



INTRODUCTION TO MANAGEMENT IN THE HOSPITALITY INDUSTRY

TOM POWERS



INTRODUCTION TO MANAGEMENT IN THE HOSPITALITY INDUSTRY

THIRD EDITION

TOM POWERS

School of Hotel and Food Administration
University of Guelph

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With affection to my father, the late F. Urban Powers, a pioneer in the application of modern management techniques to the hospitality industry, who taught me to understand the relationship between the particular and the general and to guide practice with theory.
1898—1980

PREFACE

The hospitality industry and its fast-paced rate of change makes life difficult for authors revising textbooks. A simple updating of facts and statistics—although that is provided here, where appropriate—is just not enough. The question really is, “Which facts are relevant in analyzing today’s industry?” Large parts of this book are new, including entire new chapters concerned with franchising, technology and computers, as well as new developments in lodging, tourism, and food services. Moreover, within chapters retained from the earlier edition, there are numerous new sections.

Perhaps we should pause here, however, to emphasize that the text’s basic commitments have remained the same. The student still needs to be able to see hospitality as a single, interrelated industry. The emphasis on problem solving *tools* rather than answers and on understanding industry-wide *trends* rather than simple facts and figures remains central. This is not a “how to” book. The commitment in the first edition to the importance of field experience and personal observation still comes through loud and clear in Chapter 1 and, I hope, throughout the rest of the text. Finally and most fundamentally, the student is challenged throughout to realize that in building a career in hospitality he or she is building a business and a way of life as well. For all that, however, there is much here that is new.

In the chapters on food service, the improved availability of information on consumer trends and preferences makes addition of those topics possible. The food service chapters have also been reorganized to accommodate new material on the consumer’s view of service, nutrition and alcoholic beverages. New or expanded services make discussion of topics such as mobile units, popular-priced operations outside fast food, and the growing impact of competition from commercial operations on institutional operations essential.

There are new chapters on lodging. The first of these deals with the

growing importance of computers and technology in lodging, where well over half of front offices are computerized and the property management system is becoming the norm. We look ahead, too, to the increasing adoption of automation in the "smart hotel room." Chapter 9, which is also new, discusses the forces behind the expansion in the number of hotel rooms available and the segmentation of amenities and services. The role of management companies and real estate developers, and the interaction between the two, is also discussed there.

We have added new chapters on tourism, in recognition of the importance of changing demand factors and travel motives, as well as the favorable and unfavorable impacts of tourism. There is new material on casinos in tourism as well as other smaller scale attractions like waterfront developments, shopping centers, museums, and zoos. The discussion of campgrounds is strengthened by a broader understanding of the motives of campers.

The new chapter on franchising discusses its economic significance and details the services provided by franchisors while assessing the franchise relationship and its advantages and disadvantages for both parties.

Throughout the text there is major attention to assessing the impact of North America's rapidly changing demographics and the accompanying changes in life styles. Very few factors are likely to be as important in hospitality in the next ten years. In the last chapter, we consider the outlook for the hospitality industry in the first half of the 1990's and the years ahead.

The dynamic and everchanging hospitality industry is a hard task master for all of us who work in this business. But it is exciting, and I can only hope that students will take some of the pleasure in reading this text which I found in writing it.

I am indebted to many people for help with this text. First and foremost among them is my wife, Jo Marie, who prepared the instructor's manual and the test bank, to say nothing of bearing with the confusion and annoyances that are a part of any writing project.

In regard to the research for the section on gaming, I am indebted to Dean James Healy and Professor Richard Wisch at Fairleigh Dickinson University and Dean Francis X. Brown and Professor Richard Gill at Widener University for arranging the contacts without which that research could not have been accomplished. Professor Steven Rosenbey of Fairleigh Dickinson and James Kilby, Boyd Professor of Casino Management and Operations at the University of Nevada at Las Vegas read the section of the manuscript pertaining to casinos and gaming and made numerous helpful suggestions. Dean Jerome Vallen of the University of Nevada at Las Vegas was also most helpful in the research related to this section of the text. Dr. Kenneth Hornbach, Director of Research for the National Parks Service, suggested publications I should consult and made several of them available to me for the

chapters on tourism. Finally, my colleague at Guelph, Professor Michael Haywood was generous in directing my attention to material related to fairs and festivals and, generally, in identifying appropriate information on tourism's impacts.

This text has also benefited from the many suggestions of colleagues who have used the text. In addition, this revision has been reviewed by 14 reviewers. The thoughtful comments of these HRI educators resulted in numerous improvements in the final manuscript and I am grateful for their interest. It is a pleasure to list them here.

Earl R. Arrowood, Bucks County Community College; V. Chandrasekar, University of Central Florida; H.A. Divine, Pennsylvania State University; Jill Dybus, Oakton Community College; Evan Enowitz, Grossmont College; Stephenson W. Fletcher, University of Massachusetts; James B. Healy, Fairleigh-Dickinson University; Lenka Hospodka, Widener College; Carol Kizer, Columbus Technical Institute; Joseph Van Kornfeld, University of Nevada; Cynthia Nelson, Cuyohoga Community College; Karen O'Brien, Hunter College; Teresa M. Schultz, University of Wisconsin, Stout; Andrew Schwartz, Sullivan County Community College.

In spite of all the help I have had, there still remain errors and deficiencies in this text for which, of course, the author must accept the responsibility.

Tom Powers
Moon River, Ontario
August, 1987

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