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UDC 338.48:331.108

Received: 2.11.1998

Review

IMPROVING TOURISM AND LEISURE: TOWARDS THE AUSTRALIAN OLYMPICS IN THE YEAR 2000 - A FOCUS ON PEOPLE DEVELOPMENT AND THE LEARNING ORGANISATION

There have been significant economic, political and technological changes in terms of globalisation, new policies, practices and laws that have impacted on the way organisations operate and offer their services and products. One major impact of globalisation has been the new focus by organisations on their people as the most valuable resource. All businesses are people businesses. People development is at the heart of business success. A company's HR policy needs to cover every aspect of its operation from what it sells and to whom through to how it organises itself, its capital, equipment, its people, who it employs and where it operates. Over the past ten years managers have acknowledged their role for developing people by taking increased responsibility for improving the skills, knowledge and attitudes (training, education, development) of their people. Managers and employees are changing their relationship to achieve competitive advantage through increased commitment and focus on customers and managing value. This is a description of how one key provider of services to the Olympic Games to be held in Sydney, Australia in the year 2000, has been preparing its staff to optimise this opportunity. The description refers to a three phase change strategy that the organisation is currently implementing over a three year period so that it can maximise its contribution and competitiveness towards the year 2000. I have called the organisation, The Retail Company.

INTRODUCTION

A broad range of services and products is provided by The Retail Company. These include food services such as catering vending and design, workwear rental, workwear direct sales, linen supply, cleaning services, facilities management such as ground maintenance and engineering and property maintenance. The company has an Australian and New Zealand market including divisions in USA. Its markets include business and industry, tourism and leisure such as sports and entertainment, function centres and airports, health care clients such as hospitals and aged care which represents about 40% of total sales; education clients such as schools, colleges and universities and Defence and Government and Resource sector. This paper focuses on the Tourism and Leisure division of the Retail Company.

In addition, The Retail Company provides a broad range of integrated support services and recently it embarked on a plan for growth and success in the 21st. Century with a focus on core activities to increase productivity, enhance employee welfare and to secure a positive image in the marketplace. The Retail Company employs over 15,000 staff and prides itself in fostering a culture of learning and self-development. It promotes quality through the calibre of its individual members, the power of teamwork, the ability to adapt and the attention it gives to detail. During the past year The Retail Company has spend \$50 million on acquisitions in a successful attempt to push sales towards the \$1 billion mark. A key task it has in the next few years is to improve the corporate profits from the larger sales base.

The Retail Company is one of Australia's leading managers of support services at sporting venues, special events such as the Formula One Grand Prix and The Presidents Cup, airports and function centres. It performs a pivotal role in any special events within the tourism and leisure sector in Australia. Among its services, Tourism and Leisure provides retail food and beverage management services, five star corporate facility or function fine dining, entertainment centre sales and marketing, management of special event support services, venue cleaning, venue design for support services and also turf management.

A NEW VISION

The vision for the year 2000 is to be the service provider of choice. This means it wants to win all contracts and be every customer's first choice. To achieve this the company has to break down a number of barriers built up over its 40 years of operation. A significant barrier is a mentality of 'cost-control' that seems to stifle progress, innovative strategies and risk-taking. Many companies in the late 1990s have developed a mentality of 'slash and burn' management characterised by downsizing and a heavy focus on re-engineering for the sake of controlling costs. The Retail Company wants to replace this mentality with a culture of retailing and marketing. In addition it wants to create a culture of planning and analytical and strategic thinking through empowering its management and people at every level. With annual sales of \$1 billion in sight and a workforce topping 15,000 permanent and part-time employees in constant contact with clients and customers, the Human Resourced Department have a significant task on their hands. The Retail Company wants to ensure that its credo of Better People, Better Service is upheld by securing a strategic plan that will take them into the 21st. Century. The aim is to develop its people to deliver better outcomes for themselves, their own staff, for their division and for the company as a whole.

The Retail Company is determined to be more discriminating in accepting new contract work that will be profitable. It wants to develop a management culture that is more reflective in style, that will focus on embracing initiatives such as the new performance management system and ensure that key performance indicators (KPIs) are closely aligned to their venue, to their business plans and to their personal development plans. The Retail Company wants to stimulate and nurture a disciplined and relentless pursuit of excellence. It wants to encourage in all staff adherence,

demonstration and commitment to it set of values. These include seven basic values: appreciation and respect for the efforts, input, skills and experience of other. The value of co-operation encourages staff to seek and share knowledge and experience with others. Courage helps people to take action in spite of fear and to move into the future. Competency breeds confidence to deliver and expect a high standard of performance at all levels. Honesty requires staff to be consistent and reliable, to do what they say they will do and to look to themselves to be truthful. The seventh value of looking to the future is important and demonstrated by staff having a goal everyone can share and to communicate it with enthusiasm and commitment. A new set of behaviours is being fostered in a number of ways. These seven behaviours are listed in Table 1.

Table 1: Seven New Behaviours to lead The Retail Company into the 21st. Century

<p>1 LEADING direct reports – delegating to direct reports in a clear unambiguous manner Basing decisions on performance Using power wisely Changing things without creating chaos Reinforce a culture of planning Set clear performance expectations</p> <p>2 ACTING WITH FLEXIBILITY – being an individual contributor and part of a team Thinking on your feet Being firm and at the same time compassionate Leading and letting others lead Being self-confident Being close enough to others to be empathetic Being distant enough to be objective Think strategically; think with different perspectives Solve problems using multiple perspectives</p> <p>3 RESOURCEFULNESS – being a flexible problem solver Understanding and working effectively with higher management Setting up effective structures and control systems Handling pressures and ambiguity Acting analytically and understanding your business Utilising company resources Actively promoting sharing of information</p> <p>4 SETTING A DEVELOPMENTAL CLIMATE – rewarding hard/smart work Encouraging growth Leading by example Planning for succession Providing visibility, challenge and opportunity</p>

5 BUILDING AND MENDING RELATIONSHIPS –

working hard to understand others
Gaining co-operation of peers, clients and corporate resources
Negotiating well
Managing and confronting conflict with clients
Not alienating others

6 STRAIGHTFORWARDNESS AND COMPOSURE –

not blaming or abusing others
Prioritise and manage time responsibly
Relying on substance and straightforwardness
Not being arrogant, cynical or moody
Coping calmly with situations beyond one's control

7 HIRING TALENTED STAFF – recruiting the best; building a team

THE HUMAN RESOURCES STRATEGY

The strategy has a number of aspects to it and this paper will focus on three key phases. Phase one included a recruitment strategy of getting the right people with the right skills in the right job. Of course this could only be achieved with careful recruitment but more importantly through skilling and promoting the existing staff. This policy was designed to have the impact of valuing the existing staff to a greater degree. It also involved ensuring that the organisational structure was flat enough to enable people to be empowered to act in their necessary functions. Some teams were established and they were working towards developing their own self-managing procedures.

The second phase was to institute a performance development strategy at a national level. The year previously The Retail Company had conducted a pilot with its largest group of managers in another Australian state that involved 40 staff. They were shown how to develop Individual Development Plans (IDPs) that were integrated with a performance appraisal system. This was supported by a management development training program over a ten month period. This was the first systematic set of management training ever used by the company. Although an independent evaluation showed the program to be highly successful there were some shortcomings such as linking the training to the business planning task so middle managers could learn through the process. This resulted from a lack of careful planning and from poor time management. Tourism and leisure is an industry characterised by heavy and quick demands with lots of close deadlines to be met. Often staff are overworked and it was common for managers to be on duty for 70 to 90 hours every week. They often found it very difficult to try to accommodate their learning needs when they were tired. Greater efforts also needed to be made to link the training outcomes to key performance indicators in the new performance management system being trialled. The overall effect, however from this training, was that it was possible to roll out a

national strategy to implement a national performance management system in the following year.

The third phase involved an organisation change strategy. This change strategy was characterised by 8 steps. These are listed in Table 2 and were adapted from the work of John Kotter (1996).

The strategy was planned and launched with a two day management development conference that would help create a sense of urgency. During this two days the seven behaviours listed in Table 1 were stressed and the group of twenty leaders were charged with the task of motivating their staff, sharing their new sense of urgency and identifying action learning projects and other needs that would be used as the vehicle for further development of individuals and the organisation.

All managers were trained in leadership skills, in counselling and coaching techniques and in staff development skills. They had the opportunity to practise new skills of leading through conversations which were structured and had the potential to empower their own staff and foster learning in all levels of the organisation. Leadership was the key skill. Manager assessed their own skills in leadership using the Kouzes and Posner (1993) model and asked their staff to provide assessments of their perceptions on the same leadership inventory. Activities were designed to enable managers to appreciate the five key aspects of leadership: challenging, inspiring, enabling, modelling and encouraging.

Table 2: Steps to organisation change strategy (After Kotter, 1996)

<p>ORGANISATION IMPROVEMENT THROUGH DEVELOPING LEADERS AND MANAGERS</p> <ol style="list-style-type: none">1. ESTABLISH SENSE OF URGENCY examine market, competition, identify & discuss crises, potential crises, opportunities;2. SELECT YOUR LEADERS OF CHANGE who will lead, inspire, champion?3. DEVELOP SHARED VISION & STRATEGY co-create view of future & how to achieve;4. COMMUNICATE CHANGE VISION & STRATEGY leaders role model new behaviours; constantly communicate vision & strategy5. EMPOWER BROAD-BASED ACTION eliminate obstacles, change ways, reward risk-taking, different ideas and new behaviours6. GENERATE SHORT-TERM WINS plan & create performance improvements, wins & reward staff who made wins possible7. CONSOLIDATE GAINS - ESTABLISH NEW SENSE use increased credibility to change systems/structures/policies that don't fit new gains/vision8. ANCHOR NEW APPROACHES IN THE CULTURE better people-better service connections reflect new customer & productivity leadership

The training phase also involved identifying other key management development areas and these included the need to hone financial management skills, the need for conflict resolution skills and of course project management and introducing innovation through action learning projects and the use of mentors.

CONCLUSION

Overall The Retail Company has done much to move towards encouraging learning among its staff. It is not the learned but those who are continually learning that will inherit the earth. The company has been intent on expanding its capacity to achieve the results it truly wants to. The Olympic Games in the year 2000 will provide the ultimate testing ground for the company to bring together all its training and skills in the biggest single event of its existence. It will surely excel if all of its staff have learned how to learn effectively.

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Sažetak

RAZVOJ TURIZMA I SLOBODNOG VREMENA: U SUSRET OLIMPIJSKIM IGRAMA AUSTRALIA 2000 - RAZVOJ I ORGANIZACIJA KOJA UČI

Novonastali uvjeti globalizacije stvaraju značajne ekonomske, političke i tehnološke promjene te nova politička kretanja. Praksa i zakonodavstvo utječu na način organizacije, ponudu usluga i proizvoda. Vrlo značajna odrednica globalizacije je usmjeravanje organizacije na svoje kadrove kao najvredniji resurs.

Sve poslove realiziraju ljudi, pa je stoga razvoj ljudskih resursa ključ poslovnog uspjeha. Politika ljudskih resursa svakog poduzeća mora obuhvatiti svaki aspekt poslovanja, od toga što prodaje i kome prodaje, do toga kako je organizirano ono samo, njegov kapital, oprema, osoblje, tko su njegovi zaposlenici i gdje oni djeluju. Posljednjih deset godina manageri su spoznali svoju ulogu u razvoju ljudskih resursa, na način preuzimanja odgovornosti za poboljšavanje njihovih vještina, znanja i stavova (praksa, obrazovanje, razvoj). Manageri i zaposlenici mjenjaju svoj odnos da bi ostvarili kompetitivnu prednost na tržištu, na način da usmjeravaju svoju pažnju na kupce i vrijednost koju im nude. U radu se opisuje kako jedan od ključnih pružatelja usluga na Olimpijskim igrama, koje će se održati u Sydneyu, Australia godine 2000. priprema svoje osoblje za taj događaj. Uvođenje nove strategije odvija se u tri faze, a realizirat će se u razdoblju od tri godine, tako da do 2000. organizacija poveća svoju konkurentsku prednost. Organizacija je nazvana 'Retail Company'.