whatever Head Office says.

Hotel P.  Head Office and GM.
To confine themselves to getting out reports; spy role.

Hotel Q.  Group Controller.
To do what Group Controller wants, but let GM know first.

Hotel R.  Head Office.
To get out figures and do what Head Office wants.

For example in Hotel H, the GM is judged to be the “boss that really matters”. This GM’s major expectation of the Controller, is that the latter should handle all the Chinese Department Heads in respect of the OBCP. As the Controller has implied from the comments made, that the GM is the “boss that really matters”, these expectations are likely to take on more weight than, for example, the Controller in Hotel A, for whom Head Office is the “boss”. Thus the GM’s expectation that the Controller takes charge and is responsible for all budgetary matters, holds relatively less importance than the need for the Controller to liaise with Head Office.

6.9. Background Data to the Hotels.

Just as it is unlikely that expectations of involvement in the specific topics within the individual steps will remain uninfluenced by the OBCP as a whole, so the OBCP has to be considered in the light of the hotel itself.

Appendix 4 shows the background data on the hotels, in respect of markets served, owner, operator (if not the owner), GM, and Department Heads. Both of the latter are considered by nationality with a summary as to the “cultural grouping” of the hotel which is discussed below.
The 18 hotels which participated in the study could be broken down into four main cultural "combinations" or "groupings," from an analysis of the background, expressed in relation to the representation of Chinese in the ownership, operation, GM and Department Head areas.

- First, five hotels lettered B, D, G, L and M have Chinese Controllers, Chinese GMs, and are Chinese owned/operated [meaning that the owners also operated the hotel]. This grouping is referred to as "all Chinese".

- Second, five hotels lettered A, I, O, P, and Q have Chinese Controllers, expatriate non-Chinese GMs [all Western], and are Chinese owned/operated. This grouping is referred to as "mainly Chinese".

- Third, three hotels lettered C, F, and H have Chinese Controllers, expatriate non-Chinese GMs [all Western], are managed by Western contractors, and are owned by Chinese companies. This grouping is referred to as "half Chinese".

- Fourth, three hotels lettered J, K, and R have Chinese Controllers, expatriate non-Chinese GMs [Western], and are owned/operated by non-Chinese companies, all with a very long presence in the region and thus having at Head Office many Chinese in responsible positions; for example Chief Financial Officer. Thus, this grouping will be referred to as "part Chinese".

- Fifth, two hotels lettered E and N have Chinese Controllers, expatriate non-Chinese GMs [in the case of Hotel N, an Asian], are managed by Western contractors and are owned by Asian companies [non-Chinese], but who have no Chinese in responsible positions in Head Office. This grouping is referred to as "hardly Chinese".

Figure 6.9 illustrates the summary of the data gathered on Hotel J and the hotel's grouping as "part Chinese".

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The conclusion from the background information on the market served by the hotel, and the backgrounds of the owners, operators, GM and Department Heads is that hotel J is a traditional British upmarket establishment.

Revenue Earning Department Heads are "expat western"; indeed only three out of the 10 EXCOM members are local Chinese, occupying the positions of Director of P+T, Financial Controller, and Chief Engineer.

Hotel group = “Part Chinese”.

At the time of the study, there were no instances in the hotels of a non-Chinese Controller, nor of a Chinese GM managing a hotel owned or operated by a non-Chinese company, nor of a Chinese management contractor. Thus the first "grouping" [the “all Chinese” grouping] could be said to represent a “control” group for the purposes of analyzing the data for evidence that expectations are systematically different for the “all Chinese” combination, than for any of the other combinations. With the exception of hotel G in this group [with two out of 14 Department Heads being non-Chinese], all Department Heads of hotels B, D, L and M were Chinese.

However, reference Table 6.8.2, no discernible nor systematic evidence is present that points to any one of the combinations of Controller, GM, and hotel owner/manager, as any way different than the others. Similarly, in the conclusions to the section 6.7. In the general characteristics of the data, there was no evidence that cultural utterances were any more prevalent for one type of hotel or in one of the transcripts than another. Indeed the only major concentration was found in the topic of disturbance handling, which was evenly spread over the data.

Data has been gathered and summarised in respect of four main areas. Certain important conclusions can be made for each of these areas that need to be borne in mind as the next stage of analysis is entered. These areas are shown below.

- In respect of cultural utterances, reference Appendix 1 and section 6.2 of the Chapter, the area of disturbance handling was the dominating feature across transcripts, hotels and steps. More implicit than explicit utterances were found in this area.

- In respect of non-cultural utterances, reference Appendix 2 and section 6.3. of the Chapter, the experience and length of time that Controllers and GMs have been working in hotels are the most important of the non-cultural utterances put forward on the subject of expectations of involvement. Non-cultural utterances numbered about half of the total cultural utterances.

- In respect of Controller/GM expectations, reference Appendix 3 and section 6.8 of the Chapter, expectations of Controller's involvement generally were consistent across the data. However many Controllers do not seem to regard the GM in the hotel as the "boss that matters".

- In respect of the background data on the hotels, reference Appendix 4 and section 6.9 of the Chapter, five different cultural combinations of hotels, were developed out of the survey of 18 hotels. This reflects the broad pattern of ownership and operation in Hong Kong hotels. It was noted that no Western owned hotels had a Chinese GM or indeed a Chinese operator.

6.11. Summary.

Data were required to be identified from the transcripts that gave the reasons for the expectations held by both the Controller and the General Manager in the area under study. Cultural and non-cultural utterances were identified from the transcripts. The
main consideration in the statistics gathered was to identify the dispersion of the data and that, hopefully, it might be possible to take all the hotels together in the main analysis. Of main concern was the identification of any particular influence of either explicit or implicit utterances, and whether these were attributable to any specific hotel, transcript, step or topic.

The data were generally well dispersed, with two main findings. Firstly, there was the dominance of implicit cultural over both explicit cultural and non-cultural utterances. This finding gives support to the contention that comments on sensitive issues are more likely to be made implicitly than explicitly. Secondly, the topic of disturbance handling attracted the great majority of utterances. These utterances were put forward generally in defense of expectations of non-involvement. This suggests that such ideas as "disagreement" and "conflict" trigger cultural reasons in defense of positions taken on such issues. In order to prepare the data for the next stage of the analytical process, each utterance was summarized. In consideration of the immediate and wider context, the expectations expressed by the Controller were "matched" against those of their GM. In addition, the "boss that matters" to each Controller was identified from an analysis of the transcripts relating to each hotel. The background data gathered on each hotel was organized and hotels "culturally grouped" in respect of Western and Chinese influences.

In this way the factors necessary for the subsequent analysis process were put in place - the cultural utterance summaries, the non-cultural utterances, the Controller/GM expectations, "the boss that matters" and the "cultural grouping" of the hotels. Thus, it is from these data bases that a common theme needs to be identified, inferences attempted and categories developed. However, consideration must be given first to the reliability of the data before attempting further analysis. Such considerations of reliability are considered next in chapter 7 before undertaking the search for a common theme, inferences and categorization.
CHAPTER 7.

DATA ANALYSIS - PART 2.

This chapter is concerned with issues of reliability, the search for a common theme, the making of inferences and categorizing of the data. The discussion first centres on whether the utterances collected and summarized in chapter 6 can be used to look for a common theme, with a view to combining these with the expectation's of the superiors and the background data on the hotel in order to make inferences and then categories.

7.1. Reliability of the Data.

Andren (1981), Krippendorff (1977), Holsti, and others have debated issues of reliability in content analysis. A summary of views concluded that, no matter what may be the differing opinions on the issue there remained:

"...the concrete criterion of reliability in content analysis, that results must be epistemically independent; "regardless of who does the analysis, the same data should be secured" (Andren, 1981:54)."

The essence of the approach used in this study was independence, achieved through separate interviews with two individuals. One of these [the Controller] was the person under study and the other [the GM], was the superior who would de facto have a legitimate right to hold expectations of their Controller's involvement in the OBCP.

Webb (1978:322) argues that an:

"understanding of social behaviour is obtained without alerting subjects to the nature of an investigation."

A key feature of the methodology derived from the literature was that in the interview with the Controller no mention was made that the Controller's expectation of involvement was the object of the study [the FC transcript]. It was only after the first
section was completed that the focus moved overtly to the Controller’s feelings as to the GM’s expectations of their involvement. In the interview with the GM, the focus was overtly stated as the GM’s expectations of the Controller in the OBCP.

In the operationalization of the study, Mostyn (1985: 143) amongst others, stresses the necessity for a systematic and consistent approach to the data gathering exercise:

“so that he/she has not got carried away with a handy theory or colourful quotation and exaggerated it out of all proportion, compared to what actually happened”.

The conduct of the interviews have been described, as have the issues that may have disturbed the systematic and consistent approach to the exercise, relating to these interviews. Principally these were the existence of explicit utterances by a few individuals, the “poor quality” of a few of the interviews and the “running together of steps” by some interviewees but not others. Chapter 6 also concluded that these occurrences did not make a substantial influence on the data as a whole and thus need not be excluded from the subsequent process of making inferences from the data. The main concern in the making of inferences from the summaries of the culturally attributable utterances is a decision in each case as to the “weight” that should be given to the utterance in respect of its reliability in forming inferences. Three issues are relevant here.

- Firstly, clearly, only those cultural utterances that refer to the Controller are to be considered in the making of inferences on the subject of their expectations in involvement in the OBCP. In the FC transcript, it was quite possible for the Controller to make a culturally attributable utterance, on say the relationship between the Director of Sales and the GM. However, consideration of these utterances is useful only in the search for a common theme, after which they can be discarded.

- Secondly, cultural utterances common to a step and topic made independently by the Controller and the GM have greater reliability than those cultural utterances
made by only one of the two interviewees. This "cross check" is not considered as evidence that the expectation is "correct" in any way. Rather that the step/topic has been considered by both parties as worthy of a culturally attributable comment and thus needs to be given more attention than those single utterances that have no element of corroboration.

- Thirdly, in the summarizing of non-cultural utterances, it was concluded that there was strong evidence of repetition of the length of experience and working in hotels, put forward by the both Controller and GM alike. Repetitive redundancy is an indicator of reliability and thus, in the analysis of cultural utterances, the incidence of such repetition is likely to be the strongest measure of the reliability of the data.

Before starting out on the search for a common theme, the issue of omission need be addressed. Mostyn, Holsti and others stress that attention needs to be focused as to what is not there, which is as important as attending to what is there. The literature and research on the organizational behaviour of the Chinese (Kirkbride, Tang and Westwood), attests to "avoidance behaviour" on contentious issues. The design of the instrument took as one of its fundamental components tactics that would not lead the interviewees in any way, yet would keep them on the "track". Asking supplementaries [probes] was not done, mainly on the basis of the results of the pilot test which showed that respondents "reacted" to the probe as an indicator of that which the interviewer felt was important. Hence, in the interviews a problem was created by the technique adopted. If for example, the Controller did not mention their own expectations of involvement in a step/topic, was this as a result of there being no expectation, or simply being forgetful?

Three options were possible arising out of the interviews. The first possibility was that no mention was made by the interviewee during the interview of the Controller's expected involvement in the particular topic being discussed. The second possibility was that mention was made of the expectation of the Controller's involvement in the topic and the third possibility was that mention was made of no expectations of the Controller's involvement in the topic. The FC transcript would seem to have the greatest likelihood of the three, that there would be a largest occurrence of expected
involvement not being mentioned in the topics. Reference to Table 6.8.2. will show that
this was in fact the case. Three possible reasons might be put forward as an
explanation. First, the Controller may simply have forgotten to mention their expectation
of being involved. Second, they may have wished to avoid answering, as the topic was
regarded as sensitive. Third, they may not have mentioned their expectation, as there
was no expectation.

The preamble to the interview with the Controller did not mention that expectations of
the Controller were the subject of the study. Controllers were asked to identify on a
step by step basis those people in the hotel who the Controller expected to have an
involvement. Those comments made, formed the FC transcript. The GMEX and GM
transcripts might be expected to have less instances where expected involvement was
not mentioned. The preamble to these interviews asked for the interviewee to consider
expectations of involvement concerning the Controller. It is possible that, as in the FC
transcript case, the interviewee forgot, but this is less likely than the other two reasons.
There was a conscious "trade-off" here in recognizing that the conduct of the interviews
was going to produce instances where no mention of an involvement was going to
happen, and that the reason would be unclear, unless an immediate follow-up was
made by the interviewer.

However, to reiterate, the main reason for the interviews being conducted at all was the
imperative necessity not to lead the interviewee in any way and thus compromise the
answers. The main criticism of previous research has been the methods used, which
have not taken into account the probability of much "talking-up" on sensitive issues. On
these grounds it is argued that this raises questions of reliability and relevance in
respect of this type of research.

It was felt that a pattern would emerge; there possibly being one or two particular topics
where the "no mention" option was widespread. In the FC transcript, reference to Table
6.8.2, this was indeed the case, in the disturbance handling topics in Steps 1, 2 and 8.
Of greater interest, on this subject of the reason for the Controller "not mentioning"
expectations, was that in the liaison and dissemination topics in Steps 4/5 and 7 there
were no cases in the FC transcript of Controllers "not mentioning" expectations of their
own involvement. In other words, if being forgetful was an issue, then the Controllers were being selective. A more likely reason is that giving information (Step 4/5) and producing reports (Step 7) are clearly recognized by Controllers as prime responsibilities.

It was necessary also to identify instances where the interviewee did not address the specific issue. Given the deliberate policy of non intervention, an interviewee was able, despite the "guidance" sheet in front of them, to talk off the point. From Table 6.8.2, this occurrence was not very frequent as the incidence of "non specific" utterances were few. Given the findings from Table 6.8.2., it might well be that as specific mention of non-expectation was not an option taken up by the Controllers in the interview, apart from a few in Step 8 Topic 4, that the way for a Controller to avoid saying there is a non-expectation, which has implications of non productivity, was to make "no mention". In contrast, the GMs in the disturbance handling topics of Step 8, especially, made specific reference to the non-expectation of their Controller's involvement.

In conclusion to this discussion on reliability, the utterances seem to be sufficiently reliable to be used as a basis for the search for a common theme, with a view to making inferences and forming categories later in the analysis.

7.2. Search for a Common Theme: Explicit Utterances.

Whyte, Ackroyd and Hughes and Potter and Wetherill acknowledge the intuitive nature of content analysis if, at the end of successive iterations, categories are to be an accurate reflection of the content that has been analyzed. However, guidelines are suggested which focus on the necessity to distill the data and to fully describe, in as few words as possible, what is going on. The objective at this stage is to describe and not to infer.

7.2.1. Putting "Action" Words or Short Phrases to the General Summaries.

The culturally attributable explicit utterances, as shown underlined in Appendix 1 were summarized with one or two words. It may be argued, that a summary of each
utterance was not really necessary as, after all, the test of an explicit statement is that nothing needs to be added. However, one of the objectives of the analysis was to distill the data and move towards the making of inferences and categories reflecting productivity defined as the expectations of the Controller in liaison, dissemination, and disturbance handling roles in the OBCP. Any more than two or three words would defeat the purpose of the exercise. Where possible, an "action" description was given to the utterance; for example in HGM/1/2, "co-operate" was given to describe the utterance "As a Chinese, I expect he will play a co-operative role and help others work for a common goal." However, an "action" descriptor was not forced on to an utterance; as in BFC/2/2; namely "form of interaction", in, "As a Chinese, formal communication is made through meetings amongst Department Heads".

A judgment had to be made as to which word(s), or possibly, even a short phrase, might be chosen to accurately describe the utterance. Therefore, for example, in GFC/7/2 the summary word "autocratic" was written down for the utterance "Without doubt, autocratic management style is dominant, since most of the superiors are Chinese". However sometimes a summary word(s) or short phrase was necessary containing words which did not actually appear in the utterance. In GFC/2/1 "as the hotel is owned and mainly operated by Chinese, everything is confined to the management", which was described with the words "management retains the power".

The important point borne in mind on choosing a summary word(s) not present in the text, was that the chosen word(s) or short phrase described the utterance and did not make any inference about it. Thus, in the above example, "management retains the power" was chosen as a meaningful summary of the words "everything is confined to the management", and one that allows similar utterances to be placed under that theme. Each utterance summary was therefore assessed for its accuracy in describing the event. Additional words were sometimes necessary in order to differentiate a situation. The need to add these extra explanatory words was an indication of the separation into different themes and the inter-relationship of those themes. For example, the word "conservative" is applied in CFC/7/4 to the organization but it is directed to an individual in CGM/1/4. Immediately, this suggests two separate themes; that of the organization and that of the individual. Similarly, in HGM/2/45 the summarized word is "loyalty"; however the person to whom it refers is a necessary
adjunct to clarify the situation; (in this case to the boss rather than to a peer group)
Hence the "individual" becomes differentiated into worker and boss.

The list of summary word(s) and short phrases for explicit utterances have been
extracted from data in Appendix 1 and are listed in Table 7.2.1 [Distribution of
summary words and short phrases for explicit cultural utterances by
Hotel/Transcript/Step/Topic]. Three main patterns in the data arose during the process
which are discussed below and serve to demonstrate the "ongoing" nature of the
analysis; in other words, to illustrate the exploration of new avenues for consideration
that arose as result of immersion into the data.

- Firstly, after the first four or five hotels had been analyzed in alphabetical order,
taken in alphabetical order and therefore randomly in so far as cultural dominance
was concerned, some repetition was beginning to occur. Stubbs (1983) suggests
that repetitive redundancy and consistency, are indicators of the "strength" of the
data and the reliability of that data.

- Secondly, it became clear that of interest was the originator of the utterance; not
only whether it was the Controller, [in transcripts FC and GMEX] or the GM [in
transcript GM], but also whether the individual was Chinese or non-Chinese.
Possibly, such occurrences are few, but nevertheless, a note was made where the
reference referred to a non Chinese; for example in AFC/8/4 to the Austrian GM
and in FC/7/7 to the British GM.

- Thirdly, corroboration between two individuals was able to be established in
HGM/2/2, and HGMEX/2/2, where the descriptor "cultures stick together" was able
to be used in the same step and topic. Where such corroboration exists, the degree
of reliability of the utterances would probably be greater than if such corroboration
were not present, on the basis that two independent people "witnessing" an event,
would tend to lend more credibility to a judgment as to whether that event occurred
or not. Care must be taken not to assume that just because two people attest to an
event, that it definitely occurred; they could both be mistaken!
| Table 7.2.1. |
| Distribution of Summary Words and Short Phrases for Explicit Cultural Utterances by Hotel/Transcript/Step/Topic. |
7.2.2. Establishing Common Themes amongst the Explicit Utterances.

A list of 16 summarizers were identified and are shown in Table 7.2.1. From the above description, it was noted that the organization and the individual might be one form of division. Thus the summarizes were broken into two lists, which devolved as shown in Figure 7.2.2.

Figure 7.2.2. Summarizes of explicit utterances [all]

<table>
<thead>
<tr>
<th>Under individuals</th>
<th>Under organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>goal orientated</td>
<td>conservative (firm)</td>
</tr>
<tr>
<td>informal/formal interaction</td>
<td>autocratic management style</td>
</tr>
<tr>
<td>sensitive to money matters</td>
<td>management keeps the power</td>
</tr>
<tr>
<td>blame outside factors</td>
<td></td>
</tr>
<tr>
<td>saving face</td>
<td></td>
</tr>
<tr>
<td>conservative (people)</td>
<td></td>
</tr>
<tr>
<td>minimize conflict</td>
<td></td>
</tr>
<tr>
<td>respect hierarchy</td>
<td></td>
</tr>
<tr>
<td>cultures stick together</td>
<td></td>
</tr>
<tr>
<td>co-operate</td>
<td></td>
</tr>
<tr>
<td>relationships</td>
<td></td>
</tr>
<tr>
<td>do not admit failure</td>
<td></td>
</tr>
<tr>
<td>maintain harmony</td>
<td></td>
</tr>
</tbody>
</table>

The next step was to consider the larger group, and perhaps to find ways of breaking it down further. Clearly, there is a distinction in these words between those that describe what an individual is and those that describe what an individual does. Hence the list on individuals was broken down further as shown in Figure 7.2.2. (a) In respect of the few references under organization; there seems here a statement as to structure, and three
summarizes as to management style; namely conservative, autocratic, and management retaining power.

**Figure 7.2.2. (a) Summarizes of explicit utterances (by grouping).**

<table>
<thead>
<tr>
<th>Under individuals.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What you are.</strong></td>
<td><strong>What you do.</strong></td>
</tr>
<tr>
<td>[traits]</td>
<td>[ overt behaviour]</td>
</tr>
<tr>
<td>goal orientated</td>
<td>[chose] form of interaction</td>
</tr>
<tr>
<td>conservative</td>
<td>maintain harmony</td>
</tr>
<tr>
<td>sensitive to money matters</td>
<td>minimize conflict</td>
</tr>
<tr>
<td></td>
<td>respect hierarchy</td>
</tr>
<tr>
<td></td>
<td>stick together if the same culture</td>
</tr>
<tr>
<td></td>
<td>cooperate for a common purpose</td>
</tr>
<tr>
<td></td>
<td>build relationships</td>
</tr>
<tr>
<td></td>
<td>do not admit to failure</td>
</tr>
<tr>
<td></td>
<td>blame outside factors</td>
</tr>
<tr>
<td></td>
<td>save face</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Under Organization.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure</strong></td>
<td><strong>Management Style.</strong></td>
</tr>
<tr>
<td></td>
<td>conservative</td>
</tr>
<tr>
<td></td>
<td>autocratic</td>
</tr>
<tr>
<td></td>
<td>management retain power</td>
</tr>
</tbody>
</table>

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In summary, there are too few utterances to make any conclusions on the existence of a general theme. However some sub themes definitely come out of this process, which tend to leave the impression of activity directed towards the avoidance of issues. Clearly, some of the above themes are linked, which were left for further analysis and distillation at a later stage.

7.3. Implicit Utterances.

7.3.1. Putting “Action” Words and Phrases to the General Utterances.

As in the case with the explicit references, the implicit utterances, were summarized with one or two words, or with a short phrase. It became clear, however from an early stage in this exercise, that ensuring consistency in the treatment of every utterance, so that a description did not drift into an inference, was a much more difficult exercise than experienced with the explicit utterances.

In order to ensure this consistency, therefore each summary word(s) or short phrase, was followed, in parentheses, by an explanation that an intelligent lay person would need to make any sense of the utterance; in other words, set the word(s) or short phrase in context. The list of summary word(s) and short phrases for implicit utterances are shown in Table 7.3.1. extracted from data in Appendix 1. For example, earlier in the section on explicit references, the reference HGM/1/2 suggested the summary word “co-operate” to describe the utterance; “As a Chinese, I expect he will play a co-operative role and help others for a common goal”. The reference indicates that this concerns Step 1 [setting the sales targets] and Topic 2 [liaison/interpersonal relationships]. Clearly this utterance identifies the person who is “doing the act of cooperation”. The “he” is the Controller, which is evident as the GM transcript deals with the GM’s expectation of the Controller in the OBCP. In addition, those “who are the object of the act of co-operation”, are indicated by the word "others". The reason for that expected cooperation is also shown in the phrase “...and help others for a common
goal". Naturally, in an explicit utterance all three explanatory contexts are present to make complete sense of the utterance; namely the “who”, the “with whom” and the “reason”, in the case of the action word “co-operation”. Such is not the case with implicit utterances, and therefore these need to be added.

Four observations were made during this task.

• First, on the subject of the language used in Appendix 1 the summary word(s) or short phrase are followed by an explanation of differing lengths. The factor determining the length of explanation is the amount that needs to be added to make the summary clear, which in some cases owing to the “quality of the English” has made the utterance difficult to understand. For example, in BFC/8/4, the utterance reads: "If the business deteriates as no action has been taken, the well performed Department Head may have conflict with this Department Head, because it will affect the overall performance and the benefit that well performed Department Head can obtain." The summary word is “relationships”, which in this case requires some considerable further explanation; “Department Head's worry of losing favour with the GM, brings them into conflict with a poor performing colleague”. Whilst this explanation paraphrases the original, there is no intention of an inference. Generally speaking, the length of explanation reveals the quality of English usage, rather than the complexity of the implication. The problems resulting from the double meaning of words in their context has also been noted in Appendix 1. Fortunately, there are only a few cases which have been marked with a question mark. For example, in BGM/1/2 the utterance: "He [the Controller] is a person who wants to achieve harmony in job [sic] environment. He is also friendly with Department Heads". Does this mean that the Controller counts Department Heads as his friends, or simply that he has a friendly attitude towards Department Heads? Given, that there are so few cases like this, a few ambiguities can be tolerated.

• Second, earlier reference was made in discussing the explicit utterances concerning the need to differentiate individuals into the workers and the bosses. It was clear, after a very few utterances, that this differentiation is vital to an understanding of the data. For example, in AGMEX/8/4, the Controller feels that
they have to act as a "go-between" for the hotel and the Head Office to reach a compromise. It is clear that from the Controller's viewpoint that there are two "relationship triangles" in respect of their relationships with the GM and the Head Office. One involves relationships with the GM and the Department Heads within the hotel and the other involves relationships with the GM and Head Office personnel outside of the hotel. The concept of "satisfying the boss that matters" is the theme used in recognition of this theme in the data.

- Third, the idea of the greater reliability of utterances which were able to be corroborated by two individuals was mentioned in the discussion on the explicit utterances. It was evident early in the exercise carried out with the implicit utterances, that there are several instances of very closely connected themes which relate in all three transcripts to the same topic in the same step. For example in BFC/35/4, BGMEX/35/4, and BGM/35/4 the respective summary words are "do not disagree", "autocratic", and "support", which clearly indicate a common theme.

- Finally, there are several instances of there being a choice between one or other summary word for the utterance under review. For example, in CFC/2/4, the summary word used is "relationship" in that the utterance refers to the first discussion of a problem will take place informally between the Department Heads if the relationship is a "good" one. Equally the summary word used could have been "informal/formal " in that the utterance refers to "good" relationships. Similarly, taking a later instance, in LGM/1/1, the summary words are "informal/formal", which refers to the pre-meeting between the Controller and the GM, in order that there is support for the GM in the formal meeting. Alternatively, the summary word might well have been "support", in that the utterance refers to an informal meeting prior to the main meeting.

The recurring incidence of this last phenomenon was taken as an encouraging sign that there was a linking of common themes in the data. Where feasible, the "action word" was taken as the summary word, but as in dealing with the explicit utterances this was not forced. An illustration is in DGMEX/2/3 where the Controller acts as a "go-between" between Department Heads and the GM in order to minimize conflict. The
summary word was taken as "minimize conflict", which was the aim or objective of the action of being a "go-between". Here it was felt that the differentiation between minimizing conflict and another theme of "avoiding a conflict situation if you can", needed to be stressed. Just as with the explicit utterances, it was possible to list out the summarizes against their location: Table 7.3.1. refers [Distribution of summary words and short phrases for implicit cultural utterances by Hotel/Transcript/Step/Topic], and then to attempt to draw these together in common themes. Figure 7.3.1. shows the summarizers drawn together in common themes.

Figure 7.3.1. Summarizes of implicit utterances (by grouping).

<table>
<thead>
<tr>
<th>INDIVIDUALS</th>
<th>ORGANIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Actions</strong></td>
<td><strong>Aims</strong></td>
</tr>
<tr>
<td>Sensitive to money [1]</td>
<td>Cultures stick together [3]</td>
</tr>
<tr>
<td>Conservative[2]</td>
<td></td>
</tr>
<tr>
<td>Blame outside factors [5]</td>
<td></td>
</tr>
<tr>
<td>Do not show ignorance [3]</td>
<td></td>
</tr>
</tbody>
</table>
## TABLE 7.3.1.

**DISTRIBUTION OF SUMMARY WORDS AND SHORT PHRASES FOR IMPLICIT CULTURAL UTTERANCES BY HOTEL/TRANSCRIPT/STEP/TOPIC.**
| ABBREVIATION | SUMMARIZER                          | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R |
| INF          | INFORMAL FORMAL INTERACTION        | FC10 | OMEX | FC12 | OMEX | OM12 | 
| COOP         | CO-OPE    | FC22 | C34 | OC14 | OC12 | OC14 | OM74 | 
| REL          | RELATIO    | FC12 | FC14 | OM74 | OM12 | OM74 | 
| SATISFIES    | SATISFY    | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OMEX | OMEX | OMEX | OMEX | OMEX | OMEX |
| GOBE         | GO-BETWEEN | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OMEX | OMEX | OMEX | OMEX | OMEX | OMEX | OMEX |
| GND          | DO NOT    | FC14 | FC14 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 | OMEX | OM24 |
| AUTO         | AUTOCRATIC | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
| MHAR         | MAINTAIN   | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 | OMEX | OM12 |
| STP          | SUPPORT    | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
| FACE         | SAVING     | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
| MINCON       | MINIMIZE   | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
| CONP         | CONSERVATIVE | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
| COM          | COMPROMISE | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 | OM14 |
| SENSITIVE    | SENSITIVE TO | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 | OMEX | OM14 |
7.3.2. Establishing Common Themes amongst the Implicit Utterances.

A list of 21 summarizes were identified [Table 7.3.1. refers].

The summarizes divided into words denoting actions, words suggesting the aim for such action, and words suggesting the means to achieve those aims in respect of the individuals concerned. In addition, there seemed summarizes that described the organization in which these actions take place. Thus the first division suggested two sub themes of individuals and the organization much along the lines of the explicit utterances, with under the sub-theme "individuals", three divisions of actions, aims and means. Thus the picture devolves as shown in Figure 7.3.1. The number of utterances total 156. The number of occasions that the summarizer is mentioned is shown alongside the summarizer.

The above words and short phrases, gathered together under their separate themes can be brought together in the following clumsy, but all encompassing statement:

If the organization is managed in a certain style [autocratic, family type conservative], and employees have the aims of [satisfying the boss that matters, maintaining harmony, saving face, minimizing conflict, or at best avoiding it if they can, with cultures sticking together], then, by the use of appropriate methods [informal or formal communication through the forming of relationships], they will act [co-operate, act as go-betweens, not disagree, support, compromise, be sensitive to money matters, be conservative, blame outside factors and do not show ignorance], and the firm will survive and possibly prosper.

Whilst the above is really only an impression of how the various themes may fit together, it is at this stage that the picture becomes somewhat clearer and an overall theme of survival emerges, which is discussed in relation to productivity below.
7.4. Implications of Survival and the Link with Productivity.

The main implication of this common theme of "survival", is that by directing efforts towards surviving, might mean that people [Controllers] were not performing. To the question: why would people be surviving rather than performing, might come the answer: it is not performance that helps you survive, and possibly prosper, but rather how you get on with the person who holds your future in their hands. Another implication of the notion of survival, is that, in reality, you cannot talk about full productivity or working to the best of your ability, when you have these types of feelings and behaviour patterns in an organization.

These notions of survival are universal and based on a fundamental instinct. However, of interest in this study is the approach taken by individuals towards survival and it concerns the balance between survival as a result of objective, work output performance criteria, or subjective, behaviour/attitude criteria. It is clear from the literature review in chapter 2, that different cultures expect different values to dominate in an assessment of an individual. Survival is a common theme for everybody. It may be argued that in a place like Hong Kong, the notion of survival was bound to come out in a study of its people at work. However, survival is a general feature of business life everywhere, it is just that it might be shown to be in an explicit form in Hong Kong, a place on "borrowed time".

An important consideration having accepted the universality of survival is that, although everyone is aiming to survive in the work situation, some expect to survive more from objective performance rather than exhibited behaviour, whilst others expect the reverse; to survive more from the exhibited behaviour than objective performance. A key determinant to maintain one balance rather than the other may be how well the organization in which the individual works and the economy in which the organization exists, is performing, or, to put it another way is "surviving". It may be argued that, where there exists a demonstrable competitive edge, such as a low cost of labour that Hong Kong once enjoyed and preferential trade agreements, that a business is going to prosper anyway if people are willing to work hard. Thus, a manager can afford to
make judgments about people on the basis of subjective judgments on exhibited behaviour rather than objective outputs.

Objective performance is universally measurable in outputs, either monetary or productive units, whilst expected exhibited behaviour may also be measurable in some cultures through certain actions such as forming relationships, using appropriate methods of communication and overt support of the boss. Thus, in these cultures, it may not be enough to be friendly at work with everybody and not talk against the boss. An overt demonstration of relationship building, using the “correct” method of communication and open support is required. In business, in the West, a salesperson who sells any amount of product may well be able to survive with minimal behavioral skills. However, in the East, no matter how good that salesperson is, there may be a minimum expectation of acceptable, exhibited behaviour from everybody.

Earlier, mention was made of the impression of activity being directed to the avoidance of issues, which put another way is a “neutral” attitude to productivity. Such a picture, if true, paints a depressing picture for productivity in that a Controller is looking to “failure avoid” [reference GFC/1/4]. It is a subtle shift from the positive to the negative, much like a firm, rather than having the objective of making a profit, is more concerned with avoiding a loss.

7.5. Inferences.

Content analysis depends on the adequacy of the description of what has been said. So far in the analysis, the avoidance of inference has been a major preoccupation. However, with the summaries completed, and a common theme found, attention can now be turned to this area.


"Survival" has been taken as the common theme or “umbrella” in this study, after a distillation of the relevant, culturally attributable utterances. The words “relationships”, “informal/formal”, and “support”, were prevalent in the summaries and connected in the
expectations held by the Controller. A general framework within which the linkage can be demonstrated is suggested as follows:

- A Chinese Hotel Controller wants to survive; therefore they need to recognize which of their two bosses, the one in the hotel or the one in Head Office is most important to them for their survival. This will depend on the relationship held by the hotel within its group to which the hotel belongs.

- Once identified they must show their support for this boss by adopting acceptable exhibited behaviour such as forming relationships, using the appropriate methods of formal/informal inter-relationships with the boss and peers as the situation dictates and generally not doing anything which might associate them in the boss’s mind as a disturber of the peace.

- At all times they have to be aware of the management style of the organization which will be judging them on their exhibited behaviour.

In order to identify the situations in which this exhibited behaviour takes place, as shown by the culturally attributable utterances found, the data in the Tables 7.2.1. and 7.3.1. need to be rearranged to show the summary words of the utterances [summarizes] for each hotel against each transcript/step/topic.

These summaries with their related transcript/step/topic are shown in Table 7.5.1.[Distribution of summary words and short phrases both explicit and implicit and related transcript against Step/Topic per hotel]. Abbreviations of the summarizes shown in Tables 7.2.1. and 7.3.1. are used in the table. Thus, for example under Hotel A in Step 1/Topic 2 the notation “FC = IN/F” refers to the FC transcript in which the utterance AFC/1/2 has been summarised as “Informal/Formal Communication [IN/F].”
TABLE 7.5. 1.

DISTRIBUTION OF SUMMARY WORDS AND SHORT PHRASES, BOTH EXPLICIT AND IMPLICIT AND RELATED TRANSCRIPT AGAINST STEP/TOPIC PER HOTEL.
It can be seen that several of the topics within steps have three or two cultural utterances. Others have just one. In narrowing down the general framework, concentration needs to be made first on the more important; that is those with three or two sources. Providing that in cases of two sources of transcript, both Controller and GM are represented. Taking these more reliable utterances first, can give valuable guidance in the process of making of inferences to other utterances.

Clearly, from Table 7.5.1., the main bulk of references has come from the interviewees' utterances on the disturbance handling topics [topic 4]. These topics seemed to have "triggered" the culturally attributable responses. Thus the "trigger" words, either stated or implied in the disturbance handling area have been:

- "disagreement" [in Step 1, Topic 4a and 4b; Step 2, Topic 4a; Step 4/5, Topic 4a, and Step 7, Topic 4b],
- "ignorance" [in Step 2, Topic 4b; Step 4/5, Topic 4b and Step 8, Topic 4a],
- "poor performance", [in Step 3, Topic 4a and 4b; Step 7, Topic 4a and 4c; and Step 8, Topic 4b.]

Taking each in turn, the general framework suggested earlier can be made more specific:

- Under "disagreement" an understanding of the meanings in this context of the word "co-operation" may be obtained. Department Heads and Controllers try not to have disagreements at work, as these are perceived as showing a lack of support for the boss and thus increasing conflict. Conflict gets in the way of a good atmosphere at work, and it is in a good atmosphere that smoothness and harmony reign; ["co-operation"]. In order to minimize conflict, staff have to "co-operate" at the individual level by building and maintaining relationships with like minded individuals, who will be a source of help in anticipating and dealing with problems. At the level of the group, people have to "co-operate" towards the common goal.
- Showing ignorance is not to be encouraged as it reveals weakness. The result of showing weakness is a loss of face, and does harm to the impression created by the member of staff to the "boss that matters".

- Poor performance is to be blamed on external factors. There will be little personal accountability. If blame is admitted, the member of staff runs the risk of being connected with bad news and generally will be associated in the eyes of "the boss that matters" as a disturber of the peace.

7.5.2. Inferences on the Expectations of Involvement of the Controller.

Inferences need to focus on the Controller. Utterances in the FC transcript relating to the Controller need to be separated from the utterances not relating to the Controller. However, these utterances are not to be "discarded" but have a low "ranking" in respect of influencing the inferences made.

Table 7.5.2 [Distribution of summary words and short phrases both implicit and explicit and related transcripts against Step/Topic/ per hotel, excluding all references not relating to the Controller], shows the summarizes, on the same basis as table 7.5.1., with their related transcript/step/topic, but with the utterances not relating to the Controller removed. [Data from Appendix 1.]
TABLE 7.5.2.

DISTRIBUTION OF SUMMARY WORDS AND SHORT PHRASES, BOTH IMPLICIT AND EXPLICIT AND RELATED TRANSCRIPTS AGAINST STEP/TOPIC PER HOTEL, EXCLUDING ALL REFERENCES NOT RELATING TO THE CONTROLLER.
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**STEP 2**

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| 4    | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF | OM+INF |

**STEP 3**

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**STEP 4**

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**STEP 5**

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**STEP 6**

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**STEP 7**

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**STEP 8**

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7.6. Making the Inferences.

Two main tasks were required in the making of inferences.

First, each utterance or group of utterances was subjected to the same question: within the general and specific frameworks given:

why has the expectation of the Controller's behaviour in this Step/Topic been described in this way?

To answer this question, total immersion into all the data gathered on the hotel was required. Four influences were taken into account, which were:

- How much "weight" to give the utterance: which depends on the dominance of any topic and summarizes used, and the degree of corroboration [information in Table 7.5.1. and Appendix 1].

- The type of non-cultural utterances made [information from Appendix 2].

- Who is the "boss that matters"? What is the Controller held responsible for? [information from Appendix 3].

- Is the hotel more "Western" or more "Chinese"? [information from Appendix 4].

Second, any utterances not relating to the Controller having been deleted, the utterances belonging to the hotels were considered. Those topics with the most utterances were dealt with first, as these were assumed to carry most "weight" Figure 7.6. illustrates the thought processes for Hotel J along the lines of the four influences discussed above.
In respect to the “weight” to give the utterance and the summarizer, there is a dominance of the disturbance handling topic. They are spread out across all transcripts. Of the eleven separate utterances, eight deal with Topic 4, hence in respect of the total number of cultural utterances found, they may be said to dominate. There is one case of utterances common to three transcripts, two case of utterances common to two transcripts, and four single utterances. No summarizer dominates.

In respect of the type of non-cultural utterances, mention is made of the traditions in the hotel and the difficulties of the Controller getting on with the Department Heads on the basis of experience held.

In respect of the “boss that matters” and for what the Controller is held responsible, the Controller seems to recognize the GM as the boss that matters. The Controller seems to be held responsible [subject to sanctions] by the GM for getting the figures out in both budget setting and control processes.

In respect of whether the hotel is more “Western” than “Chinese”, the Executive Committee of the hotel has Western "expats" in the key positions. Out of the ten members, three are local Chinese. The Hotel may be therefore more "Western " than "Chinese".

Therefore, inferences were made for each hotel, on the basis of this “immersion”. The first inferences were those made on the utterances with the “highest weight”; that is where appropriate, and after deleting any utterance made that did not relate to the Controller. Each commentary concludes with an inference summary. Figure 7. 6. (a) illustrates the process for Hotel J.
The first utterance was that common to all three transcripts/step/topic and therefore deemed to have most “weight” but the reference JFC/2/4 was deleted: hence the reference now reads JGMEX/JGM/2/4.

The Controller recognizes that the basis for building and maintaining a relationship is required for him as a Chinese to get on the same wavelength as the DH's who are westerners in the prime positions. His perception is that they are unwilling to be helped by the Controller in solving their problems, in doing the budgets, which are not his problems. The Chinese saying “do not sweep snow from your neighbour's roof” seems relevant here. The Controller prefers to accept the status quo, as it is not critical, and he can afford to keep away, as he is not going to be held responsible.

Inference summary: Controller avoids building an unnecessary relationship with the Department Heads.

[The next “highest weighted “ utterance is JGMEX/JGM8/4.]

The Controller feels he can head off potential conflict [ maintain harmony], if he could get his view across to the expats but he perceives that they do not welcome his involvement. As he is not going to be held responsible for bad variances and the actions to correct them he keeps away, even though he feels he can be of some help.

Inference summary: Controller avoids a non essential relationship.

[The next utterance is also common to two transcripts/step/topic. However the utterances are not made by both Controller and GM. Thus the status of its “weight” is similar to an uncorroborated utterance: JFC/JGMEX/3/4]
Expat DHs do not co-operate[ know their responsibilities]. The Controller finds it difficult to convince them to meet their deadlines. However, unlike the situation in Step 2 he cannot ignore the situation, as he is going to be held responsible, if the overall picture to Gross Operating Profit is not produced [see JGM Step 3, last paragraph]. Therefore he has to involve himself [compromise] with the DHs on the due date. The threat posed of a sanction from the GM is greater than the threat of disruption in this hotel.

Inference summary: Not possible for the Controller to avoid conflict; therefore he builds relationships reluctantly.

[Then follows the single utterance in the dominant topic; JGMEX/45/4:]

The Controller feels the GM wants him to act as a go between, so as to balance the conflict between HO and the management of the hotel. As this will be an indicator of the level of support to the GM, and he recognizes the GM as the “boss that matters”, he feels this is a necessary activity.

Inference summary: necessary for showing support to act as a go-between [Head Office and Hotel].

[The single utterance in the dominant Step [2] then follows: JGMEX/2/3]

The GM feels the GM expects him to give information, but he feels embarrassment, [loss of face] because DHs show an unwillingness to be helped. As he is not going to be held responsible for the "quality " of the figures he can avoid the issue, and there will be no disruption to the social stability of the hotel, and no subsequent embarrassment for him.

Inference summary: avoidance is possible, therefore no relationship needs to be built.
The GM expects the Controller to get his view across to DHs because he is a functional specialist, and thus an advisor with no input/output role, and therefore should be able to get over the cultural problems and be a good go-between within the hotel. There is no sanction for failure on the Controller's part however.

Inference summary: necessary to show support to act as a go-between.

[within the hotel]

In this way, the inference summaries were completed for all hotels. Inference summaries for all utterances are shown in Appendix 1 and summarised in Table 7.6. [Distribution of utterances against inference summaries per hotel].
TABLE 7.6.

DISTRIBUTION OF UTTERANCES AGAINST INERENCE SUMMARIES PER HOTEL.
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7.7. The linkage between Inference Summaries.

A linkage between the inference summaries is suggested below, under the "umbrella" of survival. For the Controller to survive, it is necessary to pay specific attention to two areas, one the area of relationships, and the second the organization.

7.7.1. Relationships.

Within the area of relationships, the Controller has to concentrate on their relationship with their peers on the one hand and their superior(s) on the other. In respect of their relationships with peers the degree of co-operation has to be established. Whilst in respect of their relationships with superiors, it is a question of the degree of support to be demonstrated for superior(s). For the Controller it is especially critical to identify the "boss that matters", who can either be the GM in the hotel or an individual in Head Office.

The correctness of expected action/inaction taken by the Controller towards, on the one hand the peers and on the other hand the superior(s) is essential. Each of these actions/inactions has to have a purpose that contributes to the chances of survival. There is no evidence of a situation in which the "boss that matters" is at the Head Office and that the Controller is prepared to generate more conflict with the GM. A lack of such behaviour may be interpreted as consistent with a desire to avoid conflict. With their peers the Controller must decide with whom they will build, maintain and nurture relationships, in order to provide for themselves protection. Again, on the one hand to pre-empt a non-harmonious situation occurring, [an early warning system] and on the other to be able to band together to deal with a problem situation. Relationships will not be formed "permanently" with non-compatible peers, that is non-Chinese or those who are not in the same "need to survive" situation. Relationships will depend on how critical the Controller perceives the situation to be, that is, the more certain the perception of a sanctionable situation, the more likely to form a "temporary" relationship. For those peers, whom the Controller perceives to be involved in non-critical situations for the Controller, relationships can be avoided.
Turning to the relationships with superior(s), three main actions are required to be demonstrated by the Controller to show their support. The main objective for the Controller to consider when contemplating any action/inaction is that nothing is done that might give the "boss that matters" the impression that the Controller is a disturber of the peace.

- The primary action is to avoid causing the boss aggravation which is achieved by the Controller always acting in the appropriate way in given situations. Linked to the avoidance of causing the boss aggravation is the necessity for the Controller to avoid being associated with poor performance.
- The second main way to demonstrate support, is to ensure that actions/inactions in given situations are preserving [saving] the face of the superior(s).
- The third main way is especially applicable to the position that the Controller occupies in the organization; namely that of the functional specialist. It is understood that the Controller should use this position as a "go-between". Within the hotel, the role is that of mediator between the GM and the Department Heads. Between the hotel and the Head Office the role can really be described best as one of spy.

7.7.2. The Organization.

Within the area of the organization, the Controller has to accurately identify the management style and, broadly speaking, differentiate the style into either autocratic or democratic. The identification of an autocratic style or a democratic style will "cue" the Controller into the accepted forms of behaviour. However, the Controller will have to differentiate the management style of the GM and any other individual with whom they have a reporting relationship.

These inferences were now able to be set against their relevant categories.
7.8. Categories- Specific Action/Inaction or Understanding Expected.

Holsti, O'Sullivan and others on the subject of content analysis, stress the necessity, in the category forming stage, to periodically return to the base data [successive iteration phase], to check that the categories selected have not become “detached” from the actual utterances through the process of making inferences.

In order to carry out this check, and move forward to establishing comprehensive categories, it is necessary to list out the general summary of utterances under the “inference summary” headings, as shown in Table 7.6.

These lists follow in Figures 7.8.1 through 7.8.7.

In this way, the evidence for the categorization is presented, much as in a court of law, where the evidence needs to support inferences as to the actions of the suspect made by the prosecution. Under each “inference summary”, the frequency of utterances is given, followed by the summaries of the utterances in order of relative weight. Hence, those utterances common to all three transcripts/step/topic come before those utterances common to two transcripts/step/topic, which, in turn come before those utterances in one transcript only. [The summaries of the utterances common to three transcripts are always shown in the order of FC, GMEX, and GM.]

Figure 7.8.1. Forming and Maintaining Relationships to Solve Problems.

<table>
<thead>
<tr>
<th>Number of Utterances [Topic 2: 10; Topic 4: 23] : 33</th>
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</thead>
<tbody>
<tr>
<td>Utterances common to all three transcripts/step/topic. [4]</td>
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<tr>
<td>D/7/4: support from GM for Controller so as to minimize conflict; by any method; by informal pre-meetings with D. Heads.</td>
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<td>E/7/4:</td>
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formal ways to minimize conflict in public meetings; good relationships to minimize conflict; GM expects Controller to blame outside factors for mistakes.

H/2/2:
difficult to have informal relationships when half the D.Heads are foreigners; Controller to communicate with the Chinese D Heads, leave the foreign D. Heads to the GM.

Q/1/4:
All try to keep conflict hidden: “smooth cooperation”; both [GM and Controller] know as company style is autocratic, to do as told; Controller to support the GM by “hiding “ bad news.

Utterances common in two transcripts/step/topic. [6]

AGMEX/AGM/7/4
informal chats the way for Controller and D.Heads to prevent problems becoming serious; informal ways for Controller and D.Heads to prevent anyone losing face in the public meeting.

DFC/DGM/3/4
Controller and D.Heads to cooperate for a common purpose; controller to minimize conflict with everybody by cooperation.

DGMEX/DGM/1/4:
views the Controller as conservative; Controller and Sales Manager compromise informally prior to the meeting.

DGMEX/DGM/2/4:
to minimize conflict as a mediator between D.Heads and GM; with relationship, Controller to work for common purpose with D.Heads.

KGMEX/KGM/2/4:
to form relationships to get along with non-Chinese colleagues; Controller will not clarify unclear instructions with GM.

LFC/LGM/2/4:
if Chinese D.Heads cannot do the budget, then they will not show ignorance; Controller and D.Heads to pre-empt the possibility of ignorance by relationships.

Utterances in one transcript only. [9]

AGM/1/2:
informal ways to discuss work issues for D.Heads.

BFC/2/2:
informal ways for the D.Heads to get the right information to solve problems.

DGM/2/2:
Controller to have informal chats off duty on business matters.

EGM/1/2:
informal discussions with other D.Heads.

HGM/1/2:
as a Chinese, he will help others

HGM/2/4:
Controller to act as middle man between GM and Chinese D.Heads.

LFC/2/2:
Chinese build relationships with the same grade and race.

LFC/7/2:
as all are Chinese and have been in the hotel together since the start.

PFC/45/4:
all EXCOM members responsible to amend budgets.

Figure 7.8.2. Avoiding Relationships with Peers if possible.


Utterances common to all three transcripts/step/topic. [2]

C/7/4:
British DH stases individual accountability, and that the Controller will be circumspect with foreigners perceived as having more status, sensitive to money issues as hotel owned by Chinese, Chinese D.Heads will blame outside factors; Controller to minimize conflict with D.Heads to avoid confrontation over variances; GM [German] co-operate to avoid chaos.
H/8/4:
autocratic [British] GM will become pushy; all need to compromise to minimize conflict; Controller conventional, and will not disturb order of things (respect for hierarchy).

Utterances common to two transcripts/step/topic. [8]
CGMEX/CGM/2/4:
loss of face by D. Heads, not willing to be helped by Controller; Controller to co-operate with D.Heads to solve problems.
EGMEX/EGM/2/4:
Controller to support GM against D.Heads if figures need amendment; in relationships, Controller to have “positive attitude towards helping others.
FFC/FGMEX/7/4:
GM overrides decisions of Controller ?; relationship between D.Heads and Controller, but they have larger power/influence with GM than Controller.
IGMEX/IGM/2/4:
cooperation between Controller and D. Heads, who are not all willing to be helped, for fear of losing face; Controller and D.Heads to bring about productive result, not for harmony's sake alone.
JGMEX/JGM/2/4:
Controller to support GM against D.Heads, loyal to GM but embarrassed; GM expects support for GM against D.Heads' objections to budgets
JFC/JGMEX/3/4:
Controller and D.Heads to minimize conflict with EXCOM; Controller in a support role to D.Heads.
JGMEX/JGM/7/4:
informal ways for Controller to discuss with D.Heads prior to avoiding an argument in main meeting; Controller not to be involved as left to professionals, i.e. cultures stick together..
KGMEX/KGM/7/4:
relationships difficult for Controller with other D.Heads; Controller to co-operate with D.Heads to engage in joint effort with D.Heads.

Utterances in one transcript only. [3]
EGM/1/4:
Controller to avoid conflict as not his business to address problems.

FGMEX/2/3:
D.Heads loss of face, therefore lack of willingness to be helped by Controller.

JGMEX/2/3: Controller to avoid conflict with D.Heads who are unwilling to be helped.

7.8.3. Supporting Boss by Acting Appropriately.

Number of Utterances [Topic 1: Topic 2: 6; Topic 3: 3; Topic 4: 29.] : 39

Utterances common to all three transcripts/step/topic. [2]

C/1/4:
as it is a Chinese firm, it is conservative; Controller’s conflicts with Sales Director hidden so as to maintain relationship with the GM; because the Controller is conservative, this may bring conflict with the GM.

G/2/4:
Chinese embarrassed as a sign of weakness to look for outside help, as loss of face; Controller to avoid conflict with D.Heads if possible, as decisions are made by the GM; GM to get support from Controller, who knows what is expected.

Utterances common to two transcripts/step/topic. [11]

BGMEX/BGM/1/2:
all to stay late to await approval by GM (autocratic); Controller and D.Heads maintain harmony through being friendly.

BGMEX/BGM/345/4:
Controller to pass/receive things through GM for/from D.Heads (autocratic), all do as you are told Controller to support GM against D.Heads whose figures need amendment.

CGMEX/CGM/7/3:
saving face is universal for Chinese and Westerners; Controller to present figures to all D.Heads as money is a sensitive matter.

DGMEX/DGM/45/4:
Controller not to argue over figures (do not disagree); Controller to minimize conflict with everyone by co-operation.

KGMEX/KGM/1/4:
support for GM from Controller who places GM's interests first; co-operation as impact on hotel more important than impact on any individual.

LFC/LGM/7/4:
support for the owner from the Controller as he has most to lose and has to get figures from the D. Heads; Controller satisfies the boss by representing the owner on money matters.

LGMEX/LGM/1/4:
Controller to support GM in disagreements between GM and D.Heads; Controller to support D.Heads against D.Heads who know targets are agreed in Head Office.

MFC/MGMEX/2/4:
do not disagree as hotel is run in typical style of Chinese family management. Controller to cover up bad news from Head Office, and act as go-between (hotel and D. Heads)

OFC/OGMEX/1/4:
satisfy Head Office demands, therefore staff do as told and do not disagree; Group Controller is the boss that matters, therefore Controller only needs to get along with GM.

PFC/PGMEX/7/4:
Controller cooperates with D. Heads to maintain harmony; support for GM from Controller to cover up and present best picture to the Chief Financial Officer.

RFC/RGM/2/4:
all EXCOM follow instructions from Head Office and do not disagree; all do as they are told.

Utterances in one transcript only. [11]

BFC/7/3:
all D.Heads are Chinese, therefore they hide their conflicts [autocratic].
Controller sensitive to money matters.

FC inherited from a very conservative Chinese hotel group.

D. Heads will do budgets behind closed doors and will not discuss them, as money matters are sensitive.

there will be loss of face of the Controller as the GM has been let down.

Controller to leave it to budget writers to sort out their own problems (put the blame on outside factors).

support for the GM from the Controller in highlighting achievement, and covering up lapses in report to Head Office.

support for GM from Controller when conflict with CFO and/or D. Heads.

support for the GM from Controller to hide bad news.

support for the GM from the Controller to report that the hotel management is OK to the Head Office.

GM to blame factors outside of management responsibility to the Group Controller.
Number of Utterances: [Topic 1: 1; Topic 2: 4; Topic 3: 2; Topic 4: 6.] = 13.

**Utterances common to three transcripts/step/topic.**

P/1/4:
GM strives for regaining harmony with EXCOM members, after owners have rejected sales targets; Controller to work as a consolidator with GM and D.Heads, rather than as consultant; informal ways for GM to get assistance of Director of Sales and exclude the Controller, behind the scenes.

**Utterances common to two transcripts/step/topic. [2]**

OGMEX/OGM/1/2:
support for GM by Controller by information gathering from other hotel Controllers; Controller through relationships will get help from other hotel Controllers on likely level of acceptance of sales targets.

MGMEX/MGM/78/4:
informal ways that GM expects Controller to have prior meeting with Chief Financial Officer to pre-empt difficult questions; support for GM by Controller, by saying nice things about GM to Head Office.

**Utterances in one transcript only. [6]**

DFC/7/3:
everything done for and through GM [autocratic]

DFC/8/2:
use of formal meetings as informal not regarded as serious.

GGMEX/1/4:
use of informal channel to give face to GM.

GGM/1/2:
use of pre-meeting by Controller to protect himself from GM.

LGM/1/1:
use of prior meeting by Controller and GM to preserve each other’s face.
QFC/45/3:
maintain harmony, avoid conflict and save face in Chinese culture of the hotel.

Figure 7.8.5. Supporting Superiors by Acting as a Go-between.

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<tr>
<th>Transcripts/step/topic</th>
<th>Utterances</th>
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<tbody>
<tr>
<td><strong>Utterances common to two transcripts</strong></td>
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<tr>
<td>KGMEX/KGM/345/4:</td>
<td>support from GM for Controller’s view of how to deal with D. Heads; informal ways for Controller to gain co-operation between D. Heads and GM.</td>
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<tr>
<td>PGMEX/PGM/345/3</td>
<td>Controller’s relationship with Chief Financial Officer can get the GM in “trouble”; support for the GM from Controller to hide bad news from owner.</td>
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| **Utterances in one transcript only** | 5 |
| AGMEX/8/4: | Controller as go-between to reach a compromise between the hotel and Head Office. |
| CGMEX/345/-: | Controller as go-between on likely expectations of Head Office acceptance of budget between GM and Head Office. |
| GGM/8/3: | GM as a go-between so as not to upset relationship between Controller and D. Heads. |
| JGMEX/45/4: | Controller to act as go-between, so as to balance conflict between Head Office and hotel management. |
| JGM/1/2: | Controller’s role is neutral, therefore he should be effective. |
Figure 7.8.6. Organization - Democratic Management Style.

| Number of Utterances: [Topic: 1; Topic 2: 2; Topic 3: 1; Topic 4: 12] = 16 |
| Utterance common to three Transcripts/Step/topic. [1] |
| F/1/4: |
| owner has the power over the Controller and the GM to decide the budget figure; Controller thinks the autocratic style is sometimes the way to settle problems, contrary to the GM's ideas; GM [democratic] considers the Controller autocratic. |

| Utterances in two transcripts/step/topic. [3] |
| FFC/FGM/2/4: |
| between the GM and the D.Heads, in the end decision is made by the GM if there is no mutual agreement; GM would like Controller to persuade D.Heads with documents and figures. |
| IFC/IGM/1/4: |
| Director of Sales and Director of Marketing will pool all ideas; if there is a conflict of ideas, then the GM will deal with it. |
| NFC/NGM/2/4: |
| GM and Controller discuss ways together to help the D.Heads; problems are expected to be “thrashed out” in the formal meetings. |

| Utterances in one transcript only. [7] |
| FGM/1/1: |
| British GM's experience that Chinese follow instructions without question. |
| FGM/7/2: |
| GM wants Controller to build and maintain good relationships with numerous individuals in a variety of ways so as to do the financial reports correctly. |
| FGM/8/4: |
GM to cooperate with the Controller to reduce conflict and to increase hotel's performance and attain hotel's goals.

IFC/8/4:
each Division Head can have a say in solving problems (democracy).

IGMEX/78/2:
Controller expects support from the GM against pressure from the Chief Financial Officer and Head Office.

IGM/78/4:
Controller to be friendly but always objective with D. Heads.

NFC/8/3:
open discussion for all EXCOM members.

Figure 7. 8. 7. Organization - Autocratic Management Style. [listed by hotel]

Number of Utterances: [Topic 1: 3; Topic 2 : 4; Topic 3: 3; Topic 4: 13] = 23.

Utterances common in two transcripts/step/topic. [2]

Hotel B [2]
BFC/BGM/2/4:
GM is guardian of the hotel; GM is “matriarch” and helps in staff’s troubles.

Hotel Q [2]
QGMEX/QGM/345/4:
Controller to support Group in preference to GM; Controller does everything Group Controller wishes.

Utterances in one transcript only. [19]

Hotel A [2]
AGMEX/2/3:
if the owners are satisfied then I have done my job, never mind the GM.
AGM/1/4:
GM hopes the Controller will express opinion openly.

Hotel D [1]
DFC/2/2:
as hotel is owned and operated by Chinese, the management style would be like a
traditional family, conservative and autocratic.

Hotel E [1]
EFC/8/4:
GM and Controller are guardians to D.Heads.

Hotel G [7]
GFC/1/3:
GM is a one man decision process.
GFC/1/4:
the company is conservative which makes all D.Heads "failure avoiders".
GFC/2/1:
as hotel owned and operated by Chinese, management retain power.[E]
GFC/7/2:
as superiors are Chinese, autocratic is the style.[E]
GFC/7/4:
All have to do as told or quit/be fired.
GGMEX/1/1:
Give face to GM and procedures must follow formal line if command.
GGM/7/4:
Controller to follow GM's instruction and support him.

Hotel L [1]
LFC/1/2:
D. Heads know the relationship and do not disagree.

Hotel M [2]
MFC/1/4:
al l staff know they must do as they are told.
MGM/2/4:
harmony achieved by following instructions from owner.
<table>
<thead>
<tr>
<th>Hotel O [3]</th>
<th>OGMEX/7/4:</th>
</tr>
</thead>
<tbody>
<tr>
<td>GM to accept powerless position or quit/be fired.</td>
<td></td>
</tr>
<tr>
<td>OGM/7/1:</td>
<td></td>
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<tr>
<td>GM powerless as all power kept at Head Office level.</td>
<td></td>
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<tr>
<td>OGM/45/2:</td>
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<tr>
<td>GM will get into serious trouble if budget rejected.</td>
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<tr>
<td>Hotel Q [1]</td>
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<tr>
<td>QGM/1/3:</td>
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<tr>
<td>support for Controller over GM as Group is all powerful.</td>
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<tr>
<td>Hotel R [1]</td>
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<tr>
<td>RGMEX/-/4:</td>
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<tr>
<td>Controller to support GM and not cause any trouble to him.</td>
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</tbody>
</table>

### 7.9. Forming Comprehensive Categories.

As a result of checking against the source data, comprehensive categories can be formed with more confidence. The specific areas of "relationships" and "organization", might seem to reflect a main division in the type of utterances; the former involving expected actions/inactions, the latter involving an expected level of understanding. Towards the "survival" objective, attention to "relationships" seems to determine the expected action/inaction, once the "correct" understanding of the organization's behavioural expectation has been made. Within the specific area of "relationships", the expected action/inaction needs simultaneously to deal with the issue of "cooperation" with peers and "support" for superiors.


In Table 7.6, under the inference summary of "Forming and maintaining relationships to solve problems", the category formed is:
- Co-operating with peers, by building, maintaining and nurturing permanent relationships, so as to discuss problem situations and try to pre-empt them [with a view to a common approach] [see 7.8.1.]

The inference summary of “Avoiding relationships with peers if possible”, forms the category:

- Co-operation with peers by forming only reluctantly, [if possible avoiding forming] relationships, depending on how critical the situation is to the Controller. [see 7.8.2.]

7.9.2. Relationships - support for superiors.

The inference summary of “supporting the boss by acting appropriately”, forms the category:

- Showing support for superiors, by avoiding disturbing the “boss that matters”, through acting appropriately in particular situations, and not being associated with poor performance. [see 7.8.3.]

The inference summary of “supporting the boss by preserving “face” in all situations”, forms the category:

- Showing support for superiors by “preserving their face”, no matter what the situation. [see 7.8.4.]

The inference summary of, “Supporting superiors by acting as a go-between”, forms the category:

- Showing support for superiors by using the position of functional specialist as a go-between in respect of the hotel and Head Office
role], and within the hotel between D. Heads and GM [mediator] [see 7.8.5.]

7.10. Organization - Understanding Management Style.

Under the inference summaries of autocratic and democratic management style, several issues were found and summarizes given as shown under the utterances in earlier pages.

As none were found to be dominant, the categories formed have been termed

- democratic elements of management style. [see 7.8.6.]
- autocratic elements of management style. [see 7.8.7.]

7.11. The complete picture of categories.

A "tree" diagram of categories, and their integration under the common theme forms Table 7.11. [All categories with their related utterances under the common theme].
TABLE 7.11.

ALL CATEGORIES WITH THEIR RELATED UTTERANCES UNDER THE COMMON THEME.
## Categories

<table>
<thead>
<tr>
<th>CO-OPERATION WITH PEERS</th>
<th>RELATIONSHIPS</th>
<th>SUPPORT FOR SUPERIORS</th>
<th>ORGANIZATION</th>
<th>UNDERSTANDING MANAGEMENT STYLE</th>
<th>AUTOMATIC ELEMENTS OF MANAGEMENT STYLE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Categories</strong></td>
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<tr>
<td><strong>By Building, Maintaining and Nurturing Permanent Relationships To Discuss Problem Situations</strong></td>
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<tr>
<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>ADMI EX, AGRM 14</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 22, EGM 12</td>
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<tr>
<td><strong>By Forming Only Reluctantly (If Possible Avoiding) Relationships If the Situation Is Critical</strong></td>
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<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>ADMI EX, AGRM 14</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 22, EGM 12</td>
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<tr>
<td><strong>By Showing Support, By Avoiding &quot;Disturbing the Boss&quot; By Acting Appropriately in Particular Situations</strong></td>
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<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>BOM 1/2, BOM 2/3</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 72, DGM 12</td>
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<tr>
<td><strong>By Showing Support By &quot;Preserving Their Face&quot; To Matter the Situation</strong></td>
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<td><strong>In All Three of the Transcripts</strong></td>
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<td>In Two of the Transcripts</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 72, DGM 12</td>
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<tr>
<td><strong>By Showing Support By Using Position As Functional Specialist To Act As A Go-Between (Office-Hotel-Dept.Heads)</strong></td>
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<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>ADMI EX, AGRM 14</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 72, DGM 12</td>
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<tr>
<td><strong>Demographic Elements of Management Style</strong></td>
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<tr>
<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>BFC 22, EGM 12</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 72, DGM 12</td>
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<tr>
<td><strong>Automatic Elements of Management Style</strong></td>
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<td><strong>In All Three of the Transcripts</strong></td>
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<tr>
<td>In Two of the Transcripts</td>
<td>BOM 1/2, BOM 3/5</td>
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<tr>
<td>In One of the Transcripts Only</td>
<td>BFC 72, DGM 12</td>
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</table>
The data gathered from the fieldwork and summarized in the previous chapter, were reviewed in respect of issues of reliability. The degree of consistency and corroboration found in the data suggested that the utterance "summarizers" (as they were named) were able to be used as the basis in the search for a common theme. In the process of searching for a common theme, these "summarizers" were put to each explicit and implicit utterance. Taking into account the frequency of these "summarizer"s, themes were identified, which were grouped under the overall theme of survival. A link between survival and productivity was suggested.

The inference making phase of the process involved taking each utterance summary and considering several influences; the weight that the utterance "deserved" given the degree of corroboration in that topic, the degree that repetitive redundancy suggested any non cultural utterances as relevant, the General Manager's expectations, the identification of the "boss that matters" and the background data on the hotel. Together, these considerations combined to explain why a Controller had given expectations of behaving in a certain way.

The process of categorization was effected from the inferences. The pattern of inference summaries showed that a Controller's expectation of achieving their overall objective of "survival" was not by meeting objective performance criteria, but rather might best be attained by attention to two specific areas; that of "relationships" and the "organization". Within these specific areas, a Chinese Controller has to consider their relationships in respect to cooperation with peers and support for superiors, whilst understanding the management style in operation. These considerations determine the attitude towards the taking of specific action or inaction in areas that are not clearly prescribed; for example the taking of initiatives.

The process of data analysis having been completed, attention can be directed towards interpretation in respect of productivity implications of the research's findings. This interpretation forms chapter 8.
CHAPTER 8.

INTERPRETATION.

From the categorization process described in the previous chapter, two issues have arisen. These concern the profile of the findings and require some discussion before attempting to interpret the findings. This interpretation will be guided by the posing of two postulates suggested by the process.

8.1. Issues Arising from the Categorizing of Utterances.

The first issue that will be discussed concerns the distribution of the utterances. The data was seen to be evenly distributed over hotels, transcripts and steps. However there was an overwhelming number of culturally related utterances to fall in the topic dealing with disturbance handling (about 70%). The issue arising from this occurrence is how much of an emphasis to put on the liaison and dissemination areas of involvement, given that so few culturally attributable utterances were made by Controllers and GMs falling in these topics?

The second issue concerns the number of cultural as compared to non-cultural utterances in the data. Reasons why there should be more cultural than non-cultural utterances are unclear, given that in the design and execution of the study, there was no indication given to the interviewees that cultural associations linked to the idea of the Controller's productivity was the subject of focus. These issues are now discussed in more detail.

8.1.1. The Concentration of Cultural Utterances on One Topic.

Inspection of the summaries of the cultural utterances in topic 2 [liaison] and topic 3 [dissemination], show that these utterances deal in problems, and are thus linked to the issue of disturbance handling. Clearly Controllers and Department Heads are likely to get together to solve problems. Interaction between the Controller and the
Department Heads exists, for example, in EGM/1/2 to solve the problem of producing sales target, as shown by the utterance itself [EGM/1/2 refers]:

"Since the Controller and the Front Office Manager are Chinese, I expect assistance to the Front Office from the Controller would be more. Undoubtedly, the communication between the Director of Sales and the Food & Beverage Director is stronger as they both are Australians."

Indeed the summaries of four culturally related utterances from topic 2 taken from chapter 7 shown below suggest that liaison takes place to solve problems:

AGM/1/2:
informal ways to discuss work issues for D.Heads.

DGM/2/2:
Controller to have informal chats off duty on business matters.

EGM/1/2:
informal discussions with other D.Heads.

HGM/1/2:
as a Chinese, he will help others.

A possible linkage between liaison, dissemination, and disturbance handling may be described as follows:

the Controller is aware that they have to give out information [dissemination] to the Department Heads. Some Department Heads show reluctance to be helped by the Controller [liaison], which causes problems [disturbance handling].

This perception on the part of the Controller of the reluctance of the Department Heads to be helped, is shown in utterances falling in dissemination topics such as FGMEX/2/3 and JGMEX/2/3. Thus, comments on disturbance handling may well imply difficulties in dissemination, caused by the inability to carry out liaison type activities.
8.1.2. The Predominance of Cultural over Non-Cultural References.

Those non-cultural reasons identified, are certainly of interest and noteworthy in respect of the literature and previous research on hotel Controllers. The reasons put forward, such as length of time in the work place and Head Office pressure are common to any business enterprise. The importance that is given to experience in the hotel industry, as well as experience in the particular hotel is apparent in this study. Experience of the Controller, sometimes as a substitute for qualifications, was a key finding of the USA studies on hotel Controllers from Geller and his fellow researchers in 1984 and 1989 and Tsui's study in Hong Kong in 1993. Mention of experience was made in 10 hotels in this study as a reason for expectations in involvement, which may point to the particular culture of hotel environments.

Comments as to the length of time that the Controller had been in the industry, in the hotel and/or working together with the GM were often made at the beginning of the interview, in order, perhaps, to establish the length of time as a fundamental consideration as to the expectations of involvement. For example; DGM/1/2, EGM/2/1, FGMEX/1/2, IGMEX/1/2. Thus, although the actual frequency was not in itself remarkable, a reference to the length of time somebody has worked in the hotel industry or in a certain hotel need only really be said once. Notwithstanding, hotels A, F, I, and L each managed amongst the three transcripts to refer to this point more than five times each, attesting to the apparent importance placed on the length of time at work in the industry.

In some respects, such occurrences are reassuring in respect of the reliability aspects of the data and serve perhaps to put the cultural references into perspective. Culture is evidently important and relevant. If it is abstracted, as some previous research into cultural studies has tended to do, then its importance may well be overemphasized, as it is clearly only one part of a complex multi-dimensional problem. There are accessible explanations for there being the number of cultural utterances in the data. Within "polite" Western culture overt demonstrations of racial discrimination run counter to
accepted social norms. The Chinese may have a way of using culture to defend a position as Scollon and Scollon (1995:128) note:

"Hong Kongers are likely to use their position on the boundary between the old culture of China and the newest technological aspects of international business culture as a convenient backdrop in taking pragmatic positions. When it is convenient to take a conservative stance in a business negotiation, for example, a Hong Kong businessman is perhaps more likely to emphasize the Chinese aspects of his cultural heritage. On the other hand, where an impression of quick change and progress is called for, he would rather stress the special status of Hong Kong as a member of the most progressive leading edge of Asian internationalization".

By using culture as an excuse, the Chinese may feel that they get away with, what is seen from a Western perspective, unfair behaviour, such as conspiring in small unofficial groups. They may also use culture as an excuse for non-productive acts of behaviour, by for example not seeking to address issues unless critical for themselves, but which may be detrimental to the organization. Hence, cultural references in situations may well outnumber non-cultural ones. Situations are always “difficult” for the Controller in hotels especially, as they involve contact with those in the organization who do not have a natural affinity for such accounting type people. Indeed not only are the Department Heads of a normally different personality they are often of another nationality and culture. This may well constitute a reason for the concentration of cultural utterances in the disturbance handling areas.

GMs attributed cultural reasons also to disturbance handling topics. There was no evidence in the data that a pattern of culturally attributable utterances was restricted to the Chinese contingent [five out of thirteen]. This may be a result of the extent to which expatriate GMs are accustomed to working with people from many cultures. Watson and Littlejohn (1992:150) confirm that this co-existence has always existed:

"Managers within the hospitality industry have traditionally functioned in a multicultural environment, due to the high level of cross-cultural representatives in the workforce."

Thus, it may be that the trait in people using culture as a shield is possibly widespread amongst those connected with hotels and not necessarily restricted to the Chinese. The reasons for such a bias towards cultural utterances when faced with the disturbance
handling topic are a little clearer, although there may be pointers from the literature review concerning Chinese organizational behaviour, coupled with the Controller's job as a functional specialist. Further study in this area is needed.

8.2. Implications on the Findings of the Literature.

As a result of the empirical research carried out on the subject of the organizational behaviour of the Chinese and reviewed in chapter 2, it was concluded that they are not that likely to become involved in areas outside of their defined responsibilities.

In chapter 3, the literature on the subject of Controllers generally was examined, and concluded that, as a result of the empirical research carried out into the way in which Controllers expand their roles from that of "bean counter", to decision maker, that they would continue to be more likely to stay behind their desk and produce reports in preference to getting out from their "comfort zone". Despite the current emphasis on business engineering and empowerment there seems to be little evidence that Chinese Controllers favour flatter more open organizational styles.

Taken together, conclusions from chapter 2 and chapter 3 pose the interesting question, in respect to the Controller's expected involvement in the OBCP, as to which of the two functions, role or culture, might be the more dominant determining reason for expectations held by the Controller in the OBCP.

The content analysis of interviews held with Controllers and GMs, and described in chapters 6 and 7 has resulted in the identification of culturally attributable utterances. These have been subsequently categorized under the hotel Controller's main objective at work of survival into two main themes. The Controller has therefore, to pay attention to the forming of "correct" relationships, and the organization's management style. These two areas are linked, in that the Controller has to take action/inaction in respect of relationships whilst being aware of the influence of the organization's management style, on the action/inaction taken, and the consequences of perceived inappropriate behaviour.
From the categorization exercise, two postulates are therefore put forward, one each for the sub-themes identified above, which will act as a focal point for the discussion. These are:

- in respect of relationships, to what extent are the Controller’s expectations of actions/inactions, a consequence of being a Controller [role], rather than Chinese [culture], and what are the effects on their expectation of involvement in the OBCP [productivity]?

- in respect of the perceptions of the organization's management style as autocratic by those Chinese hotels, to what extent is this because these are hotels, and hotels everywhere are run autocratically [role], rather than that these are Chinese owned and operated hotels, and their preferred style of management is autocratic [culture]?

8.3. Postulate 1- Relationships.

In consideration of the postulate, each of the categories, as shown in Table 7.11, will be discussed in respect of productivity issues. The discussion seeks to conclude whether there is for that category, on the basis of the data, positive or negative implications for productivity, as a function more of culture than of role or vice-versa. In this way, a composite picture might be produced of the degree of influence that culture may have on expectations of a Controller’s involvement.

8. 3. 1. Co-operating with Peers by Building, Maintaining and Nurturing Permanent Relationships, [so as to discuss problem situations and try to pre-empt them with a view to a common approach]

Utterances concentrate on disturbance handling, but are not confined to any particular grouping of hotels. Ten of the participating hotels in the study were represented, distributed amongst the five groupings as follows; three from the “all Chinese”, three from the “mainly Chinese”, two from the “half Chinese” and one each from the “part Chinese” and the “hardly Chinese”. There is some evidence to show that Chinese
people value the maintenance of harmony and the minimization of conflict. Disturbance handling, by the very nature of the phrase deals with disruption to the desired state of harmony. In addition, the generally perceived role of a Controller is one of somebody whose job it is to check on others, especially in the area of budgetary control. Budgetary control may also be perceived by Chinese as typical of objective Western management control techniques. Thus, the Controller's job in the OBCP is to deal in disturbances; that is, performance not as planned. A feature of the design of the system of budgetary control in hotels is the principle of responsibility accounting, a consequence of which the system is able, most of the time, to pinpoint where, and more specifically with whom, a problem might lie.

Given these two stimuli, it is not surprising that the topic of disturbance handling arouses culturally attributable utterances. QFC/1/4 summarizes the concern:

"The guideline is not to let the third party know, and problems should be solved before anyone know about it, as is the Chinese way that the golden rule is smooth cooperation at least on the outside."

A common theme amongst the utterances is the urgent need above all to minimize the conflict that can be aroused by situations, that are not going to be easily concealed from those elsewhere in the organization who are perceived to hold "life or death" over the Controller, the GM and the Department Heads. Familial relationships, accentuated possibly by the physical presence of the hotel representing a large family house, might regard the boss of the hotel as the "father" and therefore to be venerated. Challenging upwards might be very difficult. Where situations occur that give rise to the kind of challenges, it might be expected to engender cognitive dissonance amongst Chinese Controllers especially.

The Controller deals in numbers which are suggestive of precision, an area which traditionally has taken on a certain mystique for the non-accountant. Clearly, if performance is poor, then the boss probably has made a mistake. Therefore two ideas are in conflict; the idea that says the figures cannot lie, and the idea that says the boss does not make mistakes. The Controller needs to manage these ideas both externally and internally, because when shared with Chinese colleagues they may be likely to
have the same problem. Issues associated with responsibility accounting need to be handled; hence the grouping together of like minded individuals to deal with this. An illustration of the concern facing the Controller follows from EGMEX/7/4:

"For the job of explanation, I prefer a formal meeting. This allows them to raise questions immediately. Then we can have better communication and avoid misunderstanding. I think that the GM expects me to handle conflict in a fair way. Sometimes I have to point their mistakes directly but sometimes I cannot. This will be depend on the seriousness of the mistakes, the situations and who is the mistake maker. If my boss makes a mistake, it will be better to let him know indirectly. Whatever conflicts or disagreement we face, it is important to find out the root of the problem by listening and observing. Besides, I will point out the variances that need action steps proposed and to be taken. I am an employee oriented leader. If the superiors, Department Heads and I have good relationships, I believe that we can do things more effective and efficient. And of course, conflicts and problems may be reduced. I think the GM expects me to be lenient to those who seldom make mistakes but harsh to those who frequently make mistakes. Therefore I will allow them to do it again or give them a warning."

A similar theme of concern for harmony is echoed by the Controller in AGM/7/4. However, here the Controller may be using a cultural excuse as a justification for the use of an "outside meeting management" style.

"She would try to solve the problems personally, especially deal with Chinese Department Heads or subordinates, before the monthly departmental meeting. If not, the unsolved problems will be raised during the meeting. Then I will discuss it and find out the best solution with Department Heads. By doing this, the Controller handles problems efficiently and effectively, and not losing anyone's face if mistakes could be solved before meeting.

Within this category is a small number of utterances that distinguish themselves from the others and which have been categorized under the single utterances noted against topic 2 instead of topic 4. This small number of utterances does not so much deal with problems but, rather the prevention of problems occurring [pre-empting].

Utterances under this "sub-category" are all in the setting of the sales target stage, mainly from the GM's. These GMs, apart from Hotel D, are all expatriate Western, who expect the Controller to engage in such activity. Such expectations of the GM are not however reflected in the Controller's thoughts. Only the "part Chinese" group of hotels
is not represented; as the total number of utterances is few, this not regarded as significant.

Informal and formal processes are at work in the management of such matters from the "outside" and may be regarded by GMs as actually an efficient process. For example: in DGM/2/2, where the GM is Chinese, potentially contentious matters may be "pre-managed" by the GM talking to the Controller prior to conventional, formally arranged meetings.

"In facts, he should use different form of communication such as the formal face-to-face liaison to hold the meetings and briefings relating to the Budget and giving out information, requirement and make clear in case the Department Heads has any inquiries or he would use informal liaison such as the discussion in the club after duty. [DGM/2/2]."

The objective may be, in the western sense, to remove open contention and thus maintain harmony. However, the objective may be duplicitous in intent and be manipulative in character, in that the "opposition" may betray the main arguments so that counter points can be prepared. Certainly, should the Controller be approached by the boss, an element of flattery may prevail, resulting in the Controller being drawn into finding a resolution for whatever is being discussed. "Outside meeting management" may have a cultural connotation in that discussions will be carried out in one language that would probably exclude the GM, [in AGM/1/2], possibly increasing the sense of exclusion or conspiracy.

"For instances, she may have an informal interaction in discussing the sales target with the relevant parties during the lunch or throughout some outdoor activities."

Thus, whilst generally considered as positively productive, there are undoubtedly reservations in the Western sense, to encouraging the building of these informal groups, where the risk is run that the objectives of the groupings may not be compatible with the efficiency of the organization. The exclusion of individuals who may have positive inputs is hardly productive, which is in contrast to Hotel I, where it is understood that everybody concerned is involved in seeking the solution to poor performance [IFC/8/3]:
"Besides, I think the nature of the meeting should be a democratic one. Therefore, every Division Head can also have a say in any issue that is not within his or her locus of control."

In general, the absence of concern for the efficiency of the organization, but rather for the sensibilities of those concerned, suggests that for this category the implication of negative productivity, with the possible exception for those few [4] utterances that point to attempts to head off potentially difficult situations arising. However, these few utterances, in addition to being poorly represented, suffer from a lack of corroboration. In the West, reference is made to "lively debates", and "frank exchanges" especially in the area of comparisons of actual performance against budget. Challenging existing notions and results that are often calculated arbitrarily in the "monthly" figures, may be a way of establishing creativity and, indeed accuracy when talking about performance reports. Any such action in Chinese culture may represent a challenge to an existing authority and may be regarded as counter cultural. Both the Controllers above seem to be struggling to keep satisfied, on the one hand the Department Heads [Chinese] and on the other hand the expatriate GM.

Therefore, cooperating with peers, by building, maintaining and nurturing permanent relationships for the hotel Controller, so as to discuss problem situations, would seem to suggest an implication of negative productivity as a function of culture rather than of role.

8.3.2. Co-operation with Peers by Forming only Reluctantly, [if possible avoiding forming] relationships, depending on how critical the situation is to the Controller.

These utterances are not spread over all hotels, but rather concern seven of the hotels, which are found in three groups; namely all of the three hotels in the "half Chinese", two of the three hotels in the "part Chinese" and the one extra belongs to the "mainly Chinese" group. The main feature of these hotels, relevant to this issue, is the balance between expatriate and Chinese Department Heads. Reference to the background data of these hotels identifies that expatriate Department Heads are in charge of the main revenue earning departments.
The main concern reflected in the summaries above is an expectation of reluctance on the part of the Department Heads to be helped by the Controller. The following illustrations take the viewpoint of the expatriate GM in Hotel H, and the Chinese Controller in Hotel I: first HGM/8/4 refers:

"Being a typical Hong Kong Chinese, I know that the Controller has a very conventional way of doing things, and would not do anything to disturb the order of things. In these two steps, given that the problem areas are mostly going to lie in the departments which have got Westerners in charge, the Controller, I know, is going to be very circumspect in his dealings."

and now IGMEX/2/4 refers:

"Finally, I take initiative helping the Department Heads to do the budgets, but not all of them are willing to be helped. They are afraid of losing face and feel embarrassed. I am expected to work with other departments cooperatively. I should compromise with them and work together to bring about a productive result."

However, if these problems also concern the acceptance of the Controller by the Department Heads in the "all Chinese" hotels, then they have not been mentioned as culturally attributable. For example, a non-cultural reference from Hotel M in MGMEX/35/2 excuses this lack of acceptance with the phrase:

"...as the figures in the hotel are all tailor made, [i.e., come down from Head Office]."

Thus, there seems to be some grounds for the assumption that such involvement might be a function of culture, rather than role. However, the literature on the subject of Controllers as "staff" managers and their acceptance by peers in the "line" in business generally, points to difficulties for Controllers in gaining acceptance, and is certainly consistent with findings from the research carried out into hotel Controllers as discussed in chapter 3.

On the subject of the acceptance of Controllers by Department Heads, Controllers are known as "bean counters" and are often the subject of jokes pertaining to the general
"boring nature of the individuals". In addition, Controllers are perceived as the person whose job it is to identify discrepancies and attach these to individuals who perceive themselves as the people who actually get the job done. Hence the Controller may be regarded as a despised person; even the very name "Controller" rather than Financial "Services" Manager is suggestive of a certain perceptual stance.

The literature on Business Engineering discussed in chapter 3, argues that to-day's organizations are trying to change the way work is done, by moving to empowerment, devolved authority and self motivation. Controllers may be looked on as mechanized, engaged in regressive activity to do with controlling and restraining, and may be regarded by peers in the organization as "counter productive", harking back to old ideas of internal control.

Moore and Stefanelli and Geller, in what were non-cultural studies, point out the problems that Controllers have in relationships with their peers in the hotel. Indeed, Mullens relates the difficulties in relationships between the Controller and peers where traditionally the Controller was the "right arm" of the owner.

The area of budgetary control in the hotel, for the reasons discussed above, might be likely to throw up disturbance situations more than any other. If the cultural norm of the Chinese, to put forward culture as the defense to a position, is accepted, it might be likely, that in the hotels where the opportunity to "blame the outside factor" in the shape of the expatriate manager is presented, it will be taken. In the study, however, only one instance of this phenomenon was noted [KFC/3/4].

Therefore, in this specific area on the subject of co-operating with peers, it would suggest implications of negative productivity as a function of both role and culture. In other words, it may be difficult for Controllers and Department Heads to get on together, even if they are of the same culture, and may be even more difficult if they are of different cultures.
8.3.3. Showing Support for Superiors, [by avoiding disturbing the "boss that matters", through acting appropriately in particular situations, and not being associated with poor performance].

These utterances are not spread out evenly over all hotels, but rather concern nine hotels. Although all groupings are represented, 60% of the 31 utterances are found in the one group; namely the "all Chinese" and involve all hotels in that group. There is one hotel represented in each of the "mainly" and "half" Chinese groupings, and two hotels in the "part" Chinese grouping. In contrast to the previous issue, the main feature of the "all Chinese" group is that, with the exception of two expatriate Department Heads in Hotel G, all of the hotels in this group have Chinese Department Heads.

The main idea that emanates from the utterances is the concept of unswerving support for the "boss that matters", irrespective of whether or not that boss has made mistakes. The following illustrations show the line taken by the Controller of Hotel G, whose GM is also the Operations Director for the whole of the group's hotels, and that of the GM of Hotel B, a matriarchal figure for this basically mainland Chinese owned hotel. First, GGMEX/2/4 refers:

"Anyway, I do not expect any disagreement to occur as the decision was made by GM. And I will definitely not interfere into disagreement within departments."

and now BGM/25/4 refers:

"If he wants to convince me not to amend a figure, he may present some costs and benefits analysis for supporting. If his supporting is strong enough to convince me, I may accept his advice. However, I will reject his proposal in most cases. In addition, if I reject any figures during the budget meeting, the Controller will usually stand on my side and give advice to the Department Head for amendment. Of course, the Controller will explain further to the Department Head in person after the meeting. He will ask the Department Head to be cooperative under this situation and Department Head is most likely to follow his suggestion."
Within the other groupings, where expatriate GMs are working in Chinese owned companies, similar sentiments are expressed. In Hotel C, where the management contractors are Western [CFC/1/4]:

"Since the ownership is belonged to a Chinese Group, it is rather conservative."

and in Hotel O, where the owner/operator is Chinese [OFC/1/4]:

"If there is disagreement in the sales department as to the value of the information, the Director of Sales will deal with it very quickly, as the sales team will have to follow what has been made by Head Office and have no say about it."

Of interest is the distribution amongst topics. As before, it is the disturbance handling area that has "triggered" the responses. However it might be expected that expressions of support would have been spread over the three areas (the other two being liaison and dissemination), in equal measure. Such was not the case, therefore consideration need be given as to possible explanations. One explanation consistent with the ideas put forward in discussion in the previous issues, might be that the "skill" to act appropriately is most needed in areas where the consequences for wrong actions are severe. These consequences might be most severe for the Controller, who may be in possession of "black and white" evidence of mistakes that irrefutably point to the "boss that matters" Hence the necessity to cover up or "hide" bad performance figures, in the hope that, firstly no one might notice in the hotel or even at Head Office, and secondly if noted, then it cannot be traced back to the Controller as the one who revealed such damning evidence against the boss. Of course, such action can hardly be interpreted as in any way productive. The Controller, unless holding some special relationship through family connection may be especially vulnerable and their chances of survival might be one notch less, were they to act in an inappropriate manner. Obviously, extreme care may have to be exercised in taking initiatives arising from an analysis of operating performance; what might be interpreted in the West as acts of initiative might be seen in the Chinese culture to be acts of disloyalty.
If the Controller is in doubt how to act, doing nothing might well be the preferred action [inaction], in that the reaction to a "performance foul up", is of much greater importance to the committing of a "foul up ". In other words, a Controller might be expected, when faced with knowledge that shows the "boss that matters" in a poor light, to react in a manner that is expected, acceptable and appropriate to that boss. The problem for GMs, who are the "piggy in the middle" between Controller and Head Office, is that this appropriate action is not reserved for them. Thus, for GMs, without influence, the importance of matters affecting the preserving of "face", and the use of the position of functional specialist in the go-between role, are of prime concern. These issues are dealt with in the next two categories.

It might well be that the structure of the firm, and the position of Controller, which throughout the literature [in chapter 2] shows the most common Chinese company to be a family business, plays an important part in discerning where the loyalties of the Controller as an accountant might lie. In the West, it may be that the accountants tend to have an affiliation with their profession, and have the habit in many cases to take up fairly independent positions. This behaviour is consistent with their role of reporting to the shareholders, as well as supporting the managers of the company. In the Chinese firm however, the Controller might be as much a member of the family as the other managerial incumbents, and might be expected to subordinate such professional affiliations to the desires of the head of the family. Hence, hiding figures becomes the natural thing to do.

A few of these utterances, LFC/LGM7/4, and those single utterances of Hotels B, M and Q, concern themselves with the avoidance of being associated with poor performance. The utterances cited above are closely related to the issue of avoiding disturbing the "boss that matters"; Hotels B, L, and M are "all Chinese" hotels, whilst Q, although having an expatriate manager, is a sister hotel of Hotel G, another of the "all Chinese" group.

The actions taken, or inaction, that are expected to "prove loyalty", often work in a counter productive way to the good of the organization. Hiding or covering up bad news
can hardly be construed as productive where it is critical to correcting future decision making [as MGMEX/78/1 refers]:

"As I report to both the GM and the Chief Financial Officer, I think the hotel GM will expect me to support all his financial proposal, give advice to him on some financial matters, but most important I think he will like me to highlight our achievement and to cover some lapse."

The difference between hiding of information in order to show support and this instance, might be that the Controller's objective may be to put some distance between himself and the incident, so that no association of the Controller with the incident is made. The Controller is in an invidious position, in that, by the very nature of the job, s/he is closely connected with the poor figures staring out of the reports. The absence of recommendations might be explained thus; offering a solution makes explicit a connection with the poor performance and implies being drawn in to the search for a solution.

This whole question of suppressing open discussion, possibly underlines the fundamental differences between the Western practice of "thrashing out" problems in the open, and the Chinese seeming distaste for such an approach. Forming temporary relationships with peers when pressed, preserving the small clique [small trust groups], prevents this open discussion, which the Chinese might see as a danger to survival. Open discussion may reveal that the problem lies with the boss, especially in the apparently precise area of figures where it may be difficult to fudge the blame. Additionally, from the Controller's standpoint as the expert on the figures, open discussion may lead to the Controller having to point the finger at the boss, where the expected behaviour might be loyalty and the preservation of "face".

Under such strains, inertia and "turning the blind eye" might become the only possible solution. Thus, avoidance of association with poor performance, manifested by the Controller's expected actions, suggests negative productivity as a function more of culture rather than of role. This together with the main issue, (the showing of support for the "boss that matters", by not disturbing them, through acting appropriately in particular situations,) suggests implications of negative productivity as a function more of culture rather than role.
8. 3. 4. Showing Support for Superiors by “Preserving their Face”, no matter what the situation.

These utterances come from the “all Chinese” [hotels D, G, L, M] and the “mainly Chinese” groupings [O, P, Q]. The point of note here is that the concept of “giving face” is extended by the Chinese Controllers in Hotels O, P, and Q to the expatriate GMs, and in the case of the GM in Hotel P is reciprocated [PFC/1/4]:

“The GM will in turn press the EXCOM for a more aggressive budget, but in a rather cooperative manner in order to harmonize the situation.”

The necessity in Chinese culture to preserve the “face” of others at all times, may be linked with the earlier issue discussed, namely the need to act appropriately. The constant demands of saving and preserving “face” must inevitably result in inefficiencies. Thoughts of taking initiatives to solve problems of poor performance might well be overwhelmed by the greater consideration to get things done in the right order. The implications for the actions of the Controller are that it is unlikely that they are going to involve themselves in matters outside of their perceived responsibilities. Despite the undoubted value of behaviour that is concerned with preserving the dignity of the individual, preoccupation with “face saving” suggests implications of negative productivity as a function more of culture rather than role.

8. 3. 5. Showing Support for Superiors by using the Position of Functional Specialist as a Go-Between, [ in respect of the Hotel and Head Office (spy role), and within the hotel between D. Heads and GM (mediator).]

These utterances are spread amongst all the groupings, with the exception of the “all Chinese” group. Thus the common factor is the expatriate GM “sandwiched” between a Chinese Controller and a Head Office. However the Head Office in the case of Hotels J and K are non-Chinese, and in Hotel C’s case there is a Western management contractor as a buffer between the GM and the owner. Hotel K seems to summarize the universality of the Controller’s lament in respect of lack of influence [KGMEX/345/4 refers]:

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"I think the GM neglects my situation that I already work out the best profit figure in order to meet the company objective. He often orders me to persuade the Department Heads to reduce the operating costs of the departments. In this stage, I would try to get the compromise between my superiors and Department Heads, that the budgeted figures would be adjusted according to the market situation and my professional knowledge."

Perhaps the mystique surrounding the Controller and his work might to a large extent create an impression of clinical detachment under which Controllers suffer. The contrast between the mysteries of the Western accounting system and the intensely practical roles played by the Department Heads and their staff in feeding people and giving them somewhere to sleep, may aggravate misconceptions. Research into this area is required. Controllers who may feel marginalised may be expected to play bridging roles. At the same time as acting as mediator within the hotel, they may be expected to perform the spy role for both GM and for Head Office, rather like double agents. It might be argued that this suggests generally positive productivity of the bridging role as a function more of role rather than of culture, in the sense that at least information is being passed from one party to another.

8. 3. 6. Implications of Relationships on Productivity.

Taking the two categories together, [8.3.1 and 8.3.2.] in respect of peers, the implication might be that the forming of such relationships for the purpose of co-operation in disturbance handling situations in the OBCP, may have non productive implications as a function more of culture than role.

In section 8.3.1, where utterances were spread over all hotel groupings, it seems that Chinese individuals chose and are chosen to become part of small trust groups, that explicitly exclude others. The objective here may be that of self protection, rather than the combination of all available human resources to resolve operational problems and meet the hotel’s objective goals. There might be greater concern for not “ruffling feathers” than getting a job done.
In section 8.3.2, utterances were confined to those hotels with expatriate GMs and Department Heads, and the problems of the perceived reluctance of expatriate Department Heads to co-operate with the Controller. Such behaviour has negative productivity implications, but might not be said to be a function exclusively of culture. Moore and Stefaneli, and Geller et.al. have shown it to be a common problem that hotel Controllers find difficulty in gaining the acceptance of Department Heads. Such difficulties are common to Controllers in business generally, as has been shown by Pipkin and others in the literature.

The key feature of the three categories grouped under the theme of "support" for the Superiors that, with the exception of Section 8.3.5., only hotels in the "all Chinese and "mainly" Chinese groupings are to be found. Thus avoiding discomforting the "boss that matters" through such methods as acting appropriately, not being associated with bad news, and preserving "face", seem to matter enough to make culturally attributable utterances only in the groupings where the Chinese influence is high. In contrast, it is in the hotels where the expatriate GM is "sandwiched" that the go-between role of the Controller as spy and mediator is found significant.

Another feature is that as seen in several of the hotels, namely A, L, M, O, P, Q, R, and part in hotels D and E, the "boss that matters" to the Controller is not the GM, but Head Office which is controlled by Chinese. All these belong to the "all" and "mainly" Chinese groupings with the exception of Hotels E and R. Hotels B and G from the "all Chinese" and Hotel I from the "mainly Chinese" grouping are missing from the above list. The GM of Hotel B is a "self described" matriarch, and the GM of Hotel G is at the same time Group Operations Director. Hotel I, whilst described as "mainly" Chinese is currently operated by executive staff from the ex-Western management contractor, who transferred to the owner two years ago; thus, the hotel can be said to be heavily Western influenced. Thus a conclusion can be drawn that for the Chinese Controller in a predominantly Chinese organization, Head Office might matter more than the GM of the hotel in which the Controller works. This finding contrasts with the position of the GM in a hotel which has been shown to be one of fundamental importance in determining the way that the hotel is run. Worsfold and Medlik attest to the special requirement needed of a GM and the often domineering way that they run hotels.
However, from the above findings, many of the Controllers do not regard the GM as the "boss that matters", a finding that confirms Tsui's study described in chapter 3 and perceptions of Controller's relationships with their GMs in this study's survey described in chapter 5.

Loyalty seems to lie with Head Office for those Controllers in essentially Chinese companies who have an expatriate GM. Where this is the case then the spying role for Head Office and "mediator" type roles within the hotel, such as keeping the GM on good terms with the Chinese Department Heads, become prime functions. At the highest level in an organization concerned with productivity there is likely to exist a wish for an understanding of hotel markets, consumer expectation and the pivotal role of the GM, especially at the luxury end of the market. There may be serious implications on productivity, if Chinese hotel owner/operators [Hotels A, O, P, Q] are to employ an expatriate GM, if the Controller, essentially a functional specialist, is going to be used as a spy.

The consequences of the above outcomes for the Controller's productivity in disturbance handling are clearly negative, as a function more of culture in the case of avoiding discomforting the "boss that matters", in those hotels where the Controller is bypassing the GM. In respect of actions as a go-between, keeping an eye on the manager is common to many businesses anywhere. Thus, in this form, it may be a function more of role rather than of culture. However, when the spying becomes as blatant as in the case of Hotel O, then it may be seen as a function more of culture than of role.

8.4. Postulate 2 - Organization.

The other main element in the Controller's considerations for survival has to deal with the organizational management style. Utterances were summarized along autocratic or democratic lines. It will be noted that Hotels F, I, and N have utterances under the democratic category whilst Hotels A, B, D, E, G, L, M, O, Q, and R have utterances summarized under the autocratic category.
Many of the hotels in Hong Kong belong to property companies, whose core business cannot be said to be hotels. A feature that distinguishes Hotels F, I and N from the other hotels in the survey, is that these hotels belong to parent companies that regard hotels as their core business. Dewald (1995) has found that the expansion plans in China for these hotels with the addition of Hotel G up to the year 2,000 have shown their concentration on the hotel industry. In contrast, other regional groups, represented by Hotels C, E, H, J, K, O, P, R have not declared such development plans in the Asian region, preferring more of a “wait and see” attitude. Thus, a common factor of these three hotels, F, I and N, is the international experience in the running of hotels in a professionally acceptable way. Hotel F is a hotel whose name is internationally recognized as one of the world’s leaders; Hotel I, currently under the management of the owner, has staff who transferred across from the Western management contractor, who for many years ran the hotels; and Hotel N is a member of the group with the largest number of hotels in the world.

The first area for discussion, following on from the observations made on the relationships with superiors and the position of the GM, arises from the transcripts of Hotel F. In their interviews, the Controller and the GM seem to have engaged, unknowingly, in a debate on the merits of either democratic or autocratic methods as the more appropriate in running a hotel. Both have contrasting views as to the appropriateness of an autocratic or a democratic style for hotel management. What is, however, of most interest, is that the expatriate GM holds the democratic view, whilst the Chinese Controller holds the autocratic view.

The utterances for Hotel I revealed democratic expectations, which were found also in the utterances for Hotel N [unfortunately, as observed earlier the interview was subject to some difficulties]. Each hotel has a mix of expatriate and Chinese, as do other hotels in their respective groupings. The discussion centres on the question as to whether Chinese hotel Controllers might be capable of adapting their behaviour to a more open management style [democratic], and whether a willingness to adapt is linked to a future economic well-being, given the prospects that employees perceive by staying with these professional and ambitious groups.
Finally, the discussion concentrating on the autocratic utterances for the hotels that are "all" or "mainly" Chinese, seeks to examine, whether, on the basis of the data, an autocratic management style is a function more of culture, than of the ways that hotels are traditionally run (accepted practice). Thus, the objective, in this last section is to establish on the basis of the utterances, whether a bias towards autocratic management style can be lain at the door of the Chinese or whether there is a universality in the attitude amongst hotels towards the preferred autocratic style that has a non-cultural base.

8.4.1. Divergent Views from Controller and GM on the Appropriateness of the "Autocratic" and "Democratic" Management Style for Hotels, [taking Hotel F as an example].

Interestingly, it is the Chinese Controller that espouses autocratic management style sentiments, whilst the GM exhorts the Controller to use methods that are more democratic. The utterances [FGMEX/1/4, FGM/1/4, and FGM/7/2] reveal the respective positions. First, the Controller's views [FGMEX/1/4]:

"I expect from the GM that problems should settle in peaceful manner through discussions, so democratic rule is important. However, I think sometimes autocratic rule is essential to a certain extent."

then the GM; [FGM1/4]:

"I expect the Controller to take on a form of democratic rule. Everything should be settled in a peaceful manner through discussions with the Department Heads and the subordinates concerned. Nobody should take all the risks. At the same time, nobody can deny that mistakes happen. It is a collective result and so everybody should take the responsibility. Also, I hope he can accept other people's opinion since he is so new to this hotel, he may not know the whole hotel operations well. Even opinions from the subordinates may help."

and in FGM/7/2:

"I expect the Controller of the hotel to build and maintain good relationships with numerous individuals in a variety of formal and informal ways. The web of relationship within the hotel environment is significant for the completion of financial reports."
The background data to the hotel is important here and reinforces the earlier observation of the importance of the contextual frame of reference for such cultural studies, and Hofstede's (1990) comments that studies need to be aware that findings only hold true in a certain context, as is common to many social science research investigations. At the time of the interview, the hotel was just a few months away from being demolished; hence, positions and views from both the incumbent manager and the new Controller, [the previous incumbent having moved after 25 years in the post] may well have been influenced by these factors. Considerations into management style may seem to have to consider the status of the hotel in the overall picture of the owning company's portfolio of property.

The conclusion from Hotel F, therefore, can best be made that the reasons for differences held as to the most appropriate management style by a GM, on the one hand, and a Controller on the other, may be laid at the door of culture, equally they may be a function of the role, in that the objective of producing figures on time, where the supply of these figures needs to come from recalcitrant peers, from the Controller's view, is best achieved under an autocratic management style.

8.4.2. The Adaptability of the Chinese to the "Democratic" Style.

In IFC/IGM/1/4, it can be seen that different interpretations of the attitude towards the compromising of opinions exist within the particular departments. In Hotel I, members of the department concerned are expected to stick with their views, and if there is a difference in views then the parties concerned will expect the GM to arbitrate. Hence "compromise" and "conflict" might be seen to be regarded in quite a different light than in other hotels [IGM/1/4]:

"Hence, [the Controller] may force the Division Head to accept the sales targets which may be difficult to be reached. In this case, conflict may happen if both of them are firm and insist of their own targets. I will use my experience to make final decision, in order to eliminate the discord."
Of interest in both Hotels I and N is the expectation of open discussions to resolve problems. Bearing in mind that Chinese Department Heads are employed in both hotels, alongside expatriates, it begs the question as to why, in these two hotels, a style involving open discussion can be mentioned by the Controller in the FC transcript to be the norm, which seems to run contrary to other hotels in the survey.

In Hotel N, there is the expectation of total involvement in the action steps to correct poor actual performance in Step 8 [NFC/8/3 refers]:

"All EXCOM members have the job of pointing out the variances that need action steps proposed as different person may have different opinions on the same issue. Therefore, one may see one point which is not noticed by others and result in no action taken."

Staff involved with these two international chains tend to have international experience. These hotels, having operations throughout the region, are less threatened in respect of the survival issue. A possible explanation along cultural lines might be that, (as the GM of Hotel F found to be his experience), where the Chinese are led, they will happily follow, providing the “boss that matters” is doing the leading. In Hotel I and N, the GMs are also the Regional Operations Vice-Presidents, and all staff are aware of the development plans that both hotel groups have in train for the period up to the year 2000, and what opportunities present themselves for the employee that impresses this boss.

Additionally, of interest, in Hotel I, is the expectation on the question of support, expressed by the Controller, on the one hand, and the GM on the other. It might have been expected to be somewhat different, and is to be contrasted with the expected actions in other hotels [IGMEX/78/2 ]:

"The ultimate principle for me to carry out this role is to follow the guidelines and requirements of the corporate office. In case any conflict arose between the corporate office and our hotel, I need to solve the problem with the Chief Financial Officer. Of course, support from the General Manager is vital."

A conclusion might be made that the Controller may be capable of adapting to the management style of their boss quite easily, providing clear indications are given and
suggests this capability may be a function of culture. Indeed the literature seems to support the contention that the Chinese are highly adaptable, where their economic well-being is concerned.

8. 4. 3. Are Hotels run Autocratically because they are Hotels, or because the Chinese Preferred Style is Autocratic?

The number of utterances are spread out over ten hotels, the most common hotel being Hotel G, with seven occurrences. Hotel G is in itself an interesting entity, in that it is the only tariff A hotel in Hong Kong to have a Chinese GM, who also is the Operations Director for the group. In addition, as a member of the “all Chinese” grouping, which are all represented above, it is the only one to have expatriate Department Heads. (two out of fourteen).

The utterances listed and summarized detail different aspects of an autocratic management style. Two main themes within the category are widely represented, namely “power” and the “family”. Power comes over in utterances for Hotels A, G, M, O and Q, and the family in Hotels B, D and E. Mention is made of those with power and those without power. Reference to Hotel G demonstrates those with power, the GM/Operations Director of the Group, [GFC/2/1], and Hotel O demonstrates those without power, the expatriate GM, [OGM/7/1]. First Hotel G:

“As the hotel is owned and mainly operated by Chinese, everything is confined to the management.”

Then Hotel O:

“Since centralization has always been the tradition in the hotel group, nearly all department units are centralized and headed by a Vice President or Senior Vice President of the Head Office. The role of the General Manager has little opinion to air out.”

In respect of the family, Hotel B and Hotel D quite explicitly mention the family as the concept around which the hotel revolves. The GM of Hotel B is the self described “mother of her big family” [BGM/2/4 refers]:
"In order to find out a final solution and keep a harmonious relationship among staff, I will ask them to come to my office and have a discussion together. Staff just like a member of the family, I believe that more communication can get a better understanding of the problems. Open channels of communication is needed and I will welcome all the staff come to talk to me together if they get trouble. I will be pleased to help my staff since I am the mother of this big family."

In respect of Hotel D [DFC/2/2 refers]:

"Since the Hotel is a hotel managed by a group of Hong Kong Chinese people and the management style would [be] like a traditional family, conservative and autocratic."

Care needs to be taken before assuming too much from these utterances. It may be concluded that the hotels shown above with utterances on the subject of autocratic management style are generally conforming to the literature, in that they are family sized businesses, albeit very large. The different contexts that surround each hotel are important. The confused pattern of ownership and intentions undoubtedly plays a major role. Hotel B is the Hong Kong arm of the mainland travel service, Hotels D, L, M and Q are buildings that have each in the last year been the subject of speculation that they would be demolished. Hotel O is a very heavily centralized operation, whilst Hotel R is the sister hotel of the most luxurious hotel on Hong Kong island, which may account for the “subservient“ mentality of it’s staff. Hotel A is owned by Hotel G, who also own Hotel Q. All these contexts are important. Interestingly, none of the background data explains why Hotel E should be autocratic; possibly the interpretation of “guardian” has been misconstrued, as other utterances on the hotel seem not to support its description as a particularly autocratic regime.

Thus, it is difficult to come to any specific conclusion as to the reasons for there being an autocratic management style from the data, other than the acceptance of autocratic styles. However, Controllers still have felt it necessary to offer it as an explanation, which suggests the use of autocracy as a Chinese trait, and thus a reason for non expectation of involvement. Hence, this may be further evidence of culture being put forward as an excuse.
However, as outlined above, many reasons both of a cultural and non-cultural nature could be put forward as possible explanations. Despite the "democratic" elements in management style in Hotels F and I, the Chinese Controllers still find difficulties with the perceived reluctance of expatriate Department Heads to be helped. Thus, assuming that the Controllers genuinely want to help, and are not just sheltering behind convenient cultural excuses, the perceived resistance encountered may be a function more of role than culture. Certainly, the general conclusion may be made that autocratic management is a feature of the ways that hotels are run, which supports the literature in chapter 3. Probably, there are not going to be found many exceptions to this rule in Chinese owned hotels, but that is not to say that it is particularly a function more of culture than of role.

8.5. Summary.

Under the overall theme of survival, it has been suggested that a Controller might need to pay attention to their relationships with peers and superiors, and the organization in which these relationships take place, and modify their actions accordingly.

Two areas identified in chapter six that arose from the gathering and summarizing of data were the dominance of cultural over non-cultural utterances, and the concentration on the disturbance handling topic. One interpretation explaining this phenomenon is that it is a natural and convenient reaction, albeit stated in an implicit way, for one ethnic group to blame those from another ethnic group when trying to defend a position that is suggestive of poor performance. The situation in which hotel Controllers find themselves, as functional specialists in autocratic management environments is also very relevant. This discussion led to the putting forward of two postulates; were expectations of Controllers role or culture driven, and is the existence of an autocratic management style in hotels because Chinese run them or because hotels are universally run in an autocratic way?

In consideration of the first of these two postulates each of the categories formed as a result of the analytical process were examined from the perspective of their influence on productivity. The result of this examination of each category suggested largely
negative implications for productivity for the Chinese Hotel Controller as a function more of culture than role. Forming relationships for self protection rather than for solving operational problems are evidently a high priority for Chinese Controllers. Paying attention to relationships within organizations and the desire to act in accordance with a superior's wishes (satisfying the "boss that matters"), is not solely a Chinese trait - a defense of "the boss told me to do it", is certainly a common enough occurrence used by Western subordinates. The difference, however, may well be qualitative in that the Chinese place more emphasis on these values. This is clearly an area for further study in order to compare the relative emphasis placed on forming relationships by other ethnic groups.

The conclusions from the second of the postulates were less clear. What is evident, is that the Chinese in respect of their acceptance of an autocratic managerial style, feel it to be of sufficient importance as a determinant of their action or inaction to put it forward as an excuse. Explicit mention is made of the Chinese firm being autocratic and the expectations of the staff to be adjusted accordingly. The general lack of criticism that accompanies such statements suggest that autocratic managerial styles in hotels are acceptable to the Chinese.
CHAPTER 9.

SUMMARY OF THE RESEARCH.

The research attempts to examine the productivity of the Chinese. In the mainly manufacturing sector in which the Chinese have worked for the past quarter of a century, issues of productivity have not been critical for economic prosperity. Land, labour and capital, together with the long hours of work for which the Chinese are well known, have fueled the so called East Asia miracle. Whether the hard work of the Chinese, or the ready availability of necessary capital and cheap labour, has been the greater influence on the economic success achieved, has been a matter of some debate. Some evidence has been shown for Hong Kong that the manufacturing sector is evolving into a service sector with the incidence of an economic environment on the Chinese mainland conducive to cheaper production. Thus, if the Chinese are to sustain their hard won standard of living, productive work will be at a premium. With the emergence of the mainland on to the competitive world stage, the abilities of the Chinese people to ensure their hard work is also productive is a vital consideration. The movement of capital away from those countries where the Chinese are a dominant force of the population, will reveal over time how productive the Chinese really are. This study sought to investigate some aspect of the Chinese individual's capability to produce productive work.

The ideas that emerged from the literature review into the organizational behaviour of the middle and lower Chinese managers in organizations, revealed individuals who may perceive their performance to be judged more on their personal relationships with superiors rather than their effectiveness in achieving the goals of the organization in which they work. Thus, keeping the superior happy, avoiding conflicts amongst subordinates and peers might seem to be the priorities in the work place, to the detriment of involvement in activities that would help the organization to be more effective.

Those ideas generated from the literature were developed into a context concerning the work of Controllers. Controllers have been shown to exhibit the role ambiguity of functional specialists, and traditionally have been considered as "bean counters" by peers and superiors. However, in the current preoccupation with
Business Process Reengineering and empowerment, the opportunity may seem to present itself for a functional specialist to expand their involvement from purely record keeping and report producing to decision making. A measure of productivity evolved from these findings in the literature which was described as the expectations held by Controllers into liaison, dissemination and disturbance handling roles, after Mintzberg's study into managerial roles. Thus in the current business climate, there seems no impediment to a Controller taking the initiative to expand the traditionally defined role. Clearly, the nature of the business activity might bring some constraints.

The hotel industry is a part of the service economy. A review of past studies on hotel Controllers found there to be a lack of research into the detailed examination of specific tasks carried out by Controllers. However, there seems nothing to prohibit a Controller being involved outside of the prescribed role. The review of the literature and those studies carried out on accounting matters in hotels, showed the operating budgetary control process as a task that was regarded by both Controller and General Manager as important, and therefore one that they would most likely hold opinions as to the extent of a Controller's expectations in involvement. As a result of some small preliminary studies conducted prior to the main research fieldwork, this assertion was found to be relevant to the Hong Kong situation, where the position of hotel Controller has predominantly been occupied by locally born and bred Chinese. The specific area of research was therefore narrowed down to the essential research question, namely; an examination of the extent that culture influences the expectations held by Chinese hotel Controllers in their involvement in liaison, dissemination and disturbance handling roles in the eight steps of the Operating Budgetary Control Process.

A critique of studies into cultural issues revealed major concerns into the methodologies used to elicit cultural attitudes and values. Posing direct questions through the use of the Likert style questionnaires were argued as inappropriate for sensitive issues. The research design sought to resolve the problem of the direct question method, yet satisfy concerns of validity and reliability. A methodology was finalized that proposed to use as the instrument a non direct corroborative interview technique that would enable hotel Controllers and General Managers to freely
express their opinions in a form both systematic and consistent. These opinions could, after recording and transcription be subjected to the analysis of content.

A series of pilot tests showed the problems associated with the conversational technique in establishing consistency between interviews, given the practicalities of gathering data in the field. A semi structured interview technique using a "teacher/pupil" exchange was found after testing to be appropriate. The allowance of time for a measured response from the respondent produced a number of implicit culturally attributable utterances dispersed throughout the data that the direct question mode might not have elicited. Implicit culturally attributable utterances were found mainly in response to the disturbance handling topics and outnumbered explicit or non cultural utterances. The incidence of repetition amongst the responses gave confidence as to the general reliability of the data.

Consistent with suggested approaches found in the literature on the subject of content analysis, consideration was given to the identification of a common theme. The theme of "survival" was argued and its link with implications on productivity discussed. Each culturally attributable utterance summary was subjected to the question "why", in preparation for the making of inferences. Some influences arising out of the immediate and greater context were considered, which led to the categorization phase.

A key idea emanating from the data concerned the question of whether expectations of involvement for the Chinese hotel Controller were driven more by role than culture, or vice versa. Some evidence arises out of the research findings that seems to point to negative implications on productivity as a function more of culture than role. The categorization of the utterances seems to lend support to the contention suggested in the literature as typical of the organizational behaviour of Chinese middle and lower level managers. It seems that these individuals are concerned for the most part with keeping the superior happy and avoiding situations which might cause conflict and thus give the superior the impression that the subordinate is a trouble maker. Certainly, there was an absence of reasons for actions attributed to the attainment of the organization's goals. It may have been expected that there would have been an occurrence of such comments, had the organization's goals ranked highly in the priorities of Controllers in the work place.
Another idea arising out of the data concerned the question as to whether hotels operated by Chinese are necessarily likely to run in an autocratic way, because that is the preferred managerial style of the Chinese, or because hotels have been shown traditionally to be generally operated in an autocratic manner. This issue is more difficult to comment upon. Business Process Reengineering is in an early stage of its application to hotels and, empirical studies into this subject, may show there to be impediments to BPR innovations. At this juncture it may be said that, arising from this study, the Chinese seem to feel at ease with an autocratic management style.

Evidence to show that culture is probably only one of a number of influences that determines expectations within the hotel environment for Controllers also arises out of the findings from this study. Firstly, in respect of the consideration of role ambiguity, hotel Controllers seem to work under the same contradictory circumstances as experienced by other functional specialists. There can be no escape from the dual demands from the “line” [the hotel General Manager] and “staff” [Chief Financial Officer at head office]. Some evidence is shown in the utterances that the Chinese hotel Controller establishes with whom their loyalty lies, depending on the perceptions of which superior is more likely to enhance the chances of that Controller’s survival. Secondly, the hotel has been shown to be a special environment in respect of the power invested in the General Manager, and the adherence to the traditions of hotelkeeping. Whilst there is some evidence in this study that General Managers expect their Controllers to get involved in all Steps of the OBCP, there are areas mentioned that are considered “no go”. General consensus as to involvement is reserved only for the traditionally expected roles of producing reports. General Managers may need to consider the sensibilities of their operating Department Heads, and the possible adverse reaction to the involvement of the Controller, which may be perceived as interference by the Department Heads. Thirdly, the multicultural work environment of the hotel which attracts people with diverse characters, may seem intimidating to Controllers, notwithstanding nationality and ethnic origin. Some evidence of aggressive expatriate Department Heads in charge of revenue producing areas has arisen from the findings; However empirical studies have not been found on this subject, against which to compare these findings.
Some conclusions on organizational behaviour exhibited by Chinese hotel controllers might be made with some confidence from the research:

- Chinese hotel controllers may be said to be uncomfortable with potential conflict situations arising out of disturbance handling situations. Support has been found in the study for the findings in the literature that a priority for the Chinese in organizations is to avoid conflicts amongst peers.

- Chinese hotel controllers seem to put forward cultural reasons rather than non-cultural reasons for their lack of expectations in involvement in disturbance handling situations. Some assertions have been found in the literature, that the Chinese put forward cultural reasons to defend positions that have shown them to perform poorly. However, significant empirical research has not been conducted into this phenomenon.

- Chinese hotel controllers seem to pay careful attention to their relationship with the superior who they perceive as important for survival. A pre-requisite to consideration of involvement needs an assessment on the part of the Controller as to whether involvement outside of clearly understood areas is likely to meet with that superior's approval. It seems to be the form of that involvement rather than the achievement of an end result that is considered as important. Such findings would seem to support the literature that Chinese consider keeping the superior happy to be a high priority, as they perceive their performance to be judged on the state of their personal relationships with that superior, rather than achievement of an end result that might benefit the organization's goals.

Some implications relevant to methodologies on the subject of cultural studies arose out of this research:

- culturally attributable utterances seem to be made more implicitly than explicitly; thus the direct question through a self administered questionnaire may be inappropriate for eliciting truthful responses, given the depth of meaning associated with cultural values and attitudes.
implicit utterances were forthcoming by both Controllers [all Chinese] and General Managers [a mixture of expatriate Western and Chinese]. Certain reasons might be put forward, without empirical evidence as support, as to the reluctance to verbalize culturally attributable views in an explicit form. Some of these may be related to the level of sensitivity of the subject matter, the politeness and unwillingness to cause offense; the awareness of different nationalities and ethnic origin between the interviewer and the respondent, the multi cultural environment of hotel work necessitating tact and diplomacy. Clearly, research is needed in this area.

As a concluding comment, it seems that the most that can be said in respect of cultural influences on productivity and the Chinese hotel Controller is that to some extent they play a role. From a practical viewpoint, it would seem that were a hotel to wish for a Controller that would get out from the comfort zone and interact throughout the hotel, then the Chinese hotel Controller might well be found unsuitable. However, no comparable studies in other environments on this topic can be cited to support such an assertion.

However, the Chinese have demonstrated their capability in the recent past to adapt to prevailing conditions. In the future, who is to say that behavioural characteristics may be incapable of modification when the maintenance of a level of prosperity and a comfortable standard of living is under threat? In the introduction the general query posed was whether cultural or external environmental influences might have contributed more to the economic success of Hong Kong in the past 25 years. It might be argued on the basis of findings from this research that on a "level playing field" the Chinese might not have achieved such success. However, a "business playing field" is rarely "level", and certainly the Chinese have made the most of every beneficial external influence.
CHAPTER 10.

EVALUATION OF THE RESEARCH.

This research examined methodologies used to elicit responses about cultural issues and judged them to be inappropriate. Given that responses have been found to be more implicit than explicit, it may lead to the conclusion that reasonable people, who might be expected to hold and express reasonable opinions might not be likely to comment on cultural and sensitive issues in an explicit manner. Quantitatively determined approaches miss these implicit and highly significant remarks by respondents.

Whether this supposition would hold good in every situation would need further research. For example would a diplomat be less likely to make explicit comments on cultural topics in comparison to a journalist? The effect that the nature of the business has on influences on the likelihood of explicit comments on cultural issues would be of relevance in the service sector generally and in the hotel industry in particular. In the provision of a high quality service it is not just the explicitly stated demands and grievances of the guests that need be satisfied but also those wishes that are implicitly held but which may be of greater significance in identifying factors of guest satisfaction than those uttered.

This research into Chinese hotel Controllers was conducted by a researcher of a different ethnic background and in a language with which the researcher rather than the vast majority of the respondents, was more comfortable. Hence, cultural differences between respondent and researcher were not normalized. Such a situation might have a large influence on the outcomes were the same methodology as used in this study to be employed by a researcher of the same ethnic and social background as the respondent.

By avoiding the use of the direct question mode it became evident that Chinese hotel Controllers were putting forward cultural reasons in preference to non cultural reasons for their lack of expectation of involvement, especially when making reference to the disturbance handling situations. It was suggested that cultural reasons might be put forward by the Chinese as a defense in situations where they
perceived they would reflect poorly. It might be of greater benefit if such research was conducted with cultural and language barriers removed. Of interest may well be comparative studies in other countries to test for culture as a defense for inadequate performance. When this study was conducted only local Hong Kong Chinese hotel Controllers were occupying the positions in Hong Kong hotels. It would have been interesting had there been a mix of Western expatriate and local hotel Controllers in order to have allowed comparisons. In this respect a comparative study of hotel controllers of another ethnic background and in another environmental context would be a logical next step for further research. For example, it might be possible to take British hotel Controllers working in the United Kingdom. Of interest may be the further refinement of examining British hotel Controllers in the provinces with those in London.

The conduct of such studies might lead to further evidence towards the determination of whether role or culture is a dominant influence on productivity and what might be important contributing circumstances. From such studies it may be possible to compare the relative importance on forming relationships and emphasis placed on satisfying "the boss that matters" in other cultures with that of the Chinese.

In respect of the conduct of the research it was evident that conversational techniques need not only considerable skills on behalf of the researcher but also a degree of tolerance on the respondent's side too. This researcher's admitted problems with this technique clearly aggravated building the type of rapport needed with the interviewees. In the practical working environment that such studies take place, the amount of time that can be expected to be put aside by busy middle managers is often problematical. However, it is necessary to arrive at a suitable and pragmatic method of eliciting accurate responses that is at the same time capable of systematic application and consistency.

In this research, a criticism of existing methodologies which tended to concentrate on the direct question, self-administered questionnaire approach, was made. These approaches enforce the notion that culture is important to the respondent, whilst the qualitatively determined approach used in this study allows the importance of culture as a factor to emerge naturally from the process. However, substantially the
same major conclusions came out of the methodology employed in this study as had been elicited from those methods used in other research which had been subject to such criticism. Thus, it may be of interest to examine closer why two such different techniques arrived at basically a common finding. It might be the case that such questions on cultural values that have been chosen in the quantitatively determined approaches, have been the result of some observational trait over time. For example a question such as was posed in the conflict studies of Kirkbride Tang and Westwood: “I try to avoid creating unpleasantness for myself” may have been included on the basis of observation of persons who were likely respondents to the study or respondents reiterating stereotyped responses. Research into the use and practicality of various methods would clearly be of use.
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APPENDIX 1. CULTURAL UTTERANCES.

There follows the 187 culturally attributable utterances, both explicit and implicit.

They are listed by hotel and taken as they appear in the transcripts referenced under hotel, transcript, step and topic.

For each hotel the utterances are grouped in the following order:

- first, utterances found in all three of the transcripts for that hotel having the same step and topic.
- second, utterances found in two of the transcripts for that hotel, having the same step and topic.
- third, utterances found in one of the transcripts only for that hotel, having the same step and topic.

The utterance group has been “bordered”.

Each utterance is followed by its summary. The “utterance group” has its “inference summary” that refers.

- Utterances in italics are those utterances that do not refer to the Controller.
- Utterances that are underlined are explicit utterances.
- All other utterances are implicit utterances.
- Words highlighted in the utterances in bold are key words.
HOTEL A.

**agm/1/2**

Apart from this, the relevant parties may discuss the sales target such as contention during the lunch.

*Summary: Informal/Formal interaction. Ways to deal with problems for DHs.*

**agm/1/2**

For instances, she may have an informal interaction in discussing the sales target with the relevant parties during the lunch or throughout some outdoor activities.

*Summary: Informal/Formal interaction. Informal ways to discuss work issues for D.Heads.*

*Inference Summary: Forming and maintaining relationships to solve problems.*

**agmex/7/4.**

However, in order to reduce conflicts and monthly departmental meeting times, the GM expects me to communicate with other Department Heads periodically no matter whether by face to face meeting, *conversation during lunch hour*, formal written document or computer report. As a result, minor problems or conflicts can be discovered and solved before the problems become serious.

*Summary: Informal/Formal interaction. Informal chats the way for Controller and D.Heads to prevent problems becoming serious.*

**agm/7/4**

She would try to solve the problems personally, especially deal with Chinese Department Heads or subordinates, before the monthly departmental meeting. If not, the unsolved problems will be raised during the meeting. Then I will discuss it and find out the best solution with Department Heads. By doing this, the Controller handles problems efficiently and effectively, and *not losing anyone's face* if mistakes could be solved before meeting.

*Summary: Informal/formal interaction. Informal ways for Controller and D.Heads to prevent anyone losing face in the public meeting*

*Re-referenced as AGMEX/AGM/7/4.*

*Inference Summary: Forming and maintaining relationships to solve problems.*

**afc/8/4**

*As the GM is an Austrian, he tries to search for a mutually beneficial outcome.*

*Summary: Goal orientation. GM as an expat is results driven.*

**agmex/8/4**

When there are conflicts between the expectations of the hotel and corporate office on financial matters, I shall also need to act as a middleman for them to reach a compromise.

*Summary: Go-Between. Controller as go-between to reach a compromise between the hotel and Head Office.*

*Inference Summary: Supporting superiors by acting as a Go-between*
They will also discuss factors that will be taken into account for the budgets such as inflation rate, pay raise and labour market situation so they have some common criteria in producing budget and neither one of them will be blamed by the boss for this reason.

Summary: Co-operate. DHs avoid being blamed by the GM.

In preparing report on the variances and corrective steps on the F&B Department, Mr. P. may listen to the Assistant F&B Manager, Mr. PY's opinions, who is a local Chinese, but not necessarily. It is because the French represent a controlling orientation, but this relationship will very much depend on how they cooperate in the past.

Summary: Relationships. The relationship between Heads will dictate the degree of co-operation.

Even if the GM tell me to hold meeting with them regular, it is not necessary for me to follow wholly on his suggestion, although I cannot reject them all, since as long as I can manage the budget well and the owners satisfy with my work, I have completed my responsibilities. Summary: Satisfy boss that matters. If the owners are satisfied, then I have done my job., never mind the GM.

Inference Summary: Organization: autocratic management style.

I expect that she will handle the conflict in a smooth manner. Whereas if she and I have disagreement, I await that she also voices her opinion openly.

Summary: Satisfy boss that matters. GM hopes the Controller will express opinion openly.

Inference Summary: Organization: autocratic management style.
Hotel B.

As the hotel is operated in a family style, managers are like friends and are willing to cooperate to achieve any problem areas. At the bar, the three guys [EAM, DOS, F&B] discuss frankly. They finally compromise to set the coming year's budget. Such exchange of ideas results in "shared meaning."

Summary: Informal/Informal Interaction. DHs discuss problems together if they are friendly.

As the Financial Controller of the hotel, I think what the G.M. expects of me is always keep a close contact with her. Every case need to direct report to her or make a copy of all the details to her. I agree that more communication is good. However, span of the management is too wide, everything need G.M.'s approval before continue the next step. This always slow down the work, and Department Heads need to give the budgets to the G.M. for approval first before sending to me. We always need to stay late because we need to wait for her approval.

Summary: all have to stay late to await approval by GM (autocratic).

He [the Financial Controller] is a person who wants to achieve harmony in job environment. He is also friendly with Department Heads.

Summary: Maintain harmony. Controller and D.Heads maintain harmony through being friendly.

Re-referenced as BGMEX/BGM/1/2.

Inference Summary: Supporting boss by acting appropriately.

Unfortunately, if the superior, especially the General Manager, disagrees with the figures, the Department Head concerned is more likely to accept the amendments without any appeal. The General Manager is accustomed to use the autocratic style. If the Department Head is unsure what has to be amended, he or she will usually contact the Controller personally after the meeting adjourned.

Summary: Do not disagree. DHs in defending figures to GM.

Since the General Manager is accustomed to using family-style and autocratic leadership in management. I have very clear instructions and guidelines from her before passing the message to other departments.

Summary: Autocratic management style. Controller to pass/receive things through GM for/from D.Heads (autocratic). All do as you are told.

If he wants to convince me not to amend a figure, he may present some costs and benefits analysis for supporting. If his supporting is strong enough to convince me, I may accept his advice. However, I will reject his proposal in most cases.
In addition, if I reject any figures during the budget meeting, the Controller will usually stand on my side and give advice to the Department Head for amendment. Of course, the Controller will explain further to the Department Head in person after the meeting. He will ask the Department Head to be co-operative under this situation and Department Head is most likely to follow his suggestion.

Summary: Support. Controller to support GM against D.Heads whose figures need amendment.

Re-referenced as BGMEX/BGM/345/4.

Inference summary: Supporting boss by acting appropriately.

Because of the wide span management style, the conflict may also directly report to G.M. Then, she may work as a guardian again and ask the Housekeeping department to support the F.O. Manager by providing enough information. Sometimes, Department Heads may solve problems by themselves, having a lunch together and try to get a compromise in an informal way.

Summary: Family business. GM is guardian of the hotel.

In order to find out a final solution and keep a harmonious relationship among staff, I will ask them to come to my office and have a discussion together. Staff just like a member of the family, I believe that more communication can get a better understanding of the problems. Open channels of communication is needed and I will welcome all the staff come to talk to me together if they get trouble. I will be pleased to help my staff since I am the mother of this big family.

Summary: Family business. GM is "matriarch" and helps in staff's troubles.

Re-referenced as BFC/BGM/2/4.

Inference Summary: Organization :autocratic management style.

By contrast, Departmental Managers never pursue their own concerns in face of the GM

Summary: Do not disagree: DHs in relations with the boss.
As a Chinese, formal communication is made through the meetings among department heads. Even have an argument, they may not speak out straightly during the meeting time. FOM and the F&B Manager may go to discuss problems with the G.M. individually by a call or face to face. On the other hand, they may solve problems through having lunch, dinner together in restaurants or having a drink at bar. During the social gathering period, Department Heads may get much more information than in a normal meeting. They will find easier to work together on business with a drink in hand.

Summary: Informal/formal interaction. Informal ways to get the right information to solve problems.

Inference Summary: Forming and maintaining relationships to solve problems.

As all the Department Heads are Chinese, the conflict induced from cultural differences may not so observable.

Summary: All D. Heads are Chinese; therefore they hide their conflicts [autocratic]

Inference Summary: Supporting boss by acting appropriately.

If the business deteriorates as no action has been taken, the well performed Department Head may have conflict with this Department Head because it will affect the overall performance and the benefit that well performed Department Head can obtain.

Summary: Relationships. DHs worry over losing favour with GM if it brings them in conflict with a poor performing DH.
HOTEL C.

**Since the ownership is belonged to a Chinese group, it is rather conservative.**

**Summary:** As it is a Chinese firm, it is conservative.

**Furthermore, I won’t inform the GM for conflicts as this may break down our relationship. I have to be the monitor and ensure the project is going well as GM expects.**

**Summary:** Controller’s conflicts with Sales Director hidden so as to maintain relationship with the GM.

**I am sure conflicts will take place. It may be between myself and the Controller, when I disagree with the profit margin he sets, since he is Chinese and is conservative.**

**Summary:** Because the Controller is conservative, this may bring conflict with the GM.

Inference Summary: Supporting boss by acting appropriately.

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**If the Department Head has a good relationship with the Sales and Marketing Department, he/she will address the problem to them first through telephone or informal meeting.**

**Summary:** Relationships: DH with DOSM if relationship is good.

**The GM expects me to help other Department Heads on budgeting, but some Department Heads are not willing to be helped as they feel they lose face. This makes me embarrassed.**

**Summary:** Saving face. Loss of face by D. Heads, not willing to be helped by Controller.

**Generally speaking, I expect the Controller to take a co-operative approach to work with other Department Heads.**

**Summary:** Co-operate. Controller to co-operate with D.Heads to solve problems.

Inference Summary: Avoiding relationships with peers [if possible].
I think that the Controller may respect them to a certain extent, for instance avoid direct confrontation with them and give them time to figure out those underlying factors since foreigners usually be perceived as having more superior status in the Chinese society. As we know that the hotel is owned by Chinese, Chinese are especially sensitive to the money matters. If either of the two main producing department is late, they may probably make a great apologize since the British place more emphasis on individual accountability. If for those Chinese, the situation may be reversed. Chinese are most likely to attribute their failure to the external factors.

Summary: (Combination of many). British DH stresses individual accountability, and that the Controller will be circumspect with foreigners perceived as having more status, sensitive to money issues as hotel owned by Chinese, Chinese D.Heads will blame outside factors.

cgmex/7/4
But sometimes, things are out of my control, especially when facing the conflicting situation. The GM expects me to be strong. Certainly, I can be confident with my own works and my expertise. But sometimes, I have to put a step backward when facing all those Department Heads who are expatriates. Not because I think I am inferior to them, but try to avoid face to face confrontation.

Summary: Minimize conflict. Controller to minimize conflict with D.Heads to avoid confrontation over variances.

cgm/7/4
I cannot tolerate a chaotic management situation, everything should be in good order. Cohesion is not important but co-operation is essential among each self-disciplined group.

Summary: Co-operate. GM [German] co-operate to avoid chaos.

Re-referenced as CGM/7/4.

Inference Summary: Avoiding relationships with peers if possible.

cgmex/7/3
The face culture is not just applied in the Chinese society but in the Western world as well, especially for those having the same status.

Summary: Saving face is universal for Chinese and Westerners.

cgm/7/3
I expect him as a Chinese, that he should be very sensitive to the money issue, therefore he should be the one to hold responsibility for all figure representation. The other Department Heads just act as supplement.

Summary: Controller to present figures to all D.Heads as money is a sensitive matter.

Re-referenced as CGMEX/CGM/7/3.

Inference Summary: Supporting boss by acting appropriately.
On the other hand, he expects me to contact and report frequently to the Chief Financial Officer in corporate office in order to keep the relation and get more information from corporate office. For example, he will expect me to get the information from the Chief Financial Officer about the corporate office's expectation in preparing budget. In addition, the GM expects me to present and explain the monthly financial report to the corporate office or the Chief Financial Officer.

Summary: Go-between. Controller a go-between on likely expectations of Head Office acceptance of budget between GM and Head Office.

Inference summary: supporting superiors by acting as a go-between.

I know that the GM is a person who stands firm on his point and everyone knows what his favorite and hate are, and therefore, the Department Heads will produce a beautiful budget to favour him.

Summary: Satisfy boss that matters. DHs will perform to please GM.
I think both the Group Director of Sales and Hotel Sales and Marketing Manager are the people involved to address the problem. They work together for a common purpose and try to bring a productive result.

**Summary:** Co-operate. DOS and S&MM work for a common purpose.

I would think the GM expects me to have a really conservative mind in all aspects.

**Summary:** Conservative (person). Views the Controller as conservative.

In accord to past experience, it is not difficult to find a compromising situation. I would expect the Controller to have a informal meeting or briefing with the sales manager before the formal sales meeting.

**Summary:** Compromise. Controller and Sales Manager compromise informally prior to the meeting.

Re-referenced as DGMEX/DGM/1/4.

Inference summary: Forming and maintaining relationships to solve problems.

Since in the Hotel, the Senior Management is traditional Local Chinese, they may not willing to get help from other Department Heads formally. In my opinion, they may get help from their friends or other Department Heads in those informal situations such as in the pub or bar.

**Summary:** Informal/ Formal interaction. DHs getting help from friends or other DHs.

In case any conflicts arise, I have to find out the reason and solve the problems objectively and make compromise to the conflicts between the Department Heads or the Superior(s).

**Summary:** To minimize conflict as a mediator between D. Heads and GM.

The Financial Controller may use the chance such as formal meetings to explain to the Department Heads that they should work out the budget for a common purpose and they should bring the result productive.

**Summary:** With relationship, Controller to work for common purpose with D. Heads.

Re-referenced as DGMEX/DGM/2/4.

Inference summary: Forming and maintaining relationships to solve problems.
<table>
<thead>
<tr>
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<tr>
<td>dfc/7/4</td>
<td>If the disagreement is strong, the General Manager will usually stand by the Controller because in the traditional Chinese management, conflicts should be kept minimized.</td>
<td>Minimize conflict. Support from GM for Controller so as to minimize conflict.</td>
</tr>
<tr>
<td>dfc/3/4</td>
<td>The Financial Controller should address the problem if the figures are late from either Department Heads or internal staff, and also set the deadline for completion. And then all of them should work for common purpose since their works are joint effort.</td>
<td>Co-operate. Controller and D.Heads to cooperate for a common purpose;</td>
</tr>
<tr>
<td>dgm/7/4</td>
<td>He may talk to the Department Head once he find out the adverse variance so that reasons can be found before the meeting.</td>
<td>Maintain harmony. By informal pre-meetings with D. Heads.</td>
</tr>
<tr>
<td>dgm/3/4</td>
<td>Besides he should explain the importance of their output and necessary for co-operation.</td>
<td>Co-operate. Controller to minimize conflict with everybody by cooperation.</td>
</tr>
<tr>
<td>dgmex/45/4</td>
<td>In case, the General Manager and the Chief Financial Manager does not accept the figures, I never strongly insist on my viewpoint. Since they think they are right all the time. And then, I will explain the Department Heads if they have not sure what have to be amended.</td>
<td>Do not disagree. Controller not to argue over figures.</td>
</tr>
<tr>
<td>dgm/45/4</td>
<td>All persons involved in the operating budgets must work together for a common purpose and are joint effort. In short, the Financial Controller plays a very significant role to bring positive result. In order to achieve it, he should minimize any conflict between them.</td>
<td>Controller to minimize conflict with everybody by co-operation.</td>
</tr>
</tbody>
</table>

**Inference summary:** Forming and maintaining relationships to solve problems.

Appendix 1.11
Since the Controller started his career from LG Hotel, the system he learnt or the way of his thinking may even much more conservative than me.

Summary: Conservative person. FC inherited from a very conservative Chinese hotel group.
Inference summary: Supporting boss by acting appropriately.

I think the General Manager expects me to talk with the specific Department Heads individually and privately rather than in open since budgetary figures are very secret.

Summary: Sensitive to money matters. Controller sensitive to money matters.
Inference summary: Supporting boss by acting appropriately.

To most of the Chinese budget preparation is a secret and since all the Department Heads in the hotel are Chinese, they will do their budgets individually with a "close door" policy and will not discuss with each other and even subordinates.

Summary: Sensitive to money matters. D.Heads will do budgets behind closed doors and will not discuss them, as money matters are sensitive.
Inference summary: Supporting boss by acting appropriately.

The General Manager should also have this knowledge because in a hotel which is managed by Chinese, autocratic is a common style and General Manager usually know everything and everything must be done by his way.

Summary: Autocratic. Everything done for and through GM
Inference summary: Supporting boss by preserving face in all situations.

Informal meetings are seldom used because Chinese think that informal meetings are not serious and any meetings or discussions related to business should be serious.

Summary: Informal/formal interaction. Use of formal meetings as informal not regarded as serious.
Inference summary: Supporting boss by preserving face in all situations.

Appendix 1.12
Since the Hotel is a hotel managed by a group of Hong Kong Chinese people and the management style would like a traditional family (conservative and autocratic). However, some informal interactions, I think, may occur such as the discussions between the Department Heads and the supervisor(s) during lunch hours or in the restaurant or bar after-duty. Since the Hotel is run by the local Chinese, this kind of interactions is quite important.

Summary: Autocratic management style. Traditional Chinese family style.

Inference summary: Organization management style.

In facts, he should use different form of communication such as the formal face-to-face liaison to hold the meetings and briefings relating to the Budget and giving out information, requirement and make clear in case the Department Heads has any inquiries or he would use informal liaison such as the discussion in the club after duty.

Summary: Informal/formal interaction. Controller to have informal chats off duty on business matters.

Inference summary: Forming and maintaining relationships to solve problems.
HOTEL E.

**efc/2/4**
Most of the Department Heads are the pre-opening team, it seems that they have a good cooperation for a few years. Therefore, if they have the disagreement, they will discuss together and try to make an agreement.

**Summary: Co-operate. DHs know each other.**

**egmex/2/4**
If the Department Heads disagrees with the sales target, the General Manager will expect me to handle the problem. In case of the conflict, I need to know the reasons why the Department Heads does not agree with sales targets, and then decide to support him or to convince him with the sales targets.

**Summary: Support. Controller to support GM against D. Heads if figures need amendment.**

**egm/2/4**
In addition, not just the Controller, but I expect him to encourage his subordinates to have a positive attitude towards other employees, and they should be willing to answer queries and offer help to others.

**Summary: Relationships. In relationships, Controller to have “positive attitude towards helping others.**

Re-referenced as EGMEX/EGM/2/4:

**Inference summary: Avoiding relationships with peers (if possible).**

**efc/7/4**
If Department Heads disagree with the figures, again the Controller will discuss with the Department Head individually and privately. It is important to discuss individually and privately because this can avoid a lot of argument or opinions from different Department Heads at the same time.

**Summary: Informal/Formal. Formal ways to minimize conflict in public meetings**

**egmex/7/4**
I think that the GM expects me to handle conflict in a fair way. Sometimes I have to point their mistakes directly but sometimes I cannot. This will be depend on the seriousness of the mistakes, the situations and who is the mistake maker. If my boss makes a mistake, it will be better to let him know indirectly. Whatever conflicts or disagreement we face, it is important to find out the root of the problem by listening and observing. Besides, I will point out the variances that need action steps proposed and to be taken. I am an employee oriented leader. If the superiors, Department Heads and I have good relationships, I believe that we can do things more effective and efficient. And of course, conflicts and problems may be reduced.

**Summary: Relationships. Good relationships to minimize conflict.**

**egm/7/4**
When handling conflict over such things as adverse variances, I would anticipate that the Controller would attribute his own successes to internal factors while putting the blame for failures on external factors. I expect him to discuss with Department Heads openly, accept mistakes if there are any and point out their mistakes if there are any.

Appendix 1. 14
Summary: Blame outside factors. GM expects Controller to blame outside factors for mistakes.

Re-referenced as E/7/4:

Inference summary: Forming and maintaining relationships to solve problems.

If there is disagreement in the Sales Department as to the value of information presented, again, it is the work groups leader of each group to address the problem. Each of them should make a compromised outcome. Negotiations between the sales executives is required to reach a settlement and agree upon the value of information presented. On the other hand, the Sales Director should also control each work group to maintain a harmonic and stable situation among discussion.

Summary: Maintain harmony. Amongst members of Sales department.

When there is disagreement in the Sales Department as to the value of information presented, I do not expect the Controller, a traditional Chinese, will intervene in any decision made by the Sales Department, as it is not his authority or business to address the problem and handle the dispute. I expect him not to give advice until the Sales Department seeks it. I do believe he will make every effort in avoiding any active involvement in the argument with the Sales Department as to the value of information presented.

Summary: Avoid conflict if possible. Controller to avoid conflict as not his business to address problems.

Inference summary: Avoiding relationships with peers (if possible)

Since the Controller and the Front Office Manager are Chinese, I expect assistance to the Front Office from the Controller would be more. Undoubtedly, the communication between the Director of Sales and the Food & Beverage Director is stronger as they both are Australians.

Summary: Informal/formal (cultures stick together.) informal discussions with other D.Heads.

Inference summary: Forming and maintaining relationships to solve problems.

Again, the General Manager and the Controller have to command Department Heads to take actions immediately. They act as guardians and give supervision to Department Heads.

Summary: Autocratic. GM and Controller are guardians to D.Heads.

The Controller and the General Manager disagree with the sales target just simply due to reasons that the revenue projected cannot meet the owner's requirement. As I said before, the owner is the final decision maker and got paramount power in interference with other people's thinking and decision.

Summary: Autocratic. owner has the power over the Controller and the GM to decide the budget figure.

I expect from the GM that problems should settle in peaceful manner through discussions, so democratic rule is important. However, I think sometimes autocratic rule is essential to a certain extent.

Summary: Autocratic. Controller thinks the autocratic style is sometimes the way to settle problems, contrary to the GM's ideas.

I expect the Controller to take on a form of democratic rule. Everything should be settled in a peaceful manner through discussions with the Department Heads and the subordinates concerned. Nobody should take all the risks. At the same time, nobody can deny that mistakes happen. It is a collective result and so everybody should take the responsibility. Also, I hope he can accept other people's opinion since he is so new to this hotel, he may not know the whole hotel operations well. Even opinions from the subordinates may help.

Summary: Democratic. GM [democratic] considers the Controller autocratic.

Re-referenced as F/1/4:

Inference summary: Organization democratic management style.

The General Manager will held a meeting to discuss the problem with all Department Heads and make a compromise. In case the problem cannot be handled with mutual agreement, the General Manager will determine the final decision firmly.

Summary: Compromise. between the GM and the D. Heads, in the end decision is made by the GM if there is no mutual agreement.

If the Department Heads disagree with the sales target, I expect the Controller to work with the Sales Department by providing supporting documents and figures in order to persuade the other Department Heads. He should explain the situation patiently so as to get the compromise of other Department Heads.

Summary: Relationships. GM would like Controller to persuade D. Heads with documents and figures.

Re-referenced as FFC/FGM/2/4:

Inference summary: Organization democratic management style.
If it delays the completion of Gross Operating Profit, General Manager will put the blame on the Controller. The General Manager has the formal authority to resolve the conflict and communicates his own decision to the Controller.

Summary: Autocratic. GM overrides decisions of Controller.

However, it is a matter of power and influence. For some Department Head who have larger power may not willing to comply of what is told to do, especially when someone is new to the hotel.

Summary: Relationships. Relationship between D. Heads and Controller, but they have larger power/influence with GM than Controller.

Re-referenced as FFC/FGMEX/7/4:

Inference summary: Avoiding relationships with peers (if possible).

The General Manager might expect me to provide information to Department Heads for budget preparation, but not all the Department Heads are willing to be helped because of losing face. That will make me feel very embarrassed.

Summary: Saving face. D. Heads loss of face, therefore lack of willingness to be helped by Controller.

Inference summary: Avoiding relationships with peers (if possible).

However, I do not want anybody to follow my instructions without questions, although this is quite common in the Chinese culture.

Summary: Respect hierarchy. British GM's experience that Chinese follow instructions without question.

Inference summary: Organization democratic management style.

I expect the Controller of the hotel to build and maintain good relationships with numerous individuals in a variety of formal and informal ways. The web of relationship within the hotel environment is significant for the completion of financial reports.

Summary: Relationships. GM wants Controller to build and maintain good relationships with numerous individuals in a variety of ways so as to do the financial reports correctly.

Inference summary: Organization democratic management style.

Since the roles of the General Manager and Controller are very important and closely linked, they must work co-operatively and harmoniously in order to reduce conflicts, increase the hotel's performance and to attain the hotel goals.

Summary: Co-operate. GM to co-operate with the Controller to reduce conflict and to increase hotel's performance and attain hotel's goals.

Inference summary: Organization democratic management style.
HOTEL G.

However, I think that if the General Manager has approved the Sales target, no one will disagree with it. As he is also the Executive Director of the hotel group as a whole, thus his decision will also represent the operator's decision. In this case, Department Heads will co-operate towards a common purpose, that is to finish the job assigned by GM.

Summary: Co-operate. Chinese embarrassed as a sign of weakness to look for outside help, as loss of face.

Anyway, I do not expect any disagreement to occur as the decision was made by GM. And I will definitely not interfere into disagreement within departments.

Summary: Avoid conflict (if possible). Controller to avoid conflict with D.Heads if possible, as decisions are made by the GM.

I expect that he is capable in handling such disagreement as all are Chinese, and does not need to come to me. In general, he should work closely with the Department Heads to achieve a productive result. He has been here a long time and knows what I expect from him.

Summary: Support. GM to get support from Controller, who knows what is expected.

Re-referenced as G/2/4:

Inference Summary: Supporting boss by acting appropriately.

The Section Heads will gather the figures and discuss with the Assistant Controller in person or by telephone before submitting their plans to the Senior Executives in order to avoid any mistakes happen, because the Section Heads are mostly failure avoiders due to the conservative company character.

Summary: Conservative (firm). The company is conservative which makes all D.Heads "failure avoiders".

This can protect myself by ensuring that the budgetary plan can meet the GM's expectation because I can make a continuous tracking on the figures presented by the Department Heads. If there is disagreement in the Sales Department as to the value of the information presented by the Department Heads, I can take action in time to correct any variance before the plans are presented to the GM. For our mutual benefits, I will coordinate with the Sales Department and the Department Heads to deal with the problems to ensure the smooth running of the progress.

Summary: Informal/formal interaction. Use of informal channel to give face to GM.

Inference Summary: Supporting boss by preserving face in all situations.

But I think the final decision rest on the Controller and General Manager since they are occupied in the supreme position and hold all the authority and power to agree and object anything. The Department Heads have to comply with them without argument.

Appendix 1.18
I think it is impossible to happen in the hotel unless the Department Heads want to be fired or quit the job.

**Summary:** Autocratic. All have to do as told or quit/be fired.

---

I expect the Controller cooperate with me and always follow my instruction. Anyway, as he has work here in the hotel for some time, I respect the Controller's professional knowledge very much. I will keep contact with him to realize how the business is performing and consider his suggestion. I believe he will help to correct any adverse variance and expect him always stand by my side.

**Summary:** Co-operate. Controller to follow GM's instruction and support him.

**Inference summary:** Organization: Autocratic management style.

---

The documents must be approved by the GM which reflects a one-man decision process. Then the memo and documents will be passed from the Controller and Director of Sales & Marketing to notice all the Department Heads. When every Department Heads received the notices, they have to set departmental sales target and budget to meet the figures. This is a typical top-down communication that pass information downward.

**Summary:** Autocratic. GM is a one man decision process.

**Inference summary:** Organization: Autocratic management style.

---

As the hotel is owned and mainly operated by Chinese, everything is confined to the management.

**Summary:** Management retains the power. As hotel owned and operated by Chinese, management retain power.

**Inference summary:** Organization: Autocratic management style.

---

departments as it will disclose the weakness of the department. In this case, they will worry. It would be rare for them as Chinese, to ask people of other departments to work together towards a productive result in order to enhance the department's performance.

**Summary:** Saving face.

---

Of course, the Controller will also be shamed.

**Summary:** Saving face. There will be loss of face of the Controller as the GM has been let down.

**Inference Summary:** Supporting boss by acting appropriately.

---

Without doubt, autocratic management style is dominant since most of the superiors are Chinese.

**Summary:** Autocratic. GFC/7/2 As superiors are Chinese, autocratic is the style.

**Inference summary:** Organization: Autocratic management style.
I have to give face to the GM and all the procedures must follow the formal line of command. After all, my GM is very important, even more than the Chief Financial Officer.

Summary: Satisfy boss. Give face to GM and procedures must follow formal line if command.

Inference summary: Organization: Autocratic management style.

If the budget is rejected, I should be primarily responsible for the rejection because I am supposed to be the final checker. I like to give advice to the budget writers rather than self involvement in correction which meet his expectation.

Summary: Blame outside factors. Controller to leave it to budget writers to sort out their own problems (put the blame on outside factors).

Inference Summary: Supporting boss by acting appropriately.

I expect the Controller can give me a more aggressive budgetary plan to cope with the rapid expansion each year of the group and the increased competition within the industry. I won't let my hotel lose face within the group. I tell all the Department Heads to co-operate with the Controller and Sales & Marketing Department to prepare the sales target and the budgetary plan. I think the Department Heads will be cooperative and can compromise, or at least accommodate with the sales target and the budgetary plan. It is time to give them a psychological preparation before discussing the Sales targets and budgetary plan in detail at the meeting.

Summary: Informal/Formal interaction. Use of pre-meeting by Controller to protect himself from GM.

Inference Summary: Supporting boss by preserving face in all situations.

However, if the Department Head disagrees with the Controller, I will play the role as a middleman and listen to the Department Head's explanation and try to limit their difference if possible without destroying their interpersonal relationship and harmony.

Summary: Go-between. GM as a go-between so as not to upset relationship between Controller and D. Heads.

Inference summary: supporting superiors by acting as a "go-between".
HOTEL H.

**hfc/2/2**

Two of the original Department Heads are Chinese and spoken English is not so good, so it will affect the communication since half of the department Heads are foreigners. It is not favourable to informal interaction.

Summary: Informal/Formal interaction. Difficult to have informal relationships when half the D.Heads are foreigners.

**hgmex/2/2**

I think GM would expect me to communicate with other two Chinese Department Heads since I am also a Chinese. I think GM would expect me to be a bridge between the Department Heads, as there are some Chinese and some foreigners. The two Chinese Department Heads may have problems about the figures, but they may not voice out immediately. I can have informal communication with them which may help to evaluate the sales figures and justified the problems with them. I may stand at their side since we are Chinese. I think he expects me to acts as a channel between the foreign and Chinese Department Heads. I think GM and Chief Financial Officer of the owning and operating company would expect me to clarify and answer if they and the Department Heads have any problems with the sales figures in the Executive Meeting. It may reduce the conflict and misunderstanding.

Summary: Cultures stick together. Controller to communicate with the Chinese D. Heads,

**hgm/2/2**

I can understand that people are sometimes more eager to communicate with people of the same culture. I expect the Controller who is a Hong Kong Chinese to deal more with the other two Chinese Department Heads.

Summary: Cultures stick together. Leave the foreign D. Heads to the GM.

Re-referenced as H/2/2:

Inference summary: Forming and maintaining relationships to solve problems.

**hfc/8/4**

In case of no action is taken place, although with approval, as he is British, the General Manager would become pushy towards the issues and the person in charge.

Summary: Autocratic. Autocratic [British] GM will become pushy.

**hgmex/8/4**

In order to minimize the conflicts, it is wise to be open to give any information or advice, or to be compromised, if necessary. Being assertive can only lead to rigid situation that everyone holds his own opinion, and finally the common goal cannot be achieved, but problems of satisfactory performance are for the solving of the departments concerned.

Summary: Compromise. All need to compromise to minimize conflict.

**hgm/8/4**

With more than 15 years working experience in Hong Kong, as a Westerner, I have a certain degree of understanding about the way that Hong Kong Chinese work. On the other hand, the Controller is a typical Hong Kong Chinese. With his professional status, the Controller would have a certain influential power in the hotel especially in the area of the budgets and the regular reports. Being a typical Hong Kong Chinese, I
know that the Controller has a very conventional way of doing things, and would not do anything to disturb the order of things. In these two steps, given that the problem areas are mostly going to lie in the departments which have got westerners in charge, the Controller, I know, is going to be very circumspect in his dealings.

Summary: Respect hierarchy. Controller conventional, and will not disturb order of things.

Re-referenced as H/8/4:

Inference summary: Avoiding relationships with peers (if possible).

hfc/2/4

Half of the Department Heads are Chinese and they may form an informal group. When they find problems of sales figures, they may discuss by their own, and they may later report to the General Manager. As the Controller, he is a Chinese he may support the other two Chinese Department Heads if they disagree the sales figures. The Director of Sales & Marketing may help to solve the conflict since he is new and should be remain neutral. If the Department Head does not know how to do the budgets, I think he will firstly speak to the Department Heads that have good relationship with him. For example, the two Chinese Department Heads may ask the Controller.

Summary: Cultures stick together.

hgm/2/4

For example, after the Executive Meeting, the two Chinese Heads may have problems about the figures, but they may not speak out, since one of them is new and the other one is not very good in speaking English. The Controller can talk to them informally. I expect the Controller can help me as a middleman between the Department Heads. I can deal with the problems and conflicts between the foreign Department Heads in both formal and informal ways. The Controller can also be the middleman between the Chinese Department Heads. I think that people with the same culture will stick together, therefore, in this stage, I think dealing with the conflicts in this way is the right thing to do. I would expect the Controller to support me as the General Manager, as he is Chinese.

Summary: Cultures stick together. Controller to act as middle man between GM and Chinese D. Heads.

Inference summary: Forming and maintaining relationships to solve problems.

hgm/1/2

As he is experienced and Chinese, he must provide his professional knowledge and to establish realistic and attainable sales targets with the others. As a Chinese, I expect he will play a cooperative role and help the others to work for a common goal.

Summary: Co-operate. As a Chinese, he will help others

Inference summary: Forming and maintaining relationships to solve problems.
HOTEL I.

**ifc/2/4**

They will share the opinion, resulting in a compromised outcome and reach a settlement by agree upon a satisfactory sales figures. If the disagreement is occurred after the formal meeting, the most common strategy to resolving conflicts between divisions and managing them effectively is through bargaining and negotiation. He/she will try to negotiate with the Sales and Marketing Director informally. They have cooperation and the search for a mutually beneficial outcome. Collaboration can best describe their behaviour which is aimed at solving the problem rather than accommodating various points of view. If the process is successful, a solution acceptable to both sides is attained, and the conflict is effectively resolved. If the conflict is still unsolved, the third party such as the GM and all Division Heads have to involve in discussion through formal meeting.

**Summary:** Co-operate. Mutual benefit of outcome for Sales and Marketing Dept.

**igmex/2/4**

Finally, I take initiative helping the Department Heads to do the budgets, but not all of them are willing to be helped. They are afraid of losing face and feel embarrassed. I am expected to work with other departments co-operatively. I should compromise with them and work together to bring about a productive result.

**Summary:** Co-operate. Co-operation between Controller and D. Heads, who are not all willing to be helped, for fear of losing face.

**igm/2/4**

He should aim at solving the problem rather than accommodating various points of view.

**Summary:** Co-operate. Controller and D.Heads to bring about productive result, not for harmony's sake alone.

Re-referenced as IGEX/IGM/2/4.

Inference summary: Avoid relationships with peers (if possible).

**ifc/1/4**

But in most time, Director of Sales and Director of Marketing will come together to decide the sales targets, and try to compromise all the ideas from the sales managers to form presentable sales targets.

**Summary:** Democratic. Director of Sales and Director of Marketing will pool all ideas.

**igm/1/4**

In this case, conflict may happen if both of them are firm and insist of their own targets. I will use my experience to make final decision, in order to eliminate the discord.

**Summary:** Co-operate. If there is a conflict of ideas, then the GM will deal with it.

Re-referenced as IFC/IGM/1/4.

Inference summary: Organization: Democratic management style.
Besides, I think the nature of the meeting should be a democratic one. Therefore, every Division Head can also have a say in any issue that is not within his or her locus of control. In case no proposal is made by the Division Heads, I think the Resident Manager and the Controller should be responsible for addressing any problem through a co-operative approach. The methods of brainstorming and nominal group technique should be utilized to encourage suggestions. Questions like “What’s your opinion?”, “What do you think if .....?”, can be useful in such a phenomenon. Facing such a situation, I think most of the Division Heads will react by collaborating. In fact, under this situation, the power from the Resident Manager can impose certain influence on the Division Heads’ reactions; hence making them become more active than they actually do.

Summary: Democratic. Each Division Head can have a say in solving problems.

Inference summary: Organization: Democratic management style.

The ultimate principle for me to carry out this role is to follow the guidelines and requirements of the corporate office. In case any conflict arose between the corporate office and our hotel, I need to solve the problem with the Chief Financial Officer. Of course, support from the General Manager is vital.

Summary: Support. Controller expects support from the GM against pressure from the Chief Financial Officer and Head Office.

Inference summary: Organization: Democratic management style.

I would like the Controller to be capable of being co-operative or assertive under the right situation. In case no proposal is made by the Department Heads during the meeting, I expect the Controller to address the problem in a co-operative approach. Under such a situation, he should be objective and friendly to initiate any proposals or to encourage the Department Heads to suggest some. However, if he think that any proposed action is not possible, I expect him to be firm and decisive in criticizing or rejecting it. Surely, if there is a good idea, he should accept it.

Summary: Co-operate. Controller to be friendly but always objective with D.Heads.

Inference summary: Organization: Democratic management style.
If the Department Head does not know how to do the Budgets because of the unclear guideline given by General Manager, he will address the problem to him formally and work cooperatively to solve the problem. If it is due to the inadequate or unclear information given by other departments, he will ask the department to discuss together in a cooperative and informal way provided that their relationship is good or formally but always in a cooperative manner, provided that the relationship is not very close.

Summary: Relationships. Relationships between D.Heads dictates the availability of information to solve problems;

I think what the General Manager expects of me is to cooperate with and support the Sales and Marketing Director and to discuss with and convince other Department Heads when conflict happens. I know that I must be loyal to the General Manager.

Summary: Support. Controller to support GM against D.Heads,(loyal to GM but embarrassed);

I expect the Controller to be at all times co-operative. If the problem lies with the disagreement of the Department Heads with the Sales targets, I would expect him to work together and cooperate with the Director of Sales and Marketing by providing the supporting document or figures, and explain them to other Department Heads in order to convince them to if not to agree, then at least to accept them. If the problem is because the Department Heads do not know how to do the budgets, I expect him to help them, to work together with them and discuss with them jointly in a cooperative manner.

Summary: Support. GM expects support from the Controller against D.Heads' objections to budgets.

Re-referenced as J/2/4.

Inference Summary: Controller avoids building an unnecessary relationship with the Department Heads.
For example, I noticed that the performance of banquet sales is not good and it would be better if I discussed with the Director of Food and Beverage before the meeting. This can avoid argument and improve my communication between other departments. Then, the General Manager will think that we are cooperative and efficient.

Summary: Informal/Formal. Informal ways for Controller to discuss with D.Heads prior to avoiding an argument in main meeting.

After all, one has to understand the various influences at work in such a place that has so many people from different parts of the world. The old traditional ways of hotels, combined with the meeting of the East and the West, and the type of hotel that is being run here, really mean that the professionals in the departments are expected to solve their own problems.

Summary: Cultures stay together. Controller not to be involved as left to professionals, i.e. cultures stick together.

Re-referenced as JGMEX/JGM/8/4.

Inference Summary: Controller avoids a non essential relationship.

If the figures are late, it indicates that the whole team do not cooperate with the Accounts Department. Thus, the Controller should address the problem to their assistants as well as compromise with the due date in order to avoid creating a conflict with the Executive Committee.

Summary: Compromise. Controller and D.Heads to minimize conflict with EXCOM;

If the figures are late, it is too simplistic to expect me to set firm dates. In reality, I have to compromise with the concerned Department Heads, as I am in a support role.

Summary: Compromise. Controller in a support role to D.Heads.

Re-referenced as JFC/JGMEX/3/4.

Inference Summary: Controller avoids a non essential relationship.

It seems that people from different countries speak a different language. Conflicts mostly appear between departments that are depending on each others inputs and outputs. In contrast, the financial department would not run into such problems, and advice should be perceived as more objective, and therefore welcomed.

SUMMARY: Cultures stay together. Controller's role is neutral, therefore he should be effective.

Inference Summary: Support for superiors by acting as a go-between.
If the relationship between the persons is good, an informal way is used. If the relationship is not good, a formal channel of sending a memo of asking for the needed information is used and the information will send to the department through the use of pigeon holes.

Summary: Informal/Formal interaction. Informal ways for the D. Heads to get together to solve problems.

I think what the GM expects of me is to give the necessary information to all Department Heads. However, some information is absent or not on hand but it is urgent, so I am hurry to prepare. I am very embarrassed when Department Heads are unwilling to be helped.

Summary: Avoid conflict (if possible). Controller to avoid conflict with D.Heads who are unwilling to be helped.

Inference Summary: Controller avoids a non essential relationship.

In addition to the General Manager's expectation, I think the critical criteria to be a successful Controller should possess business mind, strong decision making ability with consistency, able to demonstrate appropriate authority in front of the Department Heads so as to increase my influence power and balance the conflict between hotel group and the management of the hotel.

Summary: Cultures stay together. Controller to act as go-between, so as to balance conflict between Head Office and hotel management.

Inference Summary: Support for superiors by acting as a Go-between.
Establishing the right sales targets is important, but not worth the effort or potential disruption. I think that the General Manager would not force the Director of Sales and Marketing to adopt all of his ideas but try to reach an agreement with her. Since they do have the equal power, but he has been working with the hotel three years and his professional skill are the advantages for him to compromise with the General Manager.

**Summary:** DHs objectives in getting the right targets.

I think the GM does not mind there is conflict. While we are discussing, I try my best to give different ideas and hope to reach a valuable agreement. Also, I prefer to place his interest above myself. It is because he is my boss and also the final decision maker.

**Summary:** Support. Maintain harmony. Support for GM from Controller who places GM's interests first.

I view conflict as a natural occurrence in all groups and organizations. Since conflict is inevitable, so I always accept conflict. But conflicts should occur in a harmonious way. It is more important that the type of conflict should be functional conflict rather than dysfunctional conflict. Because we are trying to maintain a favorable financial situation of the hotel, it is the impact that the conflict has on the hotel, rather than on any of us, that is important. When I and the Controller disagree, we usually end up collaborating. Collaboration is a situation where the parties to a conflict each desire to satisfy fully the concern of all parties. That means my behavior is aimed at solving the problems, consider the full range of alternatives, the similarities and differences in viewpoint become more clearly focused, the causes of the differences become outwardly evident. This is a so called win-win approach to resolving conflicts.

**Summary:** Co-operate. Co-operation as impact on hotel more important than impact on any individual.

Re-referenced as KGMEX/KGM/1/4.

Inference summary: Supporting boss by acting appropriately.
If there is problems of how to do the budget, I think it depends on the relationship between the persons involved at lower levels as well as at Department Head. Perhaps some will ask the Controller for helping, but other will be too prideful to do that and may wish to prefer to get Informally from the Department Heads.

Summary: Do not show Ignorance. DH's relationships will decide who to go to for help.

Being the Controller of the hotel, I think what the GM expects from me is not only outstanding performance in jobs, but also good relationship with colleagues. I think I have done quite well in getting along with my colleagues.

Summary: Relationships. To form relationships to get along with non-Chinese colleagues.

His performance is satisfactory, but it is not at the level that I am pursuing for the hotel. I want him to do the perfect job rather than the satisfactory job. This creates a little bit of conflict between him and me because I always telling him to do that little bit more. However, his English is not at that high a level, and sometimes, he does not understand what I expect from him. Unfortunately, he rarely asks me to clarify the points that I have made although I know that he sometimes feels confused and is not sure what I am talking about. Therefore, he always repeats the same mistake. I am aware that he is not the only Department Head who has a problem with his English.

Summary: Do not show ignorance. Controller will not clarify unclear instructions with GM.

I think the General Manager expects me to maximize the profit and minimize the operating cost. I think the General Manager neglects my situation that I already work out the best profit figure in order to meet the company objective. He often orders me to persuade the Department Heads to reduce the operating costs of the departments.

Summary: Support. Support from GM for Controller's view of how to deal with D. Heads.

While the Controller is unwilling to express his different view during the formal meeting, he often express his dissatisfaction during the informal meeting with the Department Heads, at least those who are Chinese. I think this is one of the methods that the Financial Controller uses to express his frustration to Department Heads, so he can get their co-operation in the future.

Summary: Informal/Formal interaction. Informal ways for Controller to gain co-operation between D. Heads and GM.

Appendix 1. 29
I really feel bad in handling different ideas of the Department Heads. The GM now expect me to persuade and convince other Department Heads on their solutions. In fact, I want to do only accounting work but not human relationship.

Summary: Relationships. Relationships difficult for Controller with other D. Heads.

The Controller’s main duty is to do the paper work rather than public relation. It may also be his most stressful role, for he seems to be constantly faced with disturbances that threaten the harmony and effectiveness of the hotel. So I expect him to share the same objectives as I do, and engage in a joint effort with other Department Heads.

Summary: Co-operate Controller to co-operate with D. Heads to engage in joint effort with D. Heads.

Re-referenced as KGMEX/KGM/7/4.

Inference summary: Avoid relationships with peers (if possible).

If the Director of Sales cannot submit the sales on time, she might blame other Department Heads, such as the F&B Manager and says that he cannot provide her with the budget on food sale on time. In the hotel some of the Department Heads are Chinese and some are not.

Summary: Blame external factors. DOS will possibly blame non Chinese Dhs.
HOTEL L.

Igmex/1/4
Whenever I have disagreement with the General Manager, I am expected to give up my own opinion and listen to him and agree with his idea. Even there are disagreement among General Manager and other Department heads, I think General Manager will expect me to support his idea.

Summary: Support. Controller to support GM in disagreements between GM and D.Heads.

Igm/1/4
I expect the support of the Controller in the formal meetings. As the targets have agreed with Head Office, and the Department Heads know of this already.

Summary: Support. Controller to support D.Heads against D.Heads who know targets are agreed in Head Office.

Re-referenced as LGMEX/LGM/1/4.
Inference summary: supporting boss by acting appropriately.

Ifc/2/4
In the practice, as Chinese the Department Head do not show the ignorance, and so they will try to do and blame outside factors for mistakes if any.

Summary: Blame outside factors. If Chinese D.Heads cannot do the budget, then they will not show ignorance.

Igm/2/4
I expect that the Controller should give a helping hand to the Department Head who do not know to do the budget. He should teach and monitor the Department Heads' performance in budgeting for ensuring the smooth operation of the hotel.

Summary: Relationships. Controller and D.Heads to pre-empt the possibility of ignorance by relationships.

Re-referenced as LFC/LGM/2/4.
Inference summary: Forming and maintaining relationships to solve problems.

Ifc/7/4
Those Department Heads who disagree with the figures, would get together to form a relatively stronger force against the others. If the figures are late, the Controller will act, as he is from the owner's group and he is usually the most powerful and affecting person.

Summary: Support. Support for the owner from the Controller as he has most to lose and has to get figures from the D. Heads.

Igm/7/4
If the Department Heads disagree with the figures, again, as the report is prepared by the Controller, I would not be the one to address the problem. The Controller should be the one to address problems if figures are ready in time. I think the Controller sounds more powerful than me in this regard.

Appendix 1. 31
<table>
<thead>
<tr>
<th>Summary: Satisfy boss that matters. Controller satisfies the boss by representing the owner on money matters.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-referenced as LFC/LGM/7/4.</td>
</tr>
<tr>
<td>Inference summary: supporting boss by acting appropriately.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Ifc/1/2</th>
</tr>
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<tbody>
<tr>
<td>This is not an objection on her part, as knowing the acceptability before means that there will be no big lose face when the figures are put down to the Controller. Instead of blaming the subordinates, I think the GM would remain silent or look very unsatisfied as a gesture to show his discontent. Other Department Heads as Chinese know of course the situation and no disagreement comes out.</td>
</tr>
<tr>
<td>Summary: Respect hierarchy. DHs know the relationship and do not disagree.</td>
</tr>
<tr>
<td>Inference summary: Organization: Autocratic management style.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ifc/2/2</th>
</tr>
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<tbody>
<tr>
<td>Generally speaking, the Chinese tends to build up the good relationships with colleagues. Most important of all, with the same grade and race, they are willing to share their experience with the other managers.</td>
</tr>
<tr>
<td>Summary: Relationships. Chinese build relationships with the same grade and race.</td>
</tr>
<tr>
<td>Inference summary: Forming and maintaining relationships to solve problems.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ifc/7/2</th>
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</thead>
<tbody>
<tr>
<td>As many of them have been with the hotel since it opens and they are all Chinese, it is easier for them to exchange ideas and opinion.</td>
</tr>
<tr>
<td>Summary: Cultures stick together. As all are Chinese and have been in the hotel together since the start.</td>
</tr>
<tr>
<td>Inference summary: Forming and maintaining relationships to solve problems.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Ifc/7/3</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is because Chinese usually find it embarrassed to address bad news.</td>
</tr>
<tr>
<td>Summary: Do not admit to failure. DHs and attitude to dealing with poor performance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lgm/1/1</th>
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<tbody>
<tr>
<td>I expect before the formal meeting on the sales targets to have the informal with the Controller who can be tell me of the problems if any, then when we are in the meetings there is the harmony and the respect for the positions and no surprises.</td>
</tr>
<tr>
<td>Summary: Informal/formal interaction. Use of prior meeting by Controller and GM to preserve each other's face.</td>
</tr>
<tr>
<td>Inference summary: Supporting boss by preserving face in all situations.</td>
</tr>
</tbody>
</table>

Appendix 1.32
HOTEL M.

mfc/2/4
If they still have problems that they cannot solve, they will refer to their superiors, either the General manager or the owner if they have relation there.

Summary: Relationships. Do not disagree as hotel is run in typical style of Chinese family management.

mgmex/2/4
The General Manager expects me to always give out the good news to the owners and try to cover some bad news, or at least do not over emphasise on it. In case there are any conflicts between the Department Heads, the General Manager expects I can act as a moderator between them and make sure the budget can be done on time.

Summary: Support. Controller to cover up bad news from Head Office, and act as go-between (hotel and D. Heads.)

Re-referenced as MFC/MGMEX/2/4:
Inference summary: Supporting boss by acting appropriately.

mgmex/78/4
Therefore the General Manager will expect me to answer it smoothly and not put him in a situation of losing face. The General Manager might want me to have an informal talk with the Chief Financial Officer before the meeting to let him understand that efforts have been made. In this way, some embarrassing questions will therefore be avoided over the formal meeting. This is difficult for me sometimes, but I have to remember that we all belong to the company family as Chinese.

Summary: Informal/formal interaction. Informal ways that GM expects Controller to have prior meeting with Chief Financial Officer to pre-empt difficult questions.

mgm/78/4
This situation especially refers to the month where both of us understood that the budget was over estimate and can not be achieved. This situation also provide a good opportunity for the Controller to give a full report to the owner where he can write down "Budget was slightly fall behind, GM has pressured all Department Heads."

Summary: Support. Support for GM by Controller, by saying nice things about GM to Head Office.

Re-referenced as MGMEX/MGM/78/4:
Inference summary: Supporting boss by preserving face in all situations.

mfc/1/4
Disagreement will not be happened among sub-ordinates, since all know that to do as told is one of the hotel mission statement.

Summary: Autocratic. All staff know they must do as they are told.

Inference summary: Organization: Autocratic management style.

Appendix 1.33
Both formal and informal meetings will take place between these people, and casual conversation as all are of course Chinese.

Summary: Informal/formal interaction. DHs discuss sales targets between themselves.

In this hotel it is not likely that the figures will be late as the lose of face will be too big, and the person in charge will bear the shame.

Summary: Saving face. DHs lose face if figures not in on time.

As I report to both the General Manager and the Chief Financial Officer, I think the hotel GM will expect me to support all his financial proposal, give advice to him on some financial matters, but most important I think he will like me to highlight our achievement and to cover some lapse.

Summary. Support. Support for the GM from the Controller in highlighting achievement, and covering up lapses in report to Head Office.

Inference summary: Supporting boss by acting appropriately.

As mentioned before, the hotel has a very typical family type of management. Harmony is the organization climate within the place and everyone follows the guideline and instruction by the owner.

Summary: Maintain harmony. Harmony achieved by following instructions from owner.

Inference summary: Organization: Autocratic management style.
Then if the Department Head disagrees with the sales targets the Director of Sales and Marketing will address the problem. If the Department Head also does not know how to do the budgets, the General Manager and Controller will suggest ways for him to complete the budget by way of co-operation.

Summary: Co-operate. GM and Controller discuss ways together to help the D. Heads;

If there are problems I would expect all concerned Department Heads and the Controller during a formal meeting to discuss why they cannot hit the target, and I will suggest ways to them to solve the problem.

Summary: Informal/formal interaction. Problems are expected to be “thrashed out” in the formal meetings.

Re-referenced as NFC/NGM/2/4:

Inference summary: Organization: democratic management style.

All Excom members have the job of pointing out the variances that need action steps proposed as different person may have different opinions on the same issue. Therefore one may see one point which is not noticed by others and result in no action taken.

Summary: Democratic. Open discussion for all EXCOM members.

Inference summary: Organization: democratic management style.
HOTEL O.

Ogmex/1/2
He would rather I try to get the information from the Controllers of the other hotels regarding the sales targets, so that he has in mind what the other hotels in the group are doing.

Summary: Support. Support for GM by Controller by information gathering from other hotel Controllers.

Ogm/1/2
With those Department Heads with whom he has got good relations he will discuss with the other hotels' Controllers to get some inside Information on the likely level of acceptance of the target from the Group President of Sales and Marketing.

Summary: Relationships. Controller through relationships will get help from other hotel Controllers on likely level of acceptance of sales targets.

Re-referenced as OGMEX/OGM/1/2.
Inference summary: Supporting boss by preserving face in all situations.

Ofc/1/4
If there Is disagreement in the Sales Department as to the value of the information the Director of Sales will deal with it very quickly as the sales team will have to follow what has been made by the Head Office and have no say about it.

Summary: Do not disagree. Satisfy Head Office demands, therefore staff do as told and do not disagree.

Ogmex/1/4
My relationship with the GM is co-worker, and we both co-operate to ensure the smooth running of the hotel, but my relationship with the Group Controller is subordinate and boss.

Summary: Satisfy boss that matters. Group Controller is the boss that matters, therefore Controller only needs to get along with GM.

Re-referenced as OFC/OGMEX/1/4.
Inference summary: Supporting boss by acting appropriately.

Ofc/2/4
Most of the time is taken in avoiding trouble or dissent, so that the question of not agreeing with the targets is not one that occurs in the hotel or for any of the hotels owned by the group.

Summary: Do not disagree. DHs busy avoiding trouble/dissent.

Ogm/2/4
It depends on whether the Group Controller feels that my relationships with some of the Department Heads are more likely to bring about the desired result.

Summary: Relationships. HO judges GM's relationship building.
In this step it is clear that the Department heads will talk among themselves if they do not know how to do the budgets. The hotel is not one where you can afford to be too open if you do not know something.

Summary: Do not show ignorance. DHs afraid to show ignorance.

The GM will understand that I have to report all cases of problems to the Group Controller, who then will inform the GM to follow up with the Department Heads. It seems strange but the GM's who stay with the Group have all accepted this a long time ago, otherwise they will leave or be fired.

Summary: Autocratic. GM to accept powerless position or quit/be fired.

Inference summary: Organization: Autocratic management style.

My role is to assist the Controller to prepare an acceptable figures to the Group Controller. Any rejected budgets will get me into serious trouble.

Summary: Autocratic. GM will get into serious trouble if budget rejected.

Inference summary: Organization: Autocratic management style.

Since centralization has always been the tradition in the hotel group, nearly all department units are centralized and headed by a Vice President or Senior Vice President of the Head Office. The role of the General Manager has little opinion to air out.

Summary: Autocratic. GM powerless as all power kept at Head Office level.

Inference summary: Organization: Autocratic management style.
The GM will in turn press the EXCOM for a more aggressive budget, but in a rather cooperative manner in order to harmonize the situation. In case of the targets being turned down, the EXCOM members will seek for co-operation of the sub-division heads to work out the revised ones.

Summary: Co-operative. GM strives for regaining harmony with EXCOM members, after owners have rejected sales targets.

Needless to say the FC is expected to be co-operative to the GM in the entire process. He supposedly works as a consolidator rather than a consultant or assessor.

Summary: Co-operative. Controller to work as a consolidator with GM and D.Heads, rather than as consultant.

I will seek the assistance of the Director of Sales and Marketing in a co-operative manner and ask his help to come up with solutions behind the scenes. Again, I do not expect the Controller to get involved

Summary: Informal/formal interaction. Informal ways for GM to get assistance of Director of Sales and exclude the Controller, behind the scenes.

Re-referenced as P/1/4:

Inference summary: Supporting boss by preserving face in all situations.
pfc/7/4
The Controller will listen to the Department Heads in a co-operative way and re-evaluate the figures again. When the department cannot provide the figures to the Controller in time, the Controller will push the Head to submit the figures as soon as they can and no more delay will be allowed.

Summary: Co-operative. Controller cooperates with D. Heads to maintain harmony.

pgmex/78/4
He does not expect me to involve in variance analysis and find out its causes and reasons, as it may disclose some operation and management problems which he is not willing to let the owner know. Therefore I have to keep myself very low profile and minimize the involvement in management decision making.

Summary: Support. Support for GM from Controller to cover up and present best picture to the Chief Financial Officer.

Re-referenced as PFC/PGMEX/7/4:
Inference summary: Supporting boss by acting appropriately.

pfc/45/4
When budgets are required to be amended Department Heads will voice out their problems to respective EXCOM member. Normally, both parties will work together in a co-operative manner to revise the budget as at the end it is both party’s responsibility to make the budgets.

Summary: Co-operative. All EXCOM members responsible to amend budgets.

Inference summary: Forming and maintaining relationships to solve problems.

pgmex/2/4
The GM expects me to be co-operative, to accept his decision and give the same suggestion to the owner. He expects me to meet him in an informal way, since we do the job for different people, the management company and the owner. It is better to use an informal way to avoid the management company or owner to worry about the realistic of our reports.

Summary: Support. Support for GM from Controller when conflict with CFO and/or D.Heads.

Inference summary: Supporting boss by acting appropriately.
The guideline is not to let the third party know and problems should be solved before anyone knows about it as is the Chinese way that the golden rule is smooth cooperation at least on the outside.

Summary: Relationships. All try to keep conflict hidden: “smooth cooperation”.

We both know that the budget is really decided for us and the best thing to do is to carry out what Head Office wants.

Summary: Autocratic. Both [GM and Controller] know as company style is autocratic, to do as told.

This hotel has a specific role and place in the Group, therefore our way of working is clearly influenced by the decisions made in the Head Office. As it is the targets are really handed down to us from the Head Office. Therefore the role of the Financial Controller in this hotel is determined by the Group Controller, who is a very powerful person. I would not expect the Controller in this hotel to do much in the formulation of the sales targets.

Summary: Support. Controller to support the GM by “hiding “ bad news.

Re-referenced as Q/1/4.

Inference summary: Forming and maintaining relationships to solve problems.

If there are conflict, then I am sure that the Group Controller will support me which upset the GM, I know.

Summary: Support. Controller to support Group in preference to GM.

As it is she is in very close contact with the Financial Controller, and as I know that he will carry out to the letter her every wish, I must be aware of these circumstances.

Summary: Support. Controller does everything Group Controller wishes.

Re-referenced as QGMEX/QGM/345/4:

Inference summary: Organization: Autocratic management style.
Regarding the good news if the market is expected to be good, it will be announced by the formal communication channel. But for the bad news the management will try their best to modify the figure until it can be presented. The process will go silently and hopefully not to make the bosses in the flagship too aware.

Summary: Support. Support for the GM from Controller to hide bad news.

Inference summary: Supporting boss by acting appropriately.

In order to maintain harmony relationships with their superiors, and conflicts should be avoided. The Department Heads should support any decision made by the superior. Even when the Department Heads cannot achieve the target budget, they will not get fired. They can find excuses to blame for the failure and they usually use external factors as an excuse, which all know is out of their control, so nobody is responsible for this, and nobody feel shame.

Summary: Maintain Harmony. Find other factors to blame.

Especially in Chinese culture of the hotel, harmony is strongly emphasize. People attempt in avoiding conflict or saving their face, because they are standing in front of many people in the formal meeting.

Summary: Maintain harmony. Avoid conflict and save face in the Chinese culture of the hotel.

Inference summary: Supporting boss and preserving face in all situations

I do expect him to come up with factors that have no implications on the competency of my Department Heads.

Summary: Support. Support for the GM from the Controller to report that the hotel management is OK to the Head Office.

Inference summary: Supporting boss by acting appropriately.

This is as before the figures will be known by the Group Controller and action has to be taken or there will be trouble for the GM and for the Department Heads. Hopefully matters outside of the responsibility of the management can be blamed.

Summary: Blame outside factors. GM to blame factors outside of management responsibility to the Group Controller.

Inference summary: Supporting boss by acting appropriately.
HOTEL R.

rfc/2/4
It is a simple case, in the hotel, either you follow the instruction or you can quit the position and find another job. You are expected to work with the given targets.

Summary: Do not disagree. All EXCOM follow instructions from Head Office and do not disagree.

rgm/2/4
Perhaps if the Department Head were to come up with a very good reason as to why the figures are wrong it may be considered. However, we are aware that the big picture is not always available for us, and on the whole this situation is fairly satisfactory.

Summary: Autocratic. All do as they are told.

Re-referenced as RFC/RGM/2/4.

Inference summary: Supporting boss by acting appropriately.

rfc/1/4
The Executive Committee of the hotel will meet to discuss the targets and to organize the work. There is no place for disagreeing.

Summary: Do not disagree. All EXCO follow instructions.

rgmex/-/4
I believe the General Manager of the hotel expects me to achieve the standard required by the Group, as he has to ensure that everything in the hotel is following the Group requirement. I understand he wants me to perform this without any trouble.

Summary: Autocratic. Controller to support GM and not cause any trouble to him.

Inference summary: Organization: Autocratic management style.
APPENDIX 2. NON-CULTURAL UTTERANCES.

Hotel J.

FC/1/2: 
...the inherent problem between sales and production.
...high task uncertainty.
...time and goal orientation differences.
...as standards and size of hotels increase, so does the degree of specialization

[Phrases in response to Step 1 that were not specific to the Topics in that Step. more Organization Theory]

FC/3/2: 
..reason that it is a central department that provides information and data

[Pressure from Head Office.]

GMEX/3/1: 
..some of them (Department Heads) think that their previous experience is more reliable.

[Experience in the industry.]

GMEX/78/4: 
..important to understand the expectations of Head Office, and the performance of our sister hotel.

[Pressure from Head Office.]

GM/1/4: 
..Controller as a neutral can keep everybody on track.

[Controller is a financial Specialist.]

GM/78/4: 
...the old traditional ways of hotels.
...the type of hotel that is being run here.

[Type of Hotel.]

Hotel A.

GM/2/2: 
As the FC has over 20 years experience in the hotel industry.

[Experience in the industry.]

GM/45/2: 
..since she has over 20 ears experience in the hotel operations and financial management.

[Experience in the industry.]

GM/7/4: 
The Controller started her career as a cashier and has worked since the hotel opened in 1989. She is a professional with over 20 years hotel experience. She is familiar with the whole process of budgeting and controlling.

[Experience in this hotel.]

GM/8/1: 
She has worked in the hotel industry for 20 years and has wide experience.

[Experience in the industry.]

Appendix 2. 1
Hotel B

FC/3/2:
...since the hotel is a medium sized 3 star hotel.
[Type of hotel.]

Hotel C.

GMEX/7/1:
We have been together for 6 years. Of course I can grasp his expectation.
[Length of time working together.]

GMEX/8/1:
...to report with the Chief Financial Officer of the owning company.
[Pressure from the Head Office.]

GM/7/1:
As I have worked together with the Controller for 6 years since 1989, he must be able to figure out what is my expectation.
[Length of time working together.]

GM/8/4:
Besides, he (Controller) has years of experiences as a Controller in our sister hotel in Hong Kong before, and added to that in this hotel.
[Experience in this hotel.]

Hotel D.

GM/1/2:
Since the Controller started his career from the L.G. hotel.
[Experience in the industry.]

GM/7/1:
The Controller before he joined the hotel he had worked in the P.L. hotel as an Assistant Accountant for more than 15 years.
[Experience in the industry.]

GM/7/3:
...uses his over 15 years experience.
[Experience in the industry.]
Hotel E.

FC/2/4:
Most of the Department Heads are the pre-opening team, it seems that they have a good co-operation for a few years
[Length of time working together].

GM/2/1:
The Controller has worked in a luxury hotel in Hong Kong before; he has also worked in China for a long period. He is one of the pre-opening team of this hotel and has been working here for 3 years, so he is an experienced Controller.
[Experience in the industry.]

Hotel F.

FC/2/4:
...discuss with his subordinate who has longer tenure with the present hotel.
[Experience in this hotel.]

FC/7/3:
..Controller who has the best knowledge of the hotel's financial operation.
[Controller is the financial specialist.]

GMEX/1/2:
Having joined the hotel for more than 5 months, I am quite familiar with the hotel's operation.
[Experience in this hotel.]

GMEX/45/1:
Although I get a lot of experience in a hotel's accounting operation, the ways of the hotel are new.
[Experience in the industry.]

GMEX/8/2:
As the Controller of the hotel who are [sic] working in the hotel for only a few months..
[Experience in this hotel]

GM/1/2:
...because the Controller is new to the hotel. He has been here 4 to 5 months only.
[Experience in this hotel.]

GM/1/4:
..since he is so new to this hotel he may not know the whole hotel operations well.
[Experience in this hotel.]

GM/45/1:
Although the Controller has just joined our hotel, he may not know the whole hotel operations well.
[Experience in this hotel.]

GM/8/2:
Controller is a newcomer to the hotel for only a few months.
[Experience in this hotel.]
Hotel G.

GMEX/2/2: 
..trust them with their experience in doing their own budget.  
[Experience in the industry.]

GMEX/78/2: 
..so that the Chief Financial Officer will not challenge me.  
[Pressure from Head Office.]

GM/2/4: 
He (Controller) has been here a long time and knows what I expect from him.  
[Experience in this hotel.]

GM/7/2: 
..as he (Controller) has worked here in the hotel for some time; I respect the Controller’s professional knowledge; The Controller and I have worked together for a few years already. We know each other very well.  
[Length of time working together.]

Hotel H.

FC/2/2: 
..as half are quite new (Department Heads.)  
[Experience in this hotel.]

FC/2/4: 
..since he is new (S/M) and should remain neutral.  
[Experience in this hotel.]

GMEX/1/2: 
..because I should report the sale target to the Chief Financial Officer of the owning company.  
[Pressure from Head Office.]

GMEX/45/1: 
..since I am a representative on the financial aspect of the company.  
[Controller is the financial specialist.]

GM/78/1: 
...(Controller) with more than 15 years working experience in Hong Kong; with his (Controller) professional status.  
[Experience in the industry.]
Hotel I.

GMEX/1/2:
..my past 27 years working experience and professional knowledge.
[Experience in the industry.]

GMEX/1/4:
The Division Head of S/M has 12 years working experience in this industry; as I have joined
this hotel for less than a year; if she trusts my past experience.
[Experience in the industry.]

GMEX/2/2:
..such as time constraints.
[Time constraints in the job.]

GMEX/45/1:
..since I have been working in the hotel industry for about 25 years.
[Experience in the industry.]

GM/1/4:
Since the Controller worked in the same tariff hotel before and has got 27 years working
experience, 15 years more than the Division Head.
[Experience in this hotel.]

Hotel J
[see first hotel. Used as illustration in the text]

Hotel K.

FC/1/4:
Since the GM was previously RM of a luxury Hong Kong hotel, and the DS/M has been
working for S/M department in the hotel for 3 years.
[Experience in this hotel.]

GMEX/2/4:
..this GM is a newcomer to the hotel. The GM before the one here now shows the same
expectations about how to prepare budgets with the Chief Financial Officer and me.
[Experience in this hotel.]

GM/1/2:
Since the Controller is a sociable person and is people oriented.
[Social Attributes of the Controller.]

GM/7/4:
He (Controller) has been an experienced Controller in the hotel industry for more than 10
years and has been at the hotel a lot longer than I have.
[Experience in the industry.]
Hotel L

FC/2/2:
Since we were both together in the previous hotel.
[Length of time working together.]

FC/7/2:
As we have been with the hotel since it opens.
[Length of time working together.]

FC/7/4:
As the hotel is owned by the property holding company and the Controller is employed by the group.
[Pressure from Head Office.]

GMEX/1/4:
Since I am [sic] also have to report to the Chief Financial Officer.
[Pressure from Head Office.]

GMEX/7/4:
As I am representing the owning company.
[Pressure from Head Office.]

GM/1/1:
Both I and the Controller are coming from a long working partner relations in the previous hotel.
[Length of time working together.]

GM/1/2:
.. as there are the relationships from the previous hotel.
[Length of time working together.]

GM1/4:
.. as the targets here have agreed [sic] with the Head Office.
[Pressure from Head Office.]

GM/3/2:
The Controller has many experiences and also from the previous hotel where the process is very much the same.
[Experience in this hotel.]

GM/3/4:
... constant contacts with the Chief Financial Officer.
[Pressure from Head Office.]

GM/7/3:
.. as the Controller is representing the owner.
[Pressure from Head Office.]

GM/8/1:
As most of them have long experience working together.
[Length of time working together.]

GM/8/3:
.. as we both have been working together for a long time.
[Length of time working together.]

GM/8/4:
As the Controller has been working with the Group for a long time.
[Experience in this hotel.]
Hotel M.

FC/45/1:  
..as the figures are clear from the start what will be accepted.  
[Pressure from head Office.]

GMEX/45/2:  
..as the figures in the hotel are all tailor made.  
[Pressure from head Office.]

GM/1/4:  
The Controller in the hotel has much experience in the group and in the hotel industry. He and I have worked a long time together also with the other hotels.  
[Length of time working together.]

Hotel N.  
[There were no references.]

Hotel O.

FC/1/3:  
..as he follows what has been made by Head Office.  
[Pressure from Head Office.]

FC/2/3:  
..as he is under pressure from the Head Office.  
[Pressure from Head Office.]

FC/3/4:  
..as he will face certain criticism from the Group Controller.  
[Pressure from Head Office.]

FC/7/4:  
..as in the Group, centralization is the essence of the organization structure.  
[Organization Structure.]

GMEX/3/4:  
..there will be a lot of Head Office interference.  
[Pressure from Head Office.]

GM/1/3:  
..as he (Controller) will get into trouble from the Group Controller if they (the figures) are not at the Head Office on time.  
[Pressure from Head Office.]

GM/3/4:  
..as the Controller will be the only one to explain the figures to the Group Controller.  
[Pressure from Head Office.]
Hotel P.

FC/3/4:  
as..we must meet the deadline and budget set by the GM and the owner  
[Pressure from Head Office.]

GMEX/45/4:  
..because the GM needs to present a reasonable budget to the owner on time.  
[Pressure from Head Office.]

GM/45/3:  
..as he (Controller) is the one who is employed by the owner directly.  
[Pressure from Head Office.]

Hotel Q.

FC/1/4:  
The flagship decide, the hotel must just follow.  
[Pressure from Head Office.]

FC/3/4:  
..as he (Controller) is (under) constant pressure from the Group Controller.  
[Pressure from Head Office.]

GMEX/1/-:  
as.. is a stepping stone to better position in the Group.  
[Pressure from Head Office.]

GMEX/2/2:  
...in writing, as Head Office will get their copy.  
[Pressure from Head Office.]

GM/1/1:  
..Influenced by the decision maker in the Head Office.  
[Pressure from Head Office.]

GM/45/2:  
The Controller has been around for many years.  
[Experience in the industry.]

Hotel R.

FC/2/4:  
as it belongs to a well established business.  
[Pressure from Head Office.]

FC/45/-:  
as it is not so famous as its sister hotel.  
[Pressure from Head Office.]

GMEX/1/-:  
as he has to follow the Group requirement.  
[Pressure from Head Office.]

GM/78/4:  
Head Office expects the figures as well.  
[Pressure from Head Office.]
APPENDIX 3.

SUMMARIES OF CONTROLLER'S EXPECTED INVOLVEMENT.

First Summary

For each of the 18 hotels a summary has been extracted from each step of each transcript to identify the extent of a Controller's expected involvement. In the text by way of illustration, the FC transcript from Hotel J has been shown as Figure 6.8.1. "Illustration of the transcript summaries".

Second Summary

This transcript summary contained some conclusions for each of the two phases of "Setting the budgets" which comprised Step 1 through 5, and "Control" which comprised Steps 7 and 8. Thus, it was possible to form a summary of these conclusions. In the text, by way of illustration, the Summary of the conclusions for each of the transcripts for Hotel J has been shown as Figure 6.8.3. "Illustration of summaries used to judge the important output for the Controller".

Third Summary

In turn, these summary of conclusions were used to form the "capstone" summaries which identified the "boss that matters" for the Controller, and the main expectation that the GM holds for the Controller. In the text by way of illustration, the capstone summary for Hotel J has been shown as Figure 6.8.3(a). "Illustration of capstone summary".

Thus, in successive iterations, the expectation of the Controller has been extracted from the various transcripts. In this appendix each of these three summaries are shown sequentially for every hotel: First Summary, then the Second Summary, followed by the Third Summary.

Some abbreviations have been made; as follows,

C. = Controller. GM = General Manager. DH = Department Head.

DOM = Director of Marketing. DOSM = Director of Sales and Marketing.

EAM = Executive Assistant Manager. DOS = Director of Sales.

F&B = Food and Beverage Manager. CFO = Chief Financial Officer.

Div. Head = Division Head. VP = Vice President.
**First Summary.**

**SUMMARY OF THE TRANSCRIPT - FC.**

Steps 1 through 5 - Setting the budget.

**Step 1.**
C. would be involved in sorting out disagreement. No mention of information. DHs would not show weakness (ignorance).

**Step 2.**
No mention of C.

**Step 3.**
C. gets the budgets out.

**Step 4/5.**
C. and GM work together; observing hotel protocol.

**Conclusion:**
C. involved in getting budgets out; not setting targets.

**Steps 7 and 8. - Control.**

**Step 7.**
C. gets out the figures but action by the GM.

**Step 8.**
C. not involved except to point out variances.

**Conclusion:**
C. keeps to reporting role; GM takes action.

---

**SUMMARY OF THE TRANSCRIPT - GMEX.**

The Controller feels that the GM expects her to:

Steps 1 through 5 - Setting the budget.

**Step 1.**
report to GM on matters but C. thinks this is DOSM's job.

**Step 2.**
be in charge of the process and she agrees.

**Step 3.**
it is an easy job but supervision and reporting makes a high work load.

**Step 4/5.**
do the approving but she thinks both should share the responsibility.

**Conclusion:**
C. has strong views on what the GM expects which she regards as asking too much of her.

**Steps 7 and 8. - Control.**

**Step 7.**
handle the process as she has been there a long time, which is OK with her.

**Step 8.**
have a greater involvement than just explaining to the GM but she thinks it is too much. She has middle road to tread as arbiter between HO and hotel.

**Conclusion:**
She seems to know what he expects. They have worked a long time together.

---

**SUMMARY OF THE TRANSCRIPT - GM.**

Steps 1 through 5 - Setting the budget.

**Step 1.**
Expects C. to handle. DOSM plays a secondary role.

**Step 2.**
Expects her to "treat herself as the boss" and is fully responsible.

**Step 3.**
Expects C. to be responsible.

**Step 4/5.**

---

Appendix 3. 2
Expects C. to get the budget through. He will support her. Clear that he thinks she is responsible.
Conclusion:
Seems content to let C. get on with it.
Steps 7 and 8. - Control.
Step 7.
Expects C. to be in charge. Stresses C.'s experience.
Step 8.
Expects C. to get involved in design of corrective action and use interdepartmental influence.
Conclusion:
Expects her to take charge.

Second Summary

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. involved in getting budgets out; not setting targets.
Steps 7 and 8. - Control.
C. keeps to reporting role; GM takes action.
Conclusion:
C. keeps to reporting role; GM takes action.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. has strong views on what the GM expects which she regards as asking too much.
Steps 7 and 8. - Control.
Conclusion:
She seems to know what he expects. They have worked a long time together.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Seems content to let C. get on with the budget process.
Steps 7 and 8. - Control.
Conclusion:
Expects her to take charge of the process.

Third Summary

CAPSTONE SUMMARY.
GM seems to play a lot on the C.'s experience. GM expects her to take on both the setting and the control elements. C. thinks DOSM can do more. Feels no responsibility for Step 8. She cites middleman role between HO and hotel. Says that DH's are her subordinates and main objective is that owners are satisfied.
THE "BOSS THAT MATTERS":
Head Office.
GM'S EXPECTATIONS:
C. to get the budgets through to treat herself as the boss; to take charge of all steps and liaise with HO.
HOTEL B.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
What the GM says goes. Clique of EAM, DOS and F&BM as they are all on good terms. GM to present to the mgt. company.
Step 2.
GM involved with DHs; no mention of C.
Step 3.
DHs assisted by C.
Step 4/5.
C. to arrange meetings but GM runs the show. C. helps to amend if contacted.
Conclusion:
GM runs the show
Steps 7 and 8 - Control.
Step 7.
GM dominant. C. may be involved if DH thinks budget too high as a reason for poor variance.
Step 8.
C. advises but matter solved between GM and DHs.
Conclusion:
Very dominant "matriarch" figure. DHs seek to please GM who is involved in everything.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
be eyes and ears; ambiguity with job needed to report to CFO. Everything goes through her.
Step 2.
report via GM.
Step 3/Step 4/5.
hold links with HO but via her; solve 'disturbances' smoothly but through her.
Conclusion:
C. expected to be a 'gofor'.
Steps 7 and 8 - Control
Step 7.
C. to do the analysis but check with GM all the way.
Step 8.
C. to discuss situation with DH but clear and check out with GM.
Conclusion:
C. to do as GM wishes. To always keep close contact with GM. Always tell her first.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Unclear but be obedient seems to be message. C. expected to contribute ideas for CFO meeting.
Step 2.
C. to make sure budget is done but constant contact with GM and report differences.
Step 3/Step 4/5.
Respect GM's wishes; enact her requirements.
Conclusion:
Mainly to get together with DHs and report back to her.
Steps 7 and 8 - Control.

Appendix 3. 4
Step 7.
C. to report and then report again. Conflicts to be reported to GM. C. to solve conflicts but report them.

Step 8.
C. to be involved. DHs and C. to come up with proposed solution; via GM for approval.

Conclusion:
On the whole a "spy" role. No real initiative-do as I tell you; above all be loyal and report activities.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
GM runs the show.

Steps 7 and 8 - Control.
Conclusion:
Very dominant "matriarch" figure. DHs seek to please GM who is involved in everything.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. expected to be a "gofor".

Steps 7 and 8 - Control.
Conclusion:
C. to do as GM wishes. To always keep close contact with GM. Always tell her first.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Mainly to get together with DHs and report back to her.

Steps 7 and 8 - Control.
Conclusion:
On the whole a "spy" role. No real initiative-do as I tell you; above all be loyal and report activities.

Third Summary.

CAPSTONE SUMMARY.
GM is a 'matriarch' figure and seems to rule with an iron fist. Likes to think of herself as 'mother' of a big family. All staff to carry out her wishes and produce a budget to her expectations. C. reports on activities but action cleared by GM who holds the power.

THE "BOSS THAT MATTERS":
GM.

GM'S EXPECTATIONS:
To get together with DHs and report to her; [spy role and "gofor"].
Hotel C.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
Not especially the C. More the task of DSM. C. to advise.
Step 2.
Seems a group effort. C. is involved but not exclusively.
Step 3/Step 4/5.
Example given. Reveals C. at the end of the process for review. [Step 4/5 not clear.]
Conclusion:
C. in advisory role. receives the budget and collates. Does not seem to trouble shoot.
Steps 7 and 8. - Control.
Step 7.
C. to explain but DHs to thrash out the problems.
Step 8.
No mention of C. other than at the start. "urging" role may mean more.
Conclusion:
DHs to sort out. C. to report highlights.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
agree to what GM says and to negotiate with DOM.
Step 2.
Co-operate and assist DHs but in reality DHs do not want help from C.
Step 3.
put the budgets together and "spy" on HO. for the GM.
Step 4/5.
handle the process and liaise with HO.
Conclusion:
Seems to know what GM wants: agree and give assistance to DHs when they want it and act
as a spy for HO.
Steps 7 and 8. - Control.
Step 7/8
Generally expects more than C. feels is fair. C. has no time to attend Dept. meetings to
analyze variances. He has enough to do with HO.
Conclusion:
C. thinks too much expected.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Expects a large role: make sure the whole process is conducted "effectively and accurately".
Step 2.
Take charge Be co-operative and assertive and always be helpful.
Step 3.
Take charge.
Step 4/5.
Take charge but duty to brief the GM and solve corporate/hotel difficulties.
Conclusion:
GM expects a lot. a tough attitude "take no prisoners" approach.
Steps 7 and 8. - Control.
### Second Summary

**SUMMARY OF THE TRANSCRIPT - FC.**  
Steps 1 through 5 - Setting the budget.  
Conclusion:  
C. in advisory role. Receives budgets and collates. Does not seem to trouble shoot.  
Steps 7 and 8 - Control.  
Conclusion:  
DHs to sort out. C. to report highlight.

**SUMMARY OF THE TRANSCRIPT - GMEX.**  
Steps 1 through 5 - Setting the budget.  
Conclusion:  
Seems to know what GM wants. Agree and give assistance to DHs when they ask and act as a spy for HO.  
Steps 7 and 8 - Control.  
Conclusion:  
C. thinks too much is expected.

**SUMMARY OF THE TRANSCRIPT - GM.**  
Steps 1 through 5 - Setting the budget.  
Conclusion:  
GM expects a lot. Tough attitude expected; a "take no prisoners" approach.  
Steps 7 and 8 - Control.  
Conclusion:  
Expects C. to sort out the area. less clear in Step 8.

### Third Summary

**CAPSTONE SUMMARY.**  
C. and GM have worked together for some time and they seem to get on. C. feels that GM expects too much in the problems with the departments in the setting of the sales targets with DOS and the DHs in resolving problems. Talk of effectiveness and accuracy.  
**THE "BOSS THAT MATTERS":**  
GM.  
**GM'S EXPECTATIONS:**  
To make sure the whole process conducted "effectively and accurately".
Hotel D.

First Summary.

### SUMMARY OF THE TRANSCRIPT - FC.

Steps 1 through 5 - Setting the budget.

**Step 1.**
No mention. Keep HO informed and get information from HO.

**Step 2.**
C. not involved if in difficulties DHs will turn to friends.

**Step 3/Step 4/5.**
C. in control. Much reference to common purpose.

**Conclusion:**
Seems only involved in gathering data and getting the approval.

**Steps 7 and 8. - Control.**

**Step 7.**
C. involved but GM takes over. C explains but GM handles problems. All through GM.

**Step 8.**
No mention of C. Matter between DH and GM.

**Conclusion:**
Report and inform but keep away from solution.

### SUMMARY OF THE TRANSCRIPT - GMEX.

The Controller feels that the GM expects him to:

Steps 1 through 5 - Setting the budget.

**Step 1.**
Seems a conflict between them over costs. Get information to/from Group Controller is a major role.

**Step 2.**
C. to co-ordinate. Report progress to GM and HO. Go-between GM/DH over budget preparation and avoid conflict.

**Step 3/Step 4/5.**
C. to take charge; autocratic, no nonsense approach with the staff. But do not argue with the boss. Keep HO informed.

**Conclusion:**
Get the budgets out and concentrate on costs. Act as a go-between.

**Steps 7 and 8. - Control.**

**Step 7.**
Explain and find, out then GM will be happy, but not to take action.

**Step 8.**
C. to take no action. *Co-ordinate with DHs to find out reasons behind; reduce conflicts.*

**Conclusion:**
Explain; find out reasons but leave action to GM.

### SUMMARY OF THE TRANSCRIPT - GM.

Steps 1 through 5 - Setting the budget.

**Step 1.**
Seems a conflict with Sales Dept over costs recently. Keep HO informed and get information to/from HO.

**Step 2.**
Expects C. as "eyes and ears" on process; stress common purpose. C. to handle problems on budget; explain to HO.

**Step 3/Step 4/5.**
C. to take charge; get budgets out, deal with problems; not to give way.

**Conclusion:**
Report the progress, minimize conflict and stress common purpose to DHs.
Steps 7 and 8. - Control.

Step 7.
C. to use his experience. Deal with problems, do not refer to GM.

Step 8.
Very clear. C. not his job to take action
Conclusion:
Unless DHs ask for help, not to get involved.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
Control costs gather budget data and get approval.

Steps 7 and 8. - Control.
Conclusion:
Report and inform but keep away from solution.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Get the budgets out, concentrate on costs. Go-between GM/DH/HO/ on budget matters.

Steps 7 and 8. - Control.
Conclusion:
Explain, find out reasons, leave action to the GM.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Report the progress, minimize conflict; stress common purpose to DHs.

Steps 7 and 8. - Control.
Conclusion:
Unless DH ask for help, not to get involved.

Third Summary.

CAPSTONE SUMMARY.
C. to follow the line. Take no excuses and do not question the GM/CFO. Explain, take a spy role for GM/HO; always co-operate, common purpose, minimize conflicts.

THE "BOSS THAT MATTERS":
GM and Head Office.
GM'S EXPECTATIONS:
To be a "go-between" [GM-Head Office- D. Head]; get out budgets and concentrate on costs.
First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
Involved but restricted to giving out information.
Step 2.
No mention of C.
Step 3/Step 4/5.
C. expects DH to visit him rather than vice versa to discuss any problems.
Conclusion:
C. just to give out information.
Steps 7 and 8. - Control.
Step 7/Step 8.
C. to be in charge. expected in this small group.
Conclusion:
C. to take an active role.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
C. involved as much with CFO as with GM but really get out information.
Step 2.
C. to play a role but C. is reluctant to accept that.
Step 3/Step 4/5.
feels that GM would want him to visit the DH and not vice versa.
Conclusion:
More comfortable with information role to/from HO.
Steps 7 and 8. - Control.
Step 7/Step 8.
feels that GM expects him to be involved but not specific.
Conclusion:
Difficulties expressed with expat revenue earning DHs

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Expects C. to be involved in getting information.
Step 2.
Expects a role with the CFO for the C.
Step 3/Step 4/5.
Expects an involved role for the C. as it is a small group.
Conclusion:
Expects a role involving information needs for CFO.
Steps 7 and 8. - Control
Step 7/Step 8.
GM expects an involvement but not that specific.
Conclusion:
Expects the C. to do the figure work but less clear on action involvement.
**Second Summary.**

<table>
<thead>
<tr>
<th>SUMMARY OF THE TRANSCRIPT - FC.</th>
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<tbody>
<tr>
<td><strong>Steps 1 through 5 - Setting the budget.</strong></td>
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<tr>
<td><strong>Conclusion:</strong></td>
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<tr>
<td>C. to really be a conduit for information</td>
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<tr>
<td><strong>Steps 7 and 8. - Control.</strong></td>
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<tr>
<td><strong>Conclusion:</strong></td>
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<tr>
<td>C. to play a role but not that specific.</td>
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<tr>
<td><strong>Conclusion:</strong></td>
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<tbody>
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<td><strong>Conclusion:</strong></td>
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<td><strong>Steps 7 and 8. - Control.</strong></td>
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<tr>
<td><strong>Conclusion:</strong></td>
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<tr>
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**Third Summary.**

<table>
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<th>CAPSTONE SUMMARY.</th>
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<tr>
<td>Dominant feature is the information role and the two expatriate revenue earning DHs who are influential. GM expects figure work from the C. and involvement but not very specific. Small group therefore sorting out problems is for everybody</td>
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<tr>
<td><strong>THE &quot;BOSS THAT MATTERS&quot;:</strong></td>
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<tr>
<td>GM and the CFO.</td>
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<tr>
<td><strong>GM’S EXPECTATIONS:</strong></td>
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<tr>
<td>To give out information and get information from HO.</td>
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Appendix 3. 11
Hotel F.

First Summary.

**SUMMARY OF THE TRANSCRIPT - FC.**
Steps 1 through 5 - Setting the budget.
Step 1.
No expectation.
Step 2.
No expectations unless called on from DHs for basic information.
Step 3.
Involved. This is the C.'s job.
Step 4/5.
Involved only if amendment is not clear by the DH.
Conclusion:
Reactive: involved only if end figures not right or there is a delay
Steps 7 and 8. - Control.
Step 7.
Involved to produce report and point out variances.
Step 8.
No expectations in solving operational problems.
Conclusion:
Produce report and leave it to the DHs.

**SUMMARY OF THE TRANSCRIPT - GMEX.**
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
have an advisory role, but C. would like more.
Step 2.
give help to DHs but complains of non co-operation. (short time in hotel) Mentions difficult to keep HO happy when no information on preparation is given.
Step 3/Step 4/5.
make the amendments which the GM orders; these are acceptable and clear.
Conclusion:
Would like to help but non-cooperation from DHs.
Steps 7 and 8. - Control.
Step 7.
transmit results and assistance but difficult as C. is new and does not get co-operation from DHs.
Step 8.
have an advisory role which is acceptable as not C.'s job to prepare action
Conclusion:
C. is new and does not get co-operation; therefore a "back room" role.

**SUMMARY OF THE TRANSCRIPT - GM.**
Steps 1 through 5 - Setting the budget.
Step 1.
Expects C. to get information for him and build relationships with DHs.
Step 2.
Expects C. to get DHs to support budgets.
Step 3/Step 4/5.
C. has to carry out decision.
Conclusion:
C. to get to know the DHs which he knows is difficult.
Steps 7 and 8. - Control.
Step 7.
C. to identify and explain; DHs to take corrective action.
Step 8.
C. only to have an advisory role and point out. DHs put proposals to GM
Conclusion:
C. restricted to pointing out whether external or internal reasons.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
Only if the end figures are not right or if a delay is likely.
Steps 7 and 8. - Control.
Conclusion:
Production of reports only and leave it to the DHs.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Would like to help but non co-operation of DHs.
Steps 7 and 8. - Control.
Conclusion:
C. is new and does not get Co-operation; therefore a “back room” role.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. to get to know the DHs which he knows is difficult.
Steps 7 and 8. - Control.
Conclusion:
C. restricted to pointing out whether external or internal reasons for the variance.

Third Summary.

CAPSTONE SUMMARY.
Talk of newness to the hotel and the need to establish relationships with the DHs from the GM. Perceived lack of co-operation from DHs but clear guidelines which are acceptable for the C. Role as a figure producer and generally “back room” boy.

THE “BOSS THAT MATTERS”:
GM
GM’S EXPECTATIONS:
To produce figures and keep in the “back room”.

Appendix 3. 13
First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
Not really involved. GM sets final figures; target and expenses made to fit the picture. C. will go over the target with senior executives and DHs.
Step 2.
DHs will close doors and not ask for help.
Step 3.
Senior executives get figures to C.
Step 4/5.
C. in trouble if figures do not match GM's wishes.
Conclusion:
GM determines the figures, others just follow.
Steps 7 and 8. - Control.
Step 7.
C. with GM judges DH's explanations as arbiters.
Step 8.
DHs to take action before being asked. C. not really involved.
Conclusion:
GM all powerful; recognition of all concerned to where the power lies.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
C. concerned to satisfy GM which is done by smooth progress.
Step 2.
C. ready to assist but GM/C. expect DHs to request assistance which is unlikely.
Step 3.
Role of transfer of GM's wishes expected. Go-between GM/Sen Execs/DH.
Step 4/5.
unclear but no mention of disturbance handling.
Conclusion:
Does what makes the GM happy.
Steps 7 and 8. - Control.
Step 7/Step 8.
very clear. C. not expected to handle the action. Responsible for only make up of figures and supplying them.
Conclusion:
Ensure smooth progress just supply figures.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Clear that C. has to carry out GM's wishes which is to pass on the overall targets to the senior executives and DHs.
Step 2.
Expects C. to be loyal to defend the position by the GM.
Step 3/Step 4/5.
Expects C. to act as advisor to senior executives and DHs in carrying out GM's orders.
Conclusion:
C. does as GM wants Some reference to length of time together and "knows what I expect."
Steps 7 and 8. - Control.
Step 7/Step 8:
C. to produce figures which are given to GM who decides who shall know what. C. not expected to handle any action.
Conclusion:
C.'s role like a "post box".

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
GM determines the figures, others just follow.
Steps 7 and 8 - Control.
Conclusion:
GM all powerful; recognition of all concerned as to where the power lies.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Does what makes the GM happy.
Steps 7 and 8 - Control.
Conclusion:
Ensure smooth progress; just supply figures.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. does as GM wants Some reference to length of time together and "knows what I expect."
Steps 7 and 8 - Control.
Conclusion:
C.'s role like a "post box".

Third Summary.

CAPSTONE SUMMARY.
GM is also the Operations Director of the Group. Therefore there is little tolerance of dissent or an alternative opinion. The boss is all powerful. To satisfy GM, C. does whatever makes the boss happy. They have worked together for some time, therefore C. knows what to expect.

THE "BOSS THAT MATTERS":
[GM also Operations Director of the group]

GM'S EXPECTATIONS:
To do whatever the GM requires.
First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
C. to give past history performance.
Step 2.
GM and C. involved as management contractor needs informing.
Step 3/Step 4/5.
C. to drive process and explain background.
Conclusion:
C. to take cue from GM in handling owner/mgt contractor relationships.
Steps 7 and 8. - Control.
Step 7.
C. involved in getting out figures and accuracy. Otherwise GM and DHs.
Step 8.
C. not really involved. Owner is involved with GM.
Conclusion:
DHs and GM thrash out any problems; C. to keep out.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
assist but C. feels CFO wants more.
Step 2.
get the Chinese DHs on the budget wavelength.
Step 3/Step 4/5.
set the deadline and follow up and represent the DHs viewpoints
Conclusion:
speak for the Chinese DHs who are not revenue earning Heads.
Steps 7 and 8. - Control.
Step 7/Step 8.
C. avoids specific comment other than to state minimizing conflict as objective and
"problems of satisfactory performance are for the solving of the departments concerned.
Conclusion:
Seems CFO is a pressure (as hotel is only one in Asia for the group).

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Expects C. to help out new expat DOM and support for targets from Chinese DHs.
Step 2.
Expects concentration on costs and the Chinese DHs; implication of leave expat DHs to GM.
Step 3/Step 4/5.
C. to handle and report progress to HO [not through GM but direct].
Conclusion:
get the Chinese DHs on the budget wavelength and support new DOM.
Steps 7 and 8. - Control.
Step 7/Step 8.
expects C. to avoid conflict and not get involved; however neither does he want C. to.
Conclusion:
C. to keep out of solving the problems.
SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. to take cue from GM in handling owner/mgt contractor relationships.
Steps 7 and 8. - Control.
Conclusion:
DHS and GM thrash out any problems; C. to keep out.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
speak for the Chinese DHSs who are not revenue earning Heads.
Steps 7 and 8. - Control.
Conclusion:
Seems CFO is a pressure (as hotel is only one in Asia for the group).

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
get the Chinese DHSs on the budget wavelength and support new DOM.
Steps 7 and 8. - Control.
Conclusion:
C. to keep out of solving the problems.

Third Summary.

CAPSTONE SUMMARY.
GM expects the C. to handle the Chinese side of EXCOM. Thus C. is concentrating on the cost centres. Help out the new DOM and get the Chinese on the budget wavelength. Some pressure from CFO.
THE "BOSS THAT MATTERS":
GM.
GM'S EXPECTATIONS:
To handle the Chinese DHSs who are in charge of cost centres; leave expats to the GM.
Hotel I.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
C. not mentioned, all involved in democratic formation of targets.
Step 2.
No mention of C. Problems attacked with solutions in mind.
Step 3.
Very clear. C. deals with Div. Heads. C. contacts GM only if there is a problem.
Step 4/5.
Section to DH: to Div Head: to C. in an ordered process. No mention of GM/HO in step.
Conclusion:
All involved; no hint of an imposed budget.
Steps 7 and 8 - Control.
Step 7.
C. with Div. Head. once adverse variances have been communicated.
Step 8.
C. to initiate and cajole but Div/D. Heads act. GM as ultimate resource if a problem.
Conclusion:
C. not to interfere but on level with Div Head. to solve problem.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
C. to get the target from HO. Help DOM and advise but difficulties given length of time both are in industry and in hotel.
Step 2.
C. to help but DH's put up resistance.
Step 3/Step 4/5.
expects C. to liaise with CFO but in fact all budgets approved by the GM.
Conclusion:
Relationship with CFO interferes with what GM expects.
Steps 7 and 8 - Control.
Step 7.
C. to get together with D. Heads to get proposed action but C. feels GM/RM should be more involved.
Step 8.
C. expected to hammer out proposal and write up proposal and liaise with HO. No implication of action expected but writing up is too much.
Conclusion:
"To me, my major role is to provide relevant information for everyone to make a decision."

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Expects close teamwork between DOSM and C. but realizes there may be problems.
Step 2.
C. to provide supporting documents for the DOSM to use to explain to DHs.
Step 3.
C. empowered to take over this phase.
Step 4/5.
Approach and explanation plus background report in conjunction with Div. Head.

Appendix 3. 18
Conclusion:
GM expects a lot of teamwork from the C. and writing up of the reports.
Steps 7 and 8. - Control.
Step 7.
C. to be involved. C. to get together with Div. Head to thrash out a solution.
Step 8.
Expects C. to co-ordinate DH proposed action and to act as consultant and analyst.
Conclusion:
GM expects C. to summarize action steps that Div/D. Heads are going to take.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
All involved; no hint of an imposed budget; proper levels of response.
Steps 7 and 8. - Control.
Conclusion:
C. not to interfere but on level with Div Head. to solve problem.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Relationship with CFO interferes with what GM expects.
Steps 7 and 8. - Control.
Conclusion:
"To me, my major role is to provide relevant information for everyone to make a decision."

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 6 - Setting the budget.
Conclusion:
GM expects a lot of teamwork from the C. and writing up of the reports.
Steps 7 and 8. - Control.
Conclusion:
GM expects C. to summarize action steps that Div/D. Heads are going to take.

Third Summary.

CAPSTONE SUMMARY.
System has various levels with the GM at the top. C. expected to deal with Division Heads. C. to act a report writer of the proposed action which C. feels is asking too much. Seems some resistance to the C. at the DH level.

THE "BOSS THAT MATTERS":
GM
GM'S EXPECTATIONS:
To act as consultant, analyst and report writer; to co-ordinate Department's proposals [which C. feels is too much].
SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.

Step 1
No mention of the C's involvement. No specific topic by topic detail. Implied that it is for the Sales and Operating Departments to sort it out.

Step 2.
No mention of the C. between DHs and GM to sort out.

Step 3.
C in charge to sort out the budget.

Step 4/5
C in charge of any amendments, but EXCOM members will explain to the GM.

Conclusion:
Seems C relied on for Step 3 and adjustments in Step 4/5, on the wishes of the GM.

Steps 7 and 8 - Control.

Step 7
C to get out figures and be involved in 4a and 4c to check with DHs for calculation errors, no more.

Step 8
No mention of C. Between the DHs and GM.

Conclusion:
Seems C just to make sure the figures are OK. Then leave it to the DHs and GM to sort out.

SUMMARY OF THE TRANSCRIPT - GMEX.
Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.

Step 1.
Liaise and coordinate, but nothing specific. C feels the GM does not take the CFO [Chief Financial Officer at Head Office] reporting responsibility of the C into account.

Step 2
Liaise with CFO. Be in charge, but DHs' do not cooperate.

Step 3.
Ditto. Get the figures out, but DHs take no notice of C.

Step 4/5
Again, but C feels DHs do not pull their weight and are not cooperative.

Conclusion:
C feels the GM want a lot of interpersonal action, but the DHs will not cooperate.

Steps 7 and 8 - Control.

Step 7/Step 8.
C feels GM would like C to get more involved than just producing the figures, but on the whole to take a back seat. Probably GM expects FC to be more of a help liaison with HO.

Conclusion:
C not taken too seriously, but does not want to push himself forward either. Seems to accept the way it is.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.

Step 1.
Very erudite but not specific to topics. He expects C as an advisor in liaison, coordinator in dissemination and buffer in handling conflict.

Step 2.
Much clearer and more specific to topics. C to take charge and be proactive.

Step 3.
"He should always remember that it is his job to get the figures out".

Appendix 3. 20
Step 4/5.
Uses the term "coach" to DHs. C should help them. No mention of HO's expectations of C.
Conclusion:
GM wants C as a proactive helper; that is to get involved.
Steps 7 and 8. Control.
Step 7/Step 8.
GM does not expect too active a role. C should check out figures for accuracy [7/4b] and
highlight the main differences, but leave the rest to the professionals.
Conclusion:
C is to produce the figures. No more. No mention of the HO responsibility of the C.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
Seems C relied on for Step 3 and adjustments in Step 4/5, on the wishes of the GM.
Steps 7 and 8. - Control.
Conclusion:
Seems C just to make sure the figures are OK. Then leave it to the DHs and GM to sort out.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5. - Setting the budget.
Conclusion:
C feels the GM want a lot of interpersonal action, but the DHs will not cooperate.
Steps 7 and 8. - Control.
Conclusion:
C not taken too seriously, but does not want to push himself forward either. Seems to accept
the way it is.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5. - Setting the budget.
Conclusion:
GM wants C as a proactive helper; that is to get involved.
Steps 7 and 8. - Control.
Conclusion:
C is to produce the figures. No more. No mention of the HO responsibility of the C.

Third Summary.

CAPSTONE SUMMARY.
The Controller has the job of supporting the DH's proactively. However the DHs are unwilling
to be helped and the Controller remains a producer of figures. The GM and the DHs are the
main players in the OBCP. The Controller has the job of liaising with the HO. The GM of the
hotel seems to be the boss that matters. The GM seems to be holding the Controller
responsible only for getting out the figures; the "critical" output. Sanctions might be expected
to occur as a result of non compliance by the Controller in this respect.
THE "BOSS THAT MATTERS":
GM
GM'S EXPECTATIONS:
To get out the figures; that is all.
SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
Seems some involvement from C. in setting budget with GM DOS seems the linchpin.
Step 2.
C. gives information and gets involved in problems if he gets on with the DH concerned.
Step 3.
C. to collate but DHs to sort out problems.
Step 4/5.
C. as a mediator and gives out information together with the DOS.
Conclusion:
C. as a support role. Not obviously as mostly, it is the job of the DOS to set targets and DH/DOS to solve problems.
Steps 7 and 8. - Control.
Step 7.
C. gets out figures and handles if not ready on time but not other problems.
Step 8.
No mention of C. not really involved.
Conclusion:
C. to produce the figures; that's all.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
communication with the GM; seems a "keep out of sales territory" attitude.
Step 2.
Definitely involved but difficulties of CFO/GM expectations dominate.
Step 3.
C. to handle.
Step 4/5.
GM expects C. to "keep close" and to exert pressure on DHs through FC.
Conclusion:
Conflicts between GM/CFO and C. what to do caused by change in personnel. C. feels GM expects a bit too much.
Steps 7 and 8. - Control.
Step 7/Step 8.
GM expects him to do slightly more than just report but he resists.
Conclusion:
"I want to do only accounting work but not human relationship". and "generally what the GM expects of me is to advise".

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Does not specifically mention a role but seems to imply that C. reports on process to GM.
Step 2.
Expects C. to "make a good budget".
Step 3/Step 4/5.
Expects C. to take charge and produce the right budget.
Conclusion:
Expectations not specific to the point. Much on communication
Steps 7 and 8. - Control.
Step 7.
C.'s main duty is to do the paperwork.
Step 8.
Seems very clear. C.'s job is as an advisor; no more.
Conclusion:
Not a lot of expectation of the C. other than to report.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. as a support role. Not obviously as mostly it is the job of the DOS to set targets and DH/DOS to solve problems.
Steps 7 and 8. - Control.
Conclusion:
C. to produce the figures; that's all.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Conflicts between GM/CFO and C. what to do caused by change in personnel. C. feels GM expects a bit too much.
Steps 7 and 8. - Control.
Conclusion:
"I want to do only accounting work but not human relationship", and "generally what the GM expects of me is to advise".

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Expectations not specific to the point. Much on communication
Steps 7 and 8. - Control.
Conclusion:
Not a lot of expectation of the C. other than to report.

Third Summary.

CAPSTONE SUMMARY.
Both GM and C. have little expectation of involvement outside of reporting. Real difference seems that GM wants C. to liaise with the DHs more but this seems to meet resistance from the C. Relationship with CFO complicates. GM is not too specific.
THE "BOSS THAT MATTERS":
GM.
GM'S EXPECTATIONS:
To get out figures and liaise, but C. says "I want to do only accounting work, but not human relationships."
Hotel L.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.

Steps 1 through 5 - Setting the budget.
Step 1.
Involved as formed relationship with GM from previous hotel. DOS an outsider but accepts the situation.
Step 2.
C. oversees but the DHs are responsible. There is no show of ignorance.
Step 3.
C. is responsible via the DHs over whom he seems to have some authority.
Step 4/5.
C. to take main role to satisfy GM who in turn has to satisfy the owning group.
Conclusion:
All seem to accept the relationships and have a common purpose.
Steps 7 and 8 - Control.
Step 7.
C. seems to take over the show. Employed by owner group through CFO is involved. Hence C. has power in this area.
Step 8.
C. very much involved as owning company demands; works closely with GM.
Conclusion:
C. has accepted authority owing to power of the owner group and relationship with GM.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
recognize the GM as the boss. C. seems OK with this.
Step 2.
go through the GM before HO.
Step 3/Step 4/5.
[missing tape malfunction]
Conclusion:
C. to complete tasks but always go through boss.
Steps 7 and 8 - Control.
Step 7.
to take over but C. thinks this is unreasonable; owning company responsibility.
Step 8.
C. to take charge but C. reluctant.
Conclusion:
GM expects too much from the C.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Expects C. to go to HO via himself. C. to show support to GM. Length of time together..
Step 2.
Expects C. to handle all aspects. Support decisions made by GM and ensure smooth process.
Step 3.
HO pressure makes budget stay on track.
Step 4/5.
Clear distinction; budget goes through GM. If numbers then C. can handle but if dissent then leave for GM.

Conclusion:
Expects C. to go via GM on to HO

Steps 7 and 8. - Control.

Step 7.
C. reports to owners; GM reports to management company. Therefore clear division; figures for C. to handle; management for GM to handle.

Step 8.
Expects C. to be involved. Makes much of length of time together and in the group. C. to discuss with DHs and then go and discuss with GM.

Conclusion:
Expects C. to monitor the action taken: rather than give out ideas on the best course of action, but all through GM.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
All seem to accept the relationships and have a common purpose.

Steps 7 and 8. - Control.

Conclusion:
C. has accepted authority owing to power of the owner group and relationship with GM.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. to complete tasks but always go through boss.

Steps 7 and 8. - Control.

Conclusion:
GM expects too much from the C.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Expects C. to go via GM on to HO

Steps 7 and 8. - Control.

Conclusion:
Expects C. to monitor the action taken: rather than give out ideas on the best course of action, but all through GM.

Third Summary.

CAPSTONE SUMMARY.
GM and C. very close owing to length of time working together. GM expects to be treated as the boss but recognizes reporting relationship that C. has with HO. GM expects a bit more than the C. thinks is right especially in the action taking steps.

THE “BOSS THAT MATTERS”:
Head Office [CFO]

GM'S EXPECTATIONS:
To report to HO, but expected through GM.
Hotel M.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
There are no disagreements all understand owner has final word.
Step 2.
No difficulties and no mention.
Step 3/Step 4/5.
sense of automaticity and lack of problems.
Conclusion:
All accept "top-down" way, Therefore a "what is there to have conflict about" attitude.
Steps 7 and 8 - Control.
Step 7/Step 8.
C. plus GM to question EXCOM member concerned over serious variance
Conclusion:
Not the C. but GM and owner's representative to exert the pressure.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
carry out owner's will: to see GM if DH's can not get figures to match.
Step 2.
C. to be involved as moderator; to smooth out differences, but get the job done.
Step 3/Step 4/5.
collect, analyze and adjust if figures do not "add up" to the required amount
Conclusion:
make sure DHs understand the owner's expectations in detail.
Steps 7 and 8 - Control.
Step 7/Step 8.
Main problem that of loyalty. GM expects loyalty even when things have gone badly, (adverse variances)
Conclusion:
GM expects cover up of bad news from HO, or at least not to emphasize it (draw attention to it). C. not expected to handle problems

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
C. involved in "working back" to given target from owners. Need to inform GM if DHs have problems doing this job.
Step 2.
C. to get DHs to work together in harmony.
Step 3/Step 4/5.
C. to use "strong personality" but DHs have initiative to get figures to C.
Conclusion:
Make no fuss. Do as owners have decreed. C. to get figures out. If DHs cannot make it. C. to inform GM to take action.
Steps 7 and 8 - Control.

Appendix 3. 26
Step 7/Step 8.
Expects C. to point out variances to DHs and “deliver pressure”. GM handles problems with DHs.
Conclusion:
Expects loyalty in difficult months in respect of report that C. puts to owners.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
All accept “top-down” way. Therefore a “what is there to have conflict about” attitude.
Steps 7 and 8 - Control.
Conclusion:
Not the C. but GM and owner’s representative to exert the pressure.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Make sure DHs understand the owner’s expectations in detail.
Steps 7 and 8 - Control.
Conclusion:
GM expects cover up of bad news from HO, or at least not to emphasize it (draw attention to it). C. not expected to handle problems.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Make no fuss. Do as owners have decreed. C. to get figures out. If DHs cannot make it C. to inform GM to take action.
Steps 7 and 8 - Control.
Conclusion:
Expects loyalty in difficult months in respect of report that C. puts to owners.

Third Summary.

CAPSTONE SUMMARY.
Owners decree the budgets and the hotel works it back C. takes a monitoring role in this C. employed by owner to “keep an eye” on the hotel. GM concerned that C. is loyal, which means a “cover up” of bad news from HO. As everyone accepts the power of the owners there is no dissent or disturbances.

THE “BOSS THAT MATTERS”:
Head Office.
GM’S EXPECTATIONS:
To report to owner, but GM expects loyalty and “cover up”.

Appendix 3. 27
First Summary.

**SUMMARY OF THE TRANSCRIPT - FC.**
Steps 1 through 5 - Setting the budget.
Step 1.
C. feels non involvement by DHs in process is unfair.
Step 2.
C. to assist in giving support.
Step 3.
Committee decides but unclear as to who coordinates.
Step 4/5.
C. to explain background and show top down process.
Conclusion:
Seems that the process runs along automatically and C. not that involved.
Steps 7 and 8. - Control.
Step 7.
Clear on C.'s role: handles lateness but to GM for other matters who pushes DHs to comply.
Step 8.
C. no mention other than all EXCOM members chip in with ideas.
Conclusion:
Seems a matter of DH and GM through EXCOM member responsible.

**SUMMARY OF THE TRANSCRIPT - GMEX.**
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
[detail omitted as non specific to context but expressed views on relationship with boss.]
Step 1/Step 2/Step 3/Step 4/5. [see above].

Conclusion:
Main point seems that C. used to chair the budget approval meetings but now the GM does.
C. is unhappy with this.
Steps 7 and 8. - Control.
Step 7/Step 8.
main point seems that C. expected to find out the problems and also explain them.
Conclusion:
"My new GM expects me to get out from the comfort zone and be hands on."

**SUMMARY OF THE TRANSCRIPT - GM.**
Steps 1 through 5 - Setting the budget.
Step 1.
Non specific statement on how he runs a hotel.
Step 2.
effects C. to get all information to DHs to make them less dependent on C.
Step 3/Step 4/5.
C. to get the budget out on time and get draft of final budget to GM for the EXCOM budget meeting.
Conclusion:
Confused picture but seems to generally expect C. to get more involved.
Steps 7 and 8. - Control.
Step 7/Step 8.
Very clear as to expectations. C. to find solutions to problems of adverse variances and convince DHs that they can meet targets. Very much getting out of "comfort zone".
Conclusion:
Clearly expects C. to get out of office and solve problems.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
Seems that the process runs along automatically and C. not that involved.
Steps 7 and 8. - Control.
Conclusion:
Seems a matter of DH and GM through EXCOM member responsible.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Main point seems that C. used to chair the budget approval meetings but now the GM does. C. is unhappy with this.
Steps 7 and 8. - Control.
Conclusion:
"My new GM expects me to get out from the comfort zone and be hands on."

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
Confused picture but seems to generally expect C. to get more involved.
Steps 7 and 8. - Control.
Conclusion:
Clearly expects C. to get out of office and solve problems.

Third Summary.

CAPSTONE SUMMARY.
Clearly a new regime and C. does not like it. Now C. is expected to get fully involved whereas before he only had to explain. A period of adjustment of role expectations is needed.

THE "BOSS THAT MATTERS":
GM [ also Regional Operations Director.]
GM'S EXPECTATIONS:
To get out of "comfort zone" and be a "hands on" Controller.
HOTEL O.

First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
C. to get information for the target. Action between VP SM at HO and DOS. GM only in the middle. VP has the decision: "others no say".
Step 2.
C. under pressure from HO if budgets not ready.
Step 3.
GM to make sure DHs get figures to C. If not then Group Controller to blame GM and C.
Step 4/5.
C. involved if HO rejects [Group Controller via GM to DH to amend].
Conclusion:
C.'s problems to Group Controller. C. to explain to DH. C. reacts to HO pressure. GM as a "gofor". No initiatives: just get out the figures to match.
Steps 7 and 8. - Control.
Step 7.
C. gets figures out. Any problems C. to Group Controller. Then Group Controller to GM.
Step 8.
C. not involved. His job just to point out variances only.
Conclusion:
Seems no formal link between C. and GM. Get out figures and report problems to HO who jump on GM.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
No expectations stated. makes clear that boss is the Group Controller.
Step 2.
C. does what is required to get out budgets. Does not enter into discussion.
Step 3.
GM and C. have to co-operate to get out the figures.
Step 4/5.
Clear what GM expects. report to Group Controller if figures are late. C. to inform GM of action taken.
Conclusion:
Acceptance by all of the situation that what HO wants is done without question. Attitude of let HO take the strain.
Steps 7 and 8. - Control.
Step 7.
GM knows that C. reports to Group Controller exclusively and accepts this.
Step 8.
C. not expected to be involved other than highlight for DHs.
Conclusion:
Attitude of "keep out" unless HO have told you to get involved.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
GM expects C. to give out information and do some spying. GM aware of situation that Group Controller is C.'s boss.
Step 2.
C. to get the budgets out and GM to assist in this task. GM to pressure DHs only on say so of HO.

**Step 3.**
Expect as courtesy for C. to show him the figures first before HO.

**Step 4/5.**
GM clear on GM's role. C. as a "ping pong ball".

**Conclusion:**
Nothing is done on budgets unless Group Controller says so.

**Steps 7 and 8. - Control.**

**Step 7.**
C. to report to HO; then HO to GM "if there is a need". GM waits for HO.

**Step 8.**
C. not to be involved other than point out any problem area.

**Conclusion:**
Do nothing until HO tells you.

---

**Second Summary.**

**SUMMARY OF THE TRANSCRIPT - FC.**
Steps 1 through 5 - Setting the budget.

**Conclusion:**
C.'s problems to Group Controller. C. to explain to DH. C. reacts to HO pressure. GM as a "go for". No initiatives; just get out the figures to match.

**Steps 7 and 8. - Control.**

**Conclusion:**
Seems no formal link between C. and GM. Get out figures and report problems to HO who jump on GM.

**SUMMARY OF THE TRANSCRIPT - GMEX.**
Steps 1 through 5 - Setting the budget.

**Conclusion:**
Acceptance by all of the situation that what HO wants is done without question. Attitude of let HO take the strain.

**Steps 7 and 8. - Control.**

**Conclusion:**
Attitude of "keep out" unless HO have told you to get involved.

**SUMMARY OF THE TRANSCRIPT - GM.**
Steps 1 through 5 - Setting the budget.

**Conclusion:**
Nothing is done on budgets unless Group Controller says so.

**Steps 7 and 8. - Control.**

**Conclusion:**
Do nothing until HO tells you.

---

**Third Summary.**

**CAPSTONE SUMMARY.**
Both GM and C. accept the situation that HO decides and decrees what shall and what shall not be done in the hotel. Doing what HO tells you without query or dissent is the way to a peaceful time. A "let HO take the strain" attitude.

**THE "BOSS THAT MATTERS":**
Head Office.

**GM'S EXPECTATIONS:**
To do whatever Head Office says.
First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1/Step 2.
C. to get information to DHs and co-ordinate. Approval from the Directors/Chief Executive of management company rather than GM.
Step 3.
C. involved to sort out problems as deadlines are his responsibility.
Step 4/5.
C. and GM to get approval from the owner.
Conclusion:
GM takes lead in the EXCOM but C. represents hotel's budget to mgt company and owner.
Steps 7 and 8. - Control.
Step 7.
C. involved in technical matters and disagreements and lateness, but GM and EXCOM handle adverse variances.
Step 8.
No mention of C. Reference to GM having to force DHs via EXCOM
Conclusion:
C. involved in technical areas and takes charge. Involved in owner/GM exchanges.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
supply information within the hotel through GM.
Step 2.
support GM in mgt. company/owner exchanges.
Step 3/Step 4/5.
C. to handle technical detail and outside EXCOM problems.
Conclusion:
To handle all budget detail technically but go through GM.
Steps 7 and 8. - Control.
Step 7.
confine role to reports because of line to CFO of the Group will cause problems to GM if all is revealed. Hence C. to minimize involvement in decision making.
Step 8.
no involvement as C. will "spy" on GM to the CFO.
Conclusion:
Keep to figures and not to get involved in the solutions as C. will tell HO all details which GM does not want.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Job of C. to produce figures supplied; not to interfere.
Step 2.
Reiterates that C. is not an advisor; just put the data together.
Step 3/Step 4/5.
To stick to getting out figures and not to be involved as he will know too much. If owner rejects then C. to gather new data together.
Conclusion:
C. to stick to preparing figures. GM nervous of owner knowing too much.
### Second Summary

**SUMMARY OF THE TRANSCRIPT - FC.**

Steps 1 through 5 - Setting the budget.

*Conclusion:*  
GM takes lead in the EXCOM but C. represents hotel’s budget to mgt company and owner.

Steps 7 and 8 - Control.

*Conclusion:*  
C. involved in technical areas and takes charge. Involved in owner/GM exchanges.

**SUMMARY OF THE TRANSCRIPT - GMEX.**

Steps 1 through 5 - Setting the budget.

*Conclusion:*  
To handle all budget detail technically but go through GM.

Steps 7 and 8 - Control.

*Conclusion:*  
Keep to figures and not to get involved in the solutions as C. will tell HO all details which GM does not want.

**SUMMARY OF THE TRANSCRIPT - GM.**

Steps 1 through 5 - Setting the budget.

*Conclusion:*  
C. to stick to preparing figures. GM nervous of owner knowing too much.

Steps 7 and 8 - Control.

*Conclusion:*  
C. restricted role to technical; production of figures and reports.

### Third Summary

**CAPSTONE SUMMARY.**

GM is nervous that C. will spy on him to the management company and the owner. Hence he expects a restricted role for the C. to minimize the chances of damaging details being revealed to HO.

THE "BOSS THAT MATTERS":  
Head Office and GM.

**GM’S EXPECTATIONS:**  
To confine himself to getting out reports; spy role.
First Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Step 1.
All accept that the "flagship" hotel decides and those in the hotel carry out the tasks. No mention of C. Onus is on DHs.
Step 2.
C. takes charge and takes cue from Group Controller; support the boss and all will be OK.
Step 3.
C. gets on with the job under pressure from Group Controller.
Step 4/5.
C. to advise GM and C. ready to meet questions from Group Controller. No mention of GM in taking action; only to get explanation from C.
Conclusion:
C. does as he is told from Group Controller. GM stays out of it.
Steps 7 and 8. - Control.
Step 7.
C. produces figures but DHs deal with problems.
Step 8.
C. is involved "trouble for GM and DHs".
Conclusion:
C. is driven by Group Controller. GM not really involved.

SUMMARY OF THE TRANSCRIPT - GMEX.
The Controller feels that the GM expects him to:
Steps 1 through 5 - Setting the budget.
Step 1.
HO decides. Hotel carries out and the "future will be OK" attitude.
Step 2.
help DHs but not to interfere and not to forget that HO is watching.
Step 3/Step 4/5.
expects to be kept informed by C. before HO, but C. takes cue from Group Controller if there is doubt.
Conclusion:
Some protocol required. C. to inform GM out of courtesy
Steps 7 and 8. - Control.
Step 7/Step 8.
expected to point out variances; no further involvement. "HO expects professionals in the hotel to solve out [sic] their own problems." 
Conclusion:
C. to keep nose clean; do what Group Controller says.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Step 1.
Supplied figures handed down from HO. Thus nothing to discuss.
Step 2.
C. to get out the budgets. That's all.
Step 3/Step 4/5
Expects support from C. in HO dealings.
Conclusion:
C. is controlled by the Group Controller; therefore nothing to be said.
Steps 7 and 8. - Control.
Step 7.
C. to come up with reports; nothing else expected.

Step 8.
C. not involved in getting solutions done but expected to come up with factors that will get GM off the hook with HO.

Conclusion:
Support for GM in dealings with HO.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. does as he is told from Group Controller. GM stays out of it.

Steps 7 and 8. - Control.
Conclusion:
C. is driven by Group Controller. GM not really involved.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion:
Some protocol required. C. to inform GM out of courtesy

Steps 7 and 8. - Control.
Conclusion:
C. to keep nose clean; do what Group Controller says.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
C. is controlled by the Group Controller; therefore nothing to be said.

Steps 7 and 8. - Control.
Conclusion:
Support for GM in dealings with HO.

Third Summary.

CAPSTONE SUMMARY.
C. is controlled completely by the Group Controller and is loyal to her. GM expects honoring of some protocol; that is to be informed first and that C. supports actions of the GM when C. is reporting to HO.

THE "BOSS THAT MATTERS":
Group Controller.

GM'S EXPECTATIONS:
To do what the Group Controller wants, but let GM know first.
Hotel R.

First Summary

<table>
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<tr>
<th>SUMMARY OF THE TRANSCRIPT - FC.</th>
<th>SUMMARY OF THE TRANSCRIPT - GMEX.</th>
<th>SUMMARY OF THE TRANSCRIPT - GM.</th>
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<td>The Controller feels that the GM expects him to:</td>
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<td>Step 1. No mention of C. HO controls.</td>
<td>Steps 1 through 5 - Setting the budget.</td>
<td>Step 1. No specific mention but expects little involvement.</td>
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<td>Step 2. C. to give information on costs; otherwise no mention. HO dictates.</td>
<td>[only a short statement as time pressure. Following quote suggests a role:</td>
<td>Step 2. C. in monitor role to get budgets out; no specifics.</td>
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<td>Step 3. C. in charge.</td>
<td>Since I have to report to the GM he does not want me to interfere in his operations and commercial decisions.]</td>
<td>Step 3. C. puts package together.</td>
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<td>Step 4/5. C. to take charge and reflect HO's wishes.</td>
<td>Conclusion:</td>
<td>Step 4/5. C. handles hotel end; makes alterations if HO wants changes.</td>
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<td>Conclusion: As HO &quot;bullies&quot; so famous sister hotel dominates and this hotel conforms.</td>
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<td>Conclusion:</td>
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<td>Steps 7 and 8. - Control.</td>
<td>Steps 7 and 8. - Control.</td>
<td>No real expectations. HO pressure gets figures out.</td>
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<td>Step 7. C. to monitor and point out variances.</td>
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<td>Conclusion: No real say as HO wishes dictate action in the hotel.</td>
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<td>Since I have to report to the GM he does not want me to interfere in his operations and commercial decisions.</td>
<td>Since I have to report to the GM he does not want me to interfere in his operations and commercial decisions.</td>
<td>Since I have to report to the GM he does not want me to interfere in his operations and commercial decisions.</td>
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</table>
C. is in charge to get the figures out.
Step 8.
No expectations; HO keeps C.'s hands full.
Conclusion: C. is really there for HO not the hotel.

Second Summary.

SUMMARY OF THE TRANSCRIPT - FC.
Steps 1 through 5 - Setting the budget.
Conclusion:
As HO "bullies" so famous sister hotel dominates and this hotel conforms.
Steps 7 and 8. - Control.
Conclusion:
No real say as HO wishes dictate action taken in the hotel.

SUMMARY OF THE TRANSCRIPT - GMEX.
Steps 1 through 5 - Setting the budget.
Conclusion: [ no specific comment; see conclusion].
Steps 7 and 8. - Control.
Conclusion:
Since I have to report to the GM he does not want me to interfere in his operations and commercial decisions.

SUMMARY OF THE TRANSCRIPT - GM.
Steps 1 through 5 - Setting the budget.
Conclusion:
No real expectations. HO pressure gets figures out.
Steps 7 and 8. - Control.
Conclusion:
C. is really there for HO not the hotel.

Third Summary.

CAPSTONE SUMMARY.
As the subsidiary hotel of its glamorous sister, decisions are taken at HO, and job of C. and GM is to provide the necessary break down to figures already supplied. C.'s job in control is to get out figures and leave the action to others.
THE "BOSS THAT MATTERS":
Head Office.
GM'S EXPECTATIONS:
To get out figures and do what Head Office wants.
APPENDIX 3. (a)

OVERALL PICTURE OF EXPECTED INVOLVEMENT FOR ALL HOTELS ACROSS STEPS/TOPICS.

HOTELS A - I
APPENDIX 3 (a)

OVERALL PICTURE OF EXPECTED INVOLVEMENT FOR ALL HOTELS ACROSS STEPS/TOPICS.

HOTELS J – R
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APPENDIX 4.

There follows the "background data on each hotel listed for each hotel as:

- the market served.
- the background of the owners of the hotel.
- the background of the operators of the hotel.
- the background of the General Manager of the hotel.
- the background of the Department Heads of the hotel

Whilst there is a small description of the General Manager's operational experience, Department Heads are listed against nationality. Those described as "local Chinese" are those who were born and brought up in Hong Kong.
HOTEL A. [GROUP = "MAINLY" CHINESE]

THE MARKET

This High tariff "A" hotel is located on Hong Kong Island. It is situated as part of the Hong Kong Convention centre complex.

The hotel offers 862 rooms, of which 40 of them are suites. There are also 4 Club Floors for business travelers with express check in and check out facilities. About one third of its customers are from Europe, 15% from USA and Canada, 12% from Japan, 12% from Australia and New Zealand and 10% from South East Asia. The hotel caters for mainly businessmen (about 60%) including corporate accounts, F.I.T.s and incentive travelers. Largely because of its excellent location near HKCEC, it caters for many overseas travelers who are going to attend conferences, convention and exhibitions. The remaining 40% of the customers are group and leisure travelers.

THE BACKGROUND OF THE HOTEL OWNERS

The hotel is wholly owned by a holding company that owns three hotels in Hong Kong and several hotels in other countries in Asia. At the end of 1994, the Holding Company was the seventh biggest public listed company in Hong Kong in terms of market value, which is 32.7 billion Hong Kong dollars. Its business includes property development, property investment, hotel ownership and management, construction, transportation, and communication. For the financial year 1994, its profit was 4.2 billion dollars. 62 percent of its profit is from the sales of property, 19 percent from the rental income, 13 percent from the hotel section and 6 percent from its other business interests. A significant proportion, 37.25 percent, of its shares is owned by a prominent Hong Kong Chinese family, through a limited company; less than 1 percent of shares is owned by its directors; and over 60 percent of shares is owned by the public.

THE BACKGROUND OF THE OPERATORS

The hotel is operated and managed by the holding company's international hotel management Company. The past 15 years saw the expansion of the Group from the start of one hotel operation in Hong Kong with 800 employees to the present portfolio of 14 hotels in Southeast Asia. The Managing Director of the Group is the eldest son of the founder of the Holding Company. The four most important executive directors of the organization are all local Hong Kong Chinese, who are responsible for the management of Finance & Personnel, Operations, Sales & Marketing an Purchasing/Projects.

GENERAL MANAGER

The General Manager of the hotel is an Austrian national. He has worked for 20 years in the hotel industry, for international hotel chains in Europe, the Middle East, Africa and South East Asia. Prior to joining the hotel in 1989 he was responsible for the operation of the Oriental, Singapore.

THE BACKGROUND OF THE DEPARTMENT HEADS

The hotel is managed by an executive group comprising of 6 executives.

<table>
<thead>
<tr>
<th>Department Head</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Austrian</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>German</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Rooms Division Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food &amp; Beverage Manager</td>
<td>Male</td>
<td>French</td>
</tr>
<tr>
<td>Director of Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4.2
HOTEL B. [GROUP = "ALL CHINESE]

THE MARKET.

The hotel has 440 rooms, is located in Mongkok on the Kowloon side and belongs to the medium tariff range group of hotels in Hong Kong. 40% of the sales mix are Group Inclusive Tours (GITs) from its affiliation with the Chinese mainland state owned travel service that owns the hotel. The remaining 60% are other GITs and Foreign Independent Travelers (FITs) broken down into 15% of local corporate account, 15% of FITs, 20% of travel agent tours, 8% walk-ins and 2% others. The main target market is Asians, and the majority of the guests come from China and Taiwan, owing to its affiliation stated above.

THE BACKGROUND OF THE HOTEL OWNERS AND OPERATORS

The Hotel is currently owned and managed by the Chinese state owned travel service company, who acquired the hotel in November 1993. The owning company is one of the largest PRC owned, HK incorporated companies and was formed in 1928. Upon its establishment in 1992, the Company acquired a total of 51% stake of Shenzhen China Development Co., Ltd. which operates two scenery parks in Shenzhen. In addition, the Company became the holding company of China Travel Service (Cargo) Hong Kong Ltd. Also, the Company became listed in November 1992 by offering 400 million shares (with warrants) to the public. At present, the business areas of the Company include provision of freight forwarding and transportation services between China and Hong Kong, operation of two parks in Shenzhen, namely Splendid China Miniature Scenic Spot and China Folk Culture Villages. Besides, The Company also manages tours and hotels operations and has investment in a steel plant in China.

THE BACKGROUND OF THE GENERAL MANAGER.

The GM is the first female General Manager of a hotel in Hong Kong. She achieved her degree in the Philippines where she studied nutrition. When she returned to Hong Kong, she worked as a nutritionist in Kwong On hospital. Two years later, she entered the hospitality industry. In her working life in the hotel industry in Hong Kong, she has worked as a Training Officer and Assistant Housekeeper; a Housekeeper; and prior to her current position as the General Manager in the Asia Hotel.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel has nine Department Heads under a General manager and her Executive Assistant Manager.

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Assistant Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Security Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Sales Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Public Relations Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Personnel Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4.3
HOTEL C. [GROUP = “HALF CHINESE’.]

THE MARKET.

This High Tariff "A" hotel is located in front of the Victoria Harbour in the Wan Chai district. The main target markets of the hotel are the corporate business and the high yield incentive and convention travelers, as the hotel is located next to the Hong Kong Convention and Exhibition Centre. The hotel's major market, in terms of country, is the United States of America, due to the brand name. Thus, almost 30% of the hotel's customers are from the USA. In addition, the hotel has a prestigious ballroom which is considered to be the best equipped ballroom in Hong Kong. Thus, upper class social functions and banquets are a main target of the Food and Beverage Division.

THE BACKGROUND OF THE HOTEL OWNERS

The Hotel is wholly owned by the hotel that owns and operates Hotel A. Please refer to that hotel for details.

THE BACKGROUND OF THE OPERATORS.

The hotel is managed by an international hotel chain which is an American style corporation, established in 1957. The first overseas hotel belonging to this chain was opened in Hong Kong in 1969. There are four brands of this chain, this hotel being the second most luxurious of the four. Hotels of this chain are principally owned by local business entities, (the chain does not own any of its properties). There are presently 164 hotels and resorts around the world belonging to this chain. They operate 45 hotels and 16 resorts in 31 countries. An additional 10 hotels are under construction as at January 1995.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is German. He is a veteran of 41 years in the hospitality field. He joined this International Chain as General Manager of their hotel in Manila in 1971, which was his first job in the Asia Pacific Region. Since that time, he has helped the growth and expansion of this International Chain, which was at the early stage of its formation. In 1976, he took on additional responsibilities as an Area Director for some of the Asian countries, for example, the Philippines, Thailand and Australia. Then, in 1978, he was appointed as the General Manager of their hotel in Seoul, and as well, the Area Directorship of Korea. After 27 years experience in the Asian countries, he was appointed as the first General Manager of this hotel.

THE BACKGROUND OF THE DEPARTMENT HEADS.

There are 10 executive committee [Ex-Co] members in the hotel.

General Manager Male German
Resident Manager Male Malay
Financial Controller Male Local Chinese
Director of Human Resources Female Local Chinese
Director of Marketing Female Malay
Executive Assistant Mger-Rooms Female British
Executive Assistant Mger-F&B Male British
Executive Chef Male German
Director of Engineering Male Local Chinese
Materials Manager Male Malay

Appendix 4.4
HOTEL D. [GROUP = “ALL CHINESE”].

THE MARKET.

The Medium Tariff hotel is located in a secondary urban location. There are in total 490 rooms with which 248 are hotel rooms and 242 are apartments. There are 4 types of suites in the apartment. The difference mainly depends on the number of people the room can cater for and also the facilities in the room. The proportion between the number of rooms and apartments shows that the hotel puts equal emphasis on the long-term and short-term staying guests. In 1994, 26% came from Japan/Taiwan, 27% from Asia-Pacific except Japan and Taiwan, 17% from Europe, 9% from Australia/New Zealand, 9% from North America and the remaining 12% from local and others. Of these guests, over 70% are FIT and groups from travel agents make up the rest. For the apartment guests, most of them are corporate individual accounts and the minimum period of stay is one month.

THE BACKGROUND OF THE OWNER AND OPERATOR.

The Hotel is one of three hotels that belong to a Holding Company which is a subsidiary of a development company, a well-established leader in Hong Kong’s property development and investment market. It has two publically listed subsidiary companies; a property company and the holding company of the three hotels. The hotel group has always owned and operated its hotels, which are conveniently located in popular districts along key transportation routes. The Group pioneered the trend of operating hotels in busy commercial and residential areas, such as Mongkok and Quarry Bay. The property company holds substantial commercial, office, residential and industrial properties. And all of them are located in popular districts. Besides property investment, and hotel owning and management, the development company is also active in car park management, department stores, food production, restaurants, and dry-cleaning. The directors of the holding company are all Hong Kong Chinese, and the largest interests are held by two founders of the firm.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is a Local Chinese. He has more than 15 years of hotel experience in Hong Kong, and started his career path in the Front Office Department of the hotel that he now manages. Later, he moved to the Front Office Departments in two of the luxury hotels in Hong Kong. The first hotel he joined was the flagship hotel of this Group. Afterwards, he transferred to the other hotel that the Group owns. Before he was promoted to be General Manager, he was the Director of Sales for the Group.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel is run by an Executive Committee of 9 members.

<table>
<thead>
<tr>
<th>Role</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Sales and Marketing Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Assistant Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Apartment Manager</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
HOTEL E. [GROUP = HARDLY CHINESE].

THE MARKET.

The hotel is a Medium Tariff hotel, located in Wanchai, built in 1992, and connected by covered walkway to the Hong Kong Convention and Exhibition Centre. The Hotel is mainly catering for business travelers to the Convention centre [40%] and Southeast Asian tourists [50%]. European frequent independent travelers accounts for a small portion [10%]. Given its location in Wanchai, the main customers of the five Food and Beverage outlets are white collar workers nearby and pedestrians around the Causeway Bay shopping district, especially during lunch time.

THE BACKGROUND OF THE HOTEL OWNERS.

The hotel is owned by a joint-venture company comprising of a Hong Kong based investment company, and a Japanese property developer. The chairman of the Hong Kong investment company is Malaysian. The Japanese developer is a corporation that has a long history in Asia. A major initiative is to increase the localization of its overseas bases of operation, and to extend the company's range of activities by undertaking development projects in Asia.

THE BACKGROUND OF THE OPERATORS.

The hotel is run by an international hotel company based in Hong Kong set up in late 1989 to operate international hotels, primarily in the Asia Pacific region. The company was established by an Australian, who has an executive board comprising a Thai and an Indonesian. The operator has enjoyed rapid growth since its establishment and plans for further development are underway in Thailand, Vietnam, China, Indonesia and the Philippines. Currently, the group operates three hotels in Indonesia, and two hotels will be opening in 1995 and 1996. They also manage two hotels in Vietnam.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager is Scottish. He has over twenty-three years of hospitality industry experience, mainly in the United States. Prior to being the general manager of this hotel, he took the same post in a hotel of similar type in Shatin in December 1993. Before he came to Asia, he worked as the General Manager of a Trusthouse Forte property, a 400 room city centre property, early in his career in Scotland.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel has an Executive Committee of 10; also known in the hotel as the "Department Head A Group".

<table>
<thead>
<tr>
<th>Role</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Scottish</td>
</tr>
<tr>
<td>Director of Sales</td>
<td>Male</td>
<td>Australian</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Food and Beverage</td>
<td>Male</td>
<td>Australian</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Chef</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Marketing Communication Manager</td>
<td>Female</td>
<td>Philippina</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
HOTEL F. [GROUP = "HALF" CHINESE].

THE MARKET.

The hotel is situated in the Central district on Hong Kong Island, set back from the waterfront, and was the first High Tariff "A" hotel to open in the early 1960s, consisting of 750 rooms. The target market is FITs from western sources, trading on its world famous hotel name. Its F&B facilities have long been established as regular venues for various expatriate western type societies, attempting, critics would argue, to preserve western attitudes. However owing to the owners seeing more short term profit in office blocks, the hotel is due for demolition at the end of April 1995.

THE BACKGROUND OF THE OWNERS.

The hotel is owned by a property company, which in turn is a wholly owned subsidiary of the largest and most successful local Chinese conglomerate, which boasts at its head the richest Hong Kong entrepreneur. The owner has a management contract and franchise agreement with the international chain that operates the hotel, which has been terminated and compensation paid, owing to the decision to close the hotel in 1995.

THE BACKGROUND OF THE OPERATORS.

The hotel is operated under a famous historical name in international hotelkeeping. This international chain was split from its parent company in the USA some decades ago, and now is under British ownership. As at 1995, the term of the management contract had 25 years to run.

THE BACKGROUND OF THE GENERAL MANAGER.

The General manager is Scottish, and is only the third hotel manager that the hotel has had in its 32 years of existence; this incumbent having been in post for 14 years. The GM is renowned for the promotion of all things Scottish and is regarded as one of the most senior and respected General Managers in Hong Kong, having been elected as the president of the Hoteliers Association several times, and as the unofficial advisor on hotel matters to the Hong Kong Government.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel is run by a 9 member executive committee, [Exco]

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Scottish</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Executive Assistant Mger- Rooms</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Assistant Mger- F&amp;B</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Executive Chef</td>
<td>Male</td>
<td>German</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
THE MARKET.

The hotel is located in Tsim Sha Tsui, on the tip of the Kowloon peninsula on reclaimed land. It is a High Tariff "B" hotel, and has recently been renovated with 543 rooms and comprehensive conference & banqueting facilities. The hotel's target market is primarily the business travelers who are usually corporate staff. A Club Floor has been specially designed to serve this particular group. Among the 60% of the commercial guests, 40% are claimed as repeat customers. The rest of the 40% are FIT's with no particular target. The hotel also serves a small proportion of In-bound travel groups especially during low season.

THE BACKGROUND OF THE HOTEL OWNERS AND OPERATORS.

The hotel is wholly owned by a holding company that owns three hotels in Hong Kong and several hotels in other countries in Asia. Please refer to Hotel A. for details. The hotel is operated and managed by the holding company's international hotel management company. The past 15 years saw the expansion of the Group from the start of one hotel operation in Hong Kong with 800 employees to the present portfolio of 14 hotels in Southeast Asia. The Managing Director of the Group is the eldest son of the founder of the Holding Company. The four most important executive directors of the organization are all local Hong Kong Chinese, who are responsible for the management of Finance & Personnel, Operations, Sales & Marketing and Purchasing/Projects.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is a local Chinese. In his early 40's, he has spent over 26 years in the local hotel industry. His first job was a trainee in Housekeeping. About 16 years ago, he joined the Hotel Group to be a Sales Manager. As well as being the General Manager of this hotel, he is also the Executive Director of the Hotel Group, with responsibility for operations, the Head Office of which is based at the hotel.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel has four Senior Executives and has a further 10 Department Heads,

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>Pakistani</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Sales</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Public Relations Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Assistant Mgr-F&amp;B</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Chef-Western</td>
<td>Male</td>
<td>Swiss</td>
</tr>
<tr>
<td>Executive Chef-Chinese</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Sr. Guest Service Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4.8
HOTEL H. [GROUP = "HALF" CHINESE].

THE MARKET.

The hotel is located in the Central district on Hong Kong Island, overlooking Victoria harbour. It has 216 rooms and is a High Tariff "A" hotel, competing in the 5 star luxury market. The target markets of the hotel are the business travelers, and small incentive travel groups from the USA and Japan, drawn by the international name of the operating company, and the decorations, reminiscent of 18th century English antiques and oil paintings, that are a feature of the hotel. The F&B facilities feature 5 restaurants, serving regional Italian cuisine, continental food, traditional teas, and Cantonese and Japanese fare.

THE BACKGROUND OF THE OWNERS.

Since 1993, when the hotel opened, the hotel has been owned by a company, who are a wholly owned subsidiary of a large and very successful garment and textile holding company, founded by a famous Hong Kong entrepreneur in 1947, and floated on to the Hong Kong Stock Exchange in 1972. In recent years the Holding Company has expanded from its garment producing base to form three separate companies in property, clothes retailing and hotel management. Although the group had already developed its hotel business, their market was mainly in 3/4 star hotels outside Hong Kong. This hotel is therefore the first 5 star hotel venture for the company.

THE BACKGROUND OF THE OPERATORS.

The hotel is managed by an international hotel management firm that operates luxury hotels worldwide under a common brand name. The firm is a wholly owned subsidiary of a giant US corporation. In 10 years, the firm has grown from one to 30 hotels with properties all over the world; however the Hong Kong hotel is the only one in Asia. It signals the start of the company's planned expansion into Asia and the Pacific Rim. It prides itself in the winning of a Total Quality Management award, the first such award given to a service firm. It has in the recent past been the subject of rumours that the firm will be sold.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is English, and has been working in Hong Kong for 15 years, prior to taking over the hotel in 1993. At the same time he assumed the role of Regional Vice-President Asia Pacific. Before joining this international chain in 1993, he was employed by another well known international group, for most of the time as a Regional Sales and Marketing Executive.

THE BACKGROUND OF THE DEPARTMENT HEADS.

A Senior Executive Group of 7 run the hotel.

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Executive Assistant Manager - Rooms</td>
<td>Male</td>
<td>South African</td>
</tr>
<tr>
<td>Director of Food and Beverage</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Male</td>
<td>Dutch</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
HOTEL I. [GROUP = “MAINLY” CHINESE].

THE MARKET.

This High Tariff "A* hotel is situated in Admiralty on Hong Kong Island, generally regarded as a secondary location. However, owing to the construction of this and two other deluxe hotels and an upmarket shopping plaza, space rentals have shown the area to vie with Central as the most desirable location on the Island. The hotel has 565 rooms. 70% of the market is business; of the FITs the "Volume Corporate" segment accounts for around 50%. By country of origin, Japanese guests were the largest market in 1993, but in 1994 American visitors were attracted by promotional incentives such as mileage programmes with airlines.

THE BACKGROUND OF THE OWNERS AND OPERATORS.

The major shareholder in the hotel is the Group of Companies which is chaired by a Malaysian tycoon. In 1960, the company's business was in sugar, cotton, shipping and insurance. In 1971, the first hotel was opened in Singapore with a distinctive Asian name, which has subsequently been synonymous with Asian Hospitality. Since then the hotel business was expanded to Malaysia, Hong Kong, Thailand, China, Philippine, Indonesia and Canada. Today, there are 30 hotels owned by the Group with more than ten thousand rooms. In 1976, the Group moved their business base from Singapore to Hong Kong and started their main investment in hotels [two in Hong Kong], property and mass media. The Group was listed on the Hong Kong Stock Exchange in 1993 and has become a Hang Seng Index blue-chip in 1995. The hotel is 80 per cent owned by the Group and 20% owned by its landlords, one of Hong Kong's oldest "Hongs". The Group recently announced plans to buy six hotels around the Asia-Pacific region from its controlling shareholder. For future development, the group has plans to expand its China operation; the group planning to open at least 17 hotels, mainly in China by 1997. The hotel has been operated by its own international hotel management company since its opening in March 1991, with its headquarters in Hong Kong. Formerly, hotels of the Group were run by a famous American management company; however all contracts around the world were simultaneously terminated, and a large number of management transferred from the American management contractor to this group. The group also manages properties for other companies in the Region; in total 27 hotels currently are managed by the group.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is Italian, who has approximately 30 years experience in the hospitality industry. He has managed the hotel since 1993. Previously, he had held senior management positions with leading hotel management companies in Europe, Korea, Mexico, Singapore and Hong Kong. Prior to joining this group he had been the Senior Vice President Asia Pacific and Managing Director of two hotels in Singapore for 14 years run by the American management company who used to run the group's hotels. He is also a Regional Vice President for this group.

THE BACKGROUND OF THE DEPARTMENT HEADS.

[ Under this group, Department Heads are commonly referred to as Division Heads, and Section Heads as Department Heads.] There are 5 Division Heads under the General Manager and the Resident Manager. These 7 people form the Executive Committee.

<table>
<thead>
<tr>
<th>General Manager</th>
<th>Male</th>
<th>Italian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Director of Rooms</td>
<td>Female</td>
<td>Singaporean</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Assistant Manager - F&amp;B</td>
<td>Male</td>
<td>Dutch</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4. 10
HOTEL J. [GROUP = "PART" CHINESE].

THE MARKET.

This High Tariff "A" hotel is generally regarded as the most luxurious in Hong Kong. It has 542 rooms and is situated in a prime location in the Central district on Hong Kong Island. The main market segment of the hotel is business people and over 90% of guests declare their purpose of coming as business. Around 85% are FIT guests and 15% is group business. The origin of guests are mainly UK [30%] USA [20-30%], Japan [13%], Europe [3%] and the remainder from Singapore and Australia. The hotel actively discourages clientele that it feels would not contribute to the exclusivity of its image. All visiting dignitaries, if not accommodated in Government House, a short distance away, would expect to be placed in the hotel.

THE BACKGROUND OF THE OWNERS AND OPERATORS.

The major land and property owning company in Hong Kong opened the hotel in 1963. Owing to its affiliation with the Government and its location, it created a reputation for fine service and management and in 1974 it was formed as a hotel management company. The company's hotel interests expanded through the acquisition of a 49% interest in a similar property in Bangkok which later also developed into a management role. In 1985, as a result of the signing of the Sino British accord on Hong Kong, the Company reorganized its corporate structure and combined the two hotels under a common name. In 1987, the parent company floated the hotel group as a publicly listed company quoted on the Stock Exchange of Hong Kong. However, the group delisted from Hong Kong to Singapore in 1995. Both hotel group and parent company are subsidiaries of the most famous of Hong Kong's British owned trading houses or "Hong's". The hotel Group is the award-winning owner and operator of city properties in Bangkok, London, Jakarta, Macao, Manila, San Francisco and Singapore. Two resort properties also managed by the Group in Oh Sam and Phuket in Thailand, under development are hotels in Hawaii, Kuala Lumpur, Mexico and Surabaya.

THE BACKGROUND OF GENERAL MANAGER.

The General Manager of the hotel is Irish and around 50 years old. He joined the hotel in 1992 from a US-based Property Company, where he had held the position as Managing Director of Hotel Crescent Court and Clubs in Dallas since 1988. Prior to his US experience, he was the Managing Director of one of the most famous London hotels, which he had joined from an International Hotel Group.

THE BACKGROUND OF THE DEPARTMENT HEADS.

There are ten Executive Committee Members in the hotel:

- General Manager: Male, Irish
- Resident Manager: Male, English
- Director of Sales and Marketing: Male, American
- Rooms Division Manager: Male, English
- Executive Housekeeper: Female, American
- Director of Food and Beverage: Male, German
- Director of Public Relations: Female, English
- Director of Personnel and Training: Female, Local Chinese
- Financial Controller: Male, Local Chinese
- Director of Engineering: Male, Local Chinese

Appendix 4.11
HOTEL K. [GROUP = "PART" CHINESE].

THE MARKET.

The hotel is a High Tariff "B" property and has 736 rooms, located in Tsim Sha Tsui on the Kowloon peninsula, in the shadow of its illustrious sister hotel, a world famous luxury hotel. The guests of the hotel are 80% FITs and the remainder GIT's, mainly from Asian countries. North America, Germany and Australia make up the largest of the secondary markets for the hotel. Its extensive western F&B facilities, given the high density of passing pedestrian traffic are very well patronized.

THE BACKGROUND OF THE OWNERS AND OPERATORS

The Hotel is owned by one of the subsidiary companies of the oldest established Hong Kong hotel company, which was incorporated in Shanghai in 1866. The president of the holding company is Jewish and is the grandson of the founder, holding more than 40% of the issued shares of this public listed entity. The second largest shareholder of the holding company is a local Chinese, holding approximately 10% of the issued shares. He is a Vice-President of the East Asia Bank Limited Company, and he is a Executive Councilor of the Hong Kong Government. The hotel is managed by the Company, which has different types of business interests, such as property investment, hotel investment, management service and club management.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is an Australian, who was previously Resident Manager of one of the luxury Hong Kong hotels. He had been with this International Group of Hotels for the past 11 years, working in Australia, Fiji, Singapore and Hong Kong. He has 24 years experience in the hospitality industry, and joined this hotel as the General Manager in late 1994.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel is run with an Executive Committee of 8 people.

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Australian</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Female</td>
<td>Philippina</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>French</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Female</td>
<td>Malaysian</td>
</tr>
</tbody>
</table>
HOTEL L. [GROUP = "ALL" CHINESE].

THE MARKET.

The hotel is a Medium Tariff hotel with 340 rooms. It is located in the busiest shopping district on the Kowloon peninsula. The market positioning of the hotel is 30% group inclusive tour (GIT) and 70% Foreign Independent Traveler (FIT). Most of the GIT come from Japan, Taiwan and Europe. 70% of GIT are Japanese. The target market of the hotel is commercial customers. Most of the corporate customers come from Mainland China and Taiwan. The corporate customers are mainly the visitors or co-workers of the nearby commercial buildings and the industrial area like Kwun Tong and Cheung Sha Wan. Since these corporate companies prefer medium tariff hotels with convenient secondary locations.

THE BACKGROUND OF THE HOTEL OWNERS AND OPERATORS.

The hotel belongs to one of the foremost property owning and development companies in Hong Kong, controlled by one of the famous entrepreneurial local Chinese families. In 1979 the company diversified into the hotel business and in 1984, in a well publicized family feud, the main hotel interests were split away into a company owned by one brother of the family, which currently has four hotels in Hong Kong, operating under a separate name. This hotel is the main flagship of the original company, but in respect of its personnel has maintained close contacts with the hotel group that has split away. The founding local Chinese family controls the company with 54% of the total shares. A fully owned subsidiary of the parent company was formed in 1991 to operate the hotel and to take advantage of possible expansion into hotel management. However, their only substantial management take over was in 1994 of a 500 room upper market hotel in Tsim Tsa Tsui, which was owned by the parent company.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is a Malaysian, whose nationality is Chinese. Before joining this hotel he was the General Manager of one of the hotels that were split away. He is connected with the owning family, and has substantial hotel experience, mainly in Hong Kong.

THE BACKGROUND OF THE DEPARTMENT HEADS

A nine person Executive Committee runs the hotel, mostly recruited from the hotel group that was split away:

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Personnel and Training Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Public Relations Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
THE MARKET

The hotel is a Medium Tariff property incorporating two standards under one roof, [guests are surcharged for staying in the superior accommodation]. It is located in Tsim Sha Tsui overlooking the West Kowloon reclamation and has 673 rooms. Its target market are tour groups mainly from Asia, which accounts for 75% of the guests. The remaining 25% are FITs who are affiliated to the parent company's business of property development. The hotel is part of the parent company's large landbank in this part of Kowloon.

THE BACKGROUND OF THE OWNERS AND OPERATORS.

The hotel is owned by one of Hong Kong's major property development and investment companies. Incorporated in 1971, the parent company emerged primarily as one of the prominent property developers in the Tsim Sha Tsui east area, a stretch of reclaimed land on the Eastern side of the Kowloon harbour front. The development of this extended commercial area has been successful, especially for the six, four star hotels thriving on this land, of which the parent company has retained one for itself. Recently the group have developed land on the airport corridor and attempted to establish a Resort type development in the New Territories. Together with the Resort complex and this hotel, the parent company runs the hotel in Tsim Sha Tsui East referred to above. However management of each hotel is separate. Each reports directly to the owner's of the parent company, a prominent local Chinese family with extensive contacts and influence on the mainland.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is a local Chinese. He has had extensive experience within the group, having for many years been placed in the Head Office of the parent company overseeing hotel developments on the parent company's land. Experience of managing hotels is not extensive.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The hotel is run by 8 Department Heads "A".

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Front Office Manager</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
HOTEL N. [GROUP = "HARDLY" CHINESE].

THE MARKET

The hotel is located in the busiest shopping district on the Kowloon Peninsula and for many years has been the hotel with the highest occupancy and has achieved the highest percentage of Gross Operating Profit. It is a High Tariff "B" hotel with 591 rooms. It has planned a substantial upgrade to a 5 star facility, which is to commence in 1995. Its current target market is Western group business through the huge reservation network of its franchise and management operation. Its F&B outlets have reputations divorced from the hotel, owing to their location on one of the great tourist shopping districts in the world.

THE BACKGROUND OF THE HOTEL OWNERS.

The hotel is owned by an expatriate non-Chinese family, one of the wealthiest in the territory. The original concept for the hotel was as a pioneer of the largest international chain of hotels in the world, and as a spearhead for an Asian expansion when the hotel was opened about 30 years ago. It became the brainchild of the then doyen of Asian hotelkeeping, who convinced both the owners and the operators to go ahead with the concept, despite not conforming to strict standards laid down by the operators.

THE BACKGROUND OF THE OPERATORS.

The hotel is a franchise and management contract with the largest operators of hotels in the world. The intention to upgrade has been a combined venture with the owner and the operator, and goes against the recent trend for owners to divest themselves of their management partners. Together with this planned upgrade and expansion of the physical dimensions of the hotel, a management restructuring has recently taken place.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is an Asian, of the same ethnic background as the owner, with extensive and very senior experience with the operators. He is also the Regional Director of Operations of the operating company and has been assigned the post owing to the planned upgrade. He has been in the post since February 1995.

THE BACKGROUND OF THE DEPARTMENT HEADS.

The Executive Committee, known as the "EXCOM" has been rationalized by the new General Manager and consists of:

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Indian</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>French</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>Swiss</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4. 15
HOTEL O. [GROUP = “MAINLY” CHINESE].

THE MARKET.

The hotel is situated on the part of the Kowloon peninsula known as Tsim Sha Tsui East, on reclaimed land and is one of four, hotels located next to each other. It is a High Tariff “B” hotel and offers 580 rooms, which have no harbour view, as the hotel is set back one street from the waterfront. Owing to the hotel being managed and franchised by a French company up till 1992, it attempts to offer a classically European ambiance. Its main market segments are tour groups, packaged FITS and crew from European destinations. The hotel offers extensive meeting and conference facilities. A recent renovation programme has been carried out for the executive floors and the business centre, in an effort to capture more of the international commercial traveler market and thus achieve higher room rates.

THE BACKGROUND OF THE OWNERS AND OPERATORS.

The company incorporated its International Hotel affiliate in Hong Kong in 1979, however its role for the first three years was to oversee the management contractors and franchise holders of the hotel. The parent company is Century City Holdings, whose chairman and founder is a very successful Local Chinese entrepreneur and a great force in property development. The hotel company currently owns and manages four hotels in Hong Kong in diverse market segments and strategically located from the point of view of property development. Hence the chairman views the hotel portfolio as a means to diversify and add to site values. The company is active in North America in hotels but has yet to establish a presence in China.

The organization structure of the hotel operation has not retained any vestige of the previous French connection. It is highly centralized. For many departments including Human Resources, Purchasing, Food and Beverage, Marketing, Finance, and Engineering. The Department Heads of the hotels have to report to the Group Director or Vice President of the Head Office in their function. However Rooms Division is decentralized, but controlled by the Sales and Marketing function.

THE BACKGROUND OF THE GENERAL MANAGER.

The General Manager of the hotel is Canadian, who previously managed the company's hotel in the main town in the New Territories, Sha Tin. Prior to this appointment he worked in one of the Canadian hotels that was taken over by the company as a result of the North American acquisition. He has therefore been employed for 7 years by the company, which makes him the longest serving General Manager in the company in Hong Kong.

THE BACKGROUND OF THE DEPARTMENT HEADS.

Given the outline of the organization structure above, the Department Heads, who run the hotel are;

<table>
<thead>
<tr>
<th>Department Head</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Canadian</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Sales and Marketing Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food and Beverage Manager</td>
<td>Male</td>
<td>French</td>
</tr>
<tr>
<td>Front Office Manager</td>
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<td>Local Chinese</td>
</tr>
<tr>
<td>Human Resources Manager</td>
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<td>Local Chinese</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Purchasing Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4.16
HOTEL P. [GROUP = “MAINLY” CHINESE].

THE MARKET.

The hotel is situated in the heart of the central business district, set back from the waterfront, but overlooking Victoria harbour. It is a High tariff “A” hotel, which after a two year remodeling project, has 516 rooms, including 46 suites. Business travelers dominate the total business mix with 60%, which geographically splits out as 30% European, 15% North American, and 30% Japanese. The hotel which aims at providing high quality services to the finance, banking, securities, telecommunications and computing markets. The hotel is actively expanding into the Asia Pacific markets.

THE BACKGROUND OF THE OWNERS AND OPERATORS.

The hotel was opened in 1973 by a well known Hong Kong Chinese entrepreneurial family who have always taken a close interest in the hotel's operations, notwithstanding its linkage with firstly the best known chain of international hotel operators linked to a now defunct US airline, and currently with a German chain of hotel operators linked to the national airline of that company. In the recent past the owners have formed their own management company, which is responsible for the operation of the hotel; however reporting lines between hotel executives, the management company and the owners have not been clearly delineated. Ultimate decision making is therefore in the hands of the executive director of the owner's limited liability company. Appointment is made by the management company with approval of the owner's company.

THE BACKGROUND OF THE GENERAL MANAGER

The GM of the hotel is an Austrian, who has been in the hotel for about a year, being the first to be hired by the management company. To be successful, the GM must have the support of the family of the owners. and to be willing to accept that the final decision lies with the family.

THE BACKGROUND OF THE DEPARTMENT HEADS

The hotel is run by a five member Executive Committee known as EXCOM, who consist of:

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>Austrian</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Executive Manager F&amp;B</td>
<td>Male</td>
<td>French</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4. 17
HOTEL Q. [GROUP = "MAINLY" CHINESE].

THE MARKET

The hotel is located on the waterfront at the western end of the Central business district on Hong Kong Island. It has 600 rooms and is in the High Tariff "B" category, providing sea view rooms for its customers who are mainly tours from Europe, and those referred form its sister hotel on the Kowloon side. The hotel is convenient for the Macau ferry service. The building is a shared one with offices, and is due for demolition in May 1995.

THE "BACKGROUND" OF THE HOTEL OWNERS AND OPERATORS.

The hotel is wholly owned by a holding company that owns three hotels in Hong Kong and several hotels in other countries in Asia. Please refer to Hotel A.

THE BACKGROUND OF THE GENERAL MANAGER

The General Manager is German who has worked for many years [about 15] with the Group. His selection as manager has coincided with the decision to pull the hotel down.

THE BACKGROUND OF THE DEPARTMENT HEADS

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
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</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
<td>German</td>
</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Sales</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Rooms Division Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Food &amp; Beverage Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>
HOTEL R. [GROUP = “PART” CHINESE].

THE MARKET

The hotel has 850 rooms and is a High Tariff "B" hotel situated in the popular shopping district on Hong Kong island, known as Causeway Bay. It caters for quality tours mainly from Europe, but owing to the drift out of the central business district owing to very high office rents is expanding its business traveler mix.

THE BACKGROUND OF THE OWNERS AND OPERATORS

The hotel is a sister hotel of Hotel J. Both hotels are subsidiaries of the most famous of Hong Kong's British owned trading houses or "Hongs". In 1985, as a result of the signing of the Sino British accord on Hong Kong, the company reorganized its corporate structure. In 1987, the parent company floated the hotel group as a public listed company quoted on the stock exchange of Hong Kong. However the Group delisted from Hong Kong to Singapore in 1995. The hotel is subject to rumour concerning takeover or demolition.

THE BACKGROUND OF THE GENERAL MANAGER

The General manager of the hotel is English and has been with the Group in varying capacities for 10 years. His predecessor was promoted from the hotel to be General manager of the sister hotel, and thus a spell in the hotel is regarded as mandatory before consideration to be elevated to the sister hotel. In this respect the hotel has something as a reputation as a training ground.

THE BACKGROUND OF THE DEPARTMENT HEADS

<table>
<thead>
<tr>
<th>Position</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>Male</td>
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</tr>
<tr>
<td>Resident Manager</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Director of Sales and Marketing</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Rooms Division Manager</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Executive Housekeeper</td>
<td>Male</td>
<td>British</td>
</tr>
<tr>
<td>Director of Food and Beverage</td>
<td>Male</td>
<td>English</td>
</tr>
<tr>
<td>Director of Public Relations</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Personnel and Training</td>
<td>Female</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Financial Controller</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
<tr>
<td>Director of Engineering</td>
<td>Male</td>
<td>Local Chinese</td>
</tr>
</tbody>
</table>

Appendix 4. 19