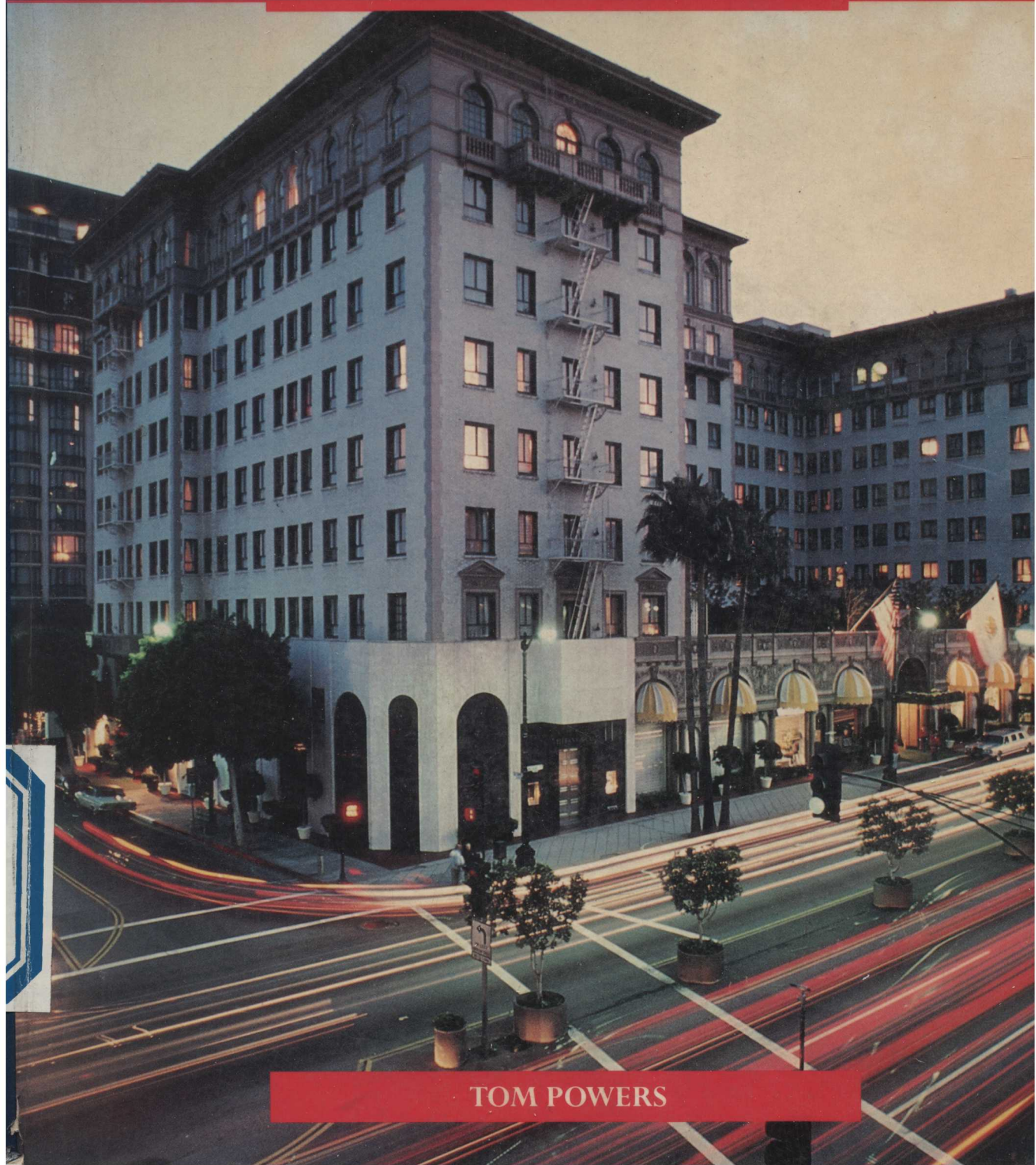


INTRODUCTION TO THE
Hospitality Industry



TOM POWERS

INTRODUCTION TO THE
Hospitality Industry

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Study Guide Prepared by Jo Marie Powers



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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

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p r e f a c e

A number of colleagues have pointed out to me over the years that in their particular institutions, the management chapters in my text *Introduction to Management in the Hospitality Industry* were not used in the introductory course. To meet the needs of these institutions, this abridged edition has been prepared.

Although several chapters have, therefore, been deleted for this brief version, there is still very nearly as much material as appeared in the first edition written in 1976. This is so because, to keep up with the fast changing hospitality industry, a great deal of new material has had to be added. There are new chapters on food service and tourism. Two new chapters, on technology and computers in lodging, and on the factors behind the segmentation of the hotel business and its changing service mix, have also been added. In addition, a new chapter dealing with franchising appears for the first time in this edition.

Nevertheless, the basic commitments of the text remain. 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, too, to recognize 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 and even 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 taskmaster 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 and most of all to my wife, Jo Marie, who should really be listed as co-author of this edition. She wrote the entire workbook section and also prepared the instructor's manual and the question and quiz bank. Without her contribution, this edition would just not have been possible.

In regard to the research for the section on gaming I am indebted to Dean James Healy and Professor Richard Wisch at Fairleigh Dickenson 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 Rossenberg 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 Richard 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; Stephen 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

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The Hospitality Industry and You

THIS CHAPTER IS ABOUT

The career decisions you are involved in now and those that lie ahead of you. Naturally, the discussion is set in the context of the hospitality industry. You will find here as well a discussion of the relationship of field experience and education; it should be of immediate value to you. To support your career decision, you need to know what businesses make up the hospitality industry and what the industry's employment outlook is. Finally, we will look beyond the job to the life's work that a career decision entails.

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Study Guide **1**

chapter

1



Courtesy of The Plaza.

What is the Hospitality Industry?

When we think of the *hospitality industry*, we usually think of hotels and restaurants. But the term has a much broader meaning. According to the *Oxford English Dictionary*, hospitality means “the reception and entertainment of guests, visitors or strangers with liberality and good will.” The word *hospitality* is derived from *hospice*, a medieval “house of rest” for travelers and pilgrims. A hospice was also an early form of what we now call a nursing home, and the word is clearly related to *hospital*.

Hospitality, then, includes hotels and restaurants. But it also refers to other kinds of institutions that offer shelter or food or both to people away from their homes. Moreover, these institutions have more than a common historical heritage. They also share the problems of providing food and shelter—problems that include erecting a building; providing heat, light, and power; cleaning and maintaining the premises; and preparing and serving food in a way that pleases the guests. Of course, we expect all of this to be done “with liberality and good will” when we stay in a hotel or dine in a restaurant, but we can rightfully expect the same treatment from the dietary department in a health-care facility or from a school lunch program.



Saga Food Service, a *Marriott* subsidiary, provides food service on the ferries that serve travelers commuting to Seattle through one of North America’s most beautiful waterways, *Puget Sound*.