# Innovation Processes in Hotel Companies (A Case Study of Zest Cafeteria, London)

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Abstract: Most of the evidence on innovation process in the hotels, at the corporate level especially, used small teams in generating ideas, and also to solve day to day problems. One of the most unfortunate myths about the strategic development process is that it is the responsibility of the firm's leadership, or a firm's wide committee to develop a strategic plan and then persuade or sell the rest of the partnership on to employees to follow the vision. David (2000) argues that in accordance with this statement, the innovation process management that does not involve employees, human resource and for that matter teams may constitute the ream in a business that sells sleep and creates dreams for its customers. The study investigated types of innovation and processes that are practiced in 5 star hotels in central London precisely. It also identified processes the hotels go through when it comes to ideas generation and implementation with reference to employees. Case study design of qualitative research was employed for this research. A form of non- probability sampling, judgment sampling, has been used with interview research instrument. The study identified that, innovation in the hotels are not actual innovations but rather, recombination of old ideas with unique approach that is perceived by the individual hotels involved as innovation. The hotels sampled have something new to them. However, all the ideas ranged from renovation of staff cafeteria to a buffet service restaurant, renovation of a smoking room to employee educational resource centre, etc. This aspect seam to influence the level of employees' involvement in idea generation at management level and this is attributed to the small teams that are at work. The most significant factor that deferred each stage from another is in various departments and the team work approach. The nature and functions of these teams, and also the attitude towards employee potential mainly as linked with motivation. This could be the reason why the employee involvement in corporate ideas generation is shifting towards line management managers and for that matter t team building. Customer comments and the like are clearly seen as other sources for generating ideas in the hotels as well. Customer comment card are used for solving day to day problems. . Due to comments cards and the powers given to the line managers, the directors in the hotels feel it will be increasingly difficult to involve employees, throughout the entire process besides; the thought of it being commercially expensive was more pronounced and not to be economical. Due to the limitations of the study, the study cannot make any firm conclusions into the specifics of innovation processes. It does however provide a first overview of the models used in hotels for innovation in 5 star hotels and other related issues that has not been done before. More research is necessary into these areas in order to gain a deeper understanding of innovation process in five & four star hotels. Other interested parties will certainly find this study as an interesting start to a much encompassing subject.

Keywords: Innovation process, strategic development, human resource, team building, resource centre.

# 1. INTRODUCTION

#### 1.1 Managerial Importance:

The fast growing hospitality companies have been increasingly linked to the service sectors (Metcalfe et al, 1999) and the service sector is among the most vibrant in economic growth. The development within the turbulent hospitality service hotels with standard set for operation is said to be a great contributor to industrial development. Hales and Kilda (1998) argues that further progress can only be achieved if the organizations attached great importance to competitive advantage

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Competitive advantage means differentiating products or services from what competitors can offer. Competitive advantage requires introducing new ideas about services products and process into driving organizational goals and visions. Cathy Enz (2005) says, new ideas are constantly linked with innovation and most firms innovate in a number of ways including business models, products, services processes and business channels. This can either be achieved through the goal of capturing markets or the desire to reduce costs of prices through greater efficiencies.

Lushly (1995) explains that all areas of hospitality operations and experience proved that hospitality firms turned out to introduce farce competition among hotel processes services and products but not competition among the hospitality employees that constitutes the key to driving the organizations vision to its destination. As a result, it has become necessary for companies to match-up by continuously looking for ways and processes of improving quality and reputation through the involvement of employees in concept development.

Baldachin (1995) states that, "in addition to these challenges hospitality firms are again precipitated with fierce competition among local and international hospitality organizations, technological innovation and changes in customer needs are no exceptions. Most hotel companies believed that by counting on their human resource and improving efficiency among the services and the products which are offered, could meet the needs and expectations of employees and this aspect needed to be given attention. In order to be able to stand the test among these challenges of global competition posed by the working environment, human resource needs to be given critical look. Kilda and Tony, (1995).

The bone of contention is the extent to which employees could be empowered and given the opportunity to perform within their working environment to a maximum level is another question to be answered (Locke and Radar, 2003). This is important because employees are said to be the driving force of every profit making firm. When employees' creative power is properly taped it can contribute positively in diverse ways towards the organization's progress.( Amiable and Tares, 1996).

William (2003) argues that some hotel companies have been successful the use of creative employees during innovation processes within their environment in various forms and at various levels of operation. This happened through empowering employees and human resource development; for example, Unity, previously called TESA entry systems is an example of highly innovative established firms through the use of employees. Hilton hotel companies, intercontinental hotels; Sydney hotels centre parks Ritz

Carlton etc. are but exceptional. This explains the trend of business operations most companies rely on in order to sail through competitive advantage and to keep the business moving on (Harrison and Cathy, 2005) The success story of these hospitality companies give signals for one to say that hospitality companies including five star hotels could survive and achieve their objectives through all inclusive processes.(Strategic Analysis Resource Management, (Randall and Schuler, 2004).

Of late, new service product represents an important source of a company's survival and growth. (De Brentano and cooper, 1992) notes that new products or services can only be developed if employees that are constantly in contact with the customers are however given the opportunity to get involved in new product and services development process. But on the contrary, (Johnnie and Storey, 1998) explains that managers often rely on gut-feeling speculations and their own limited experiences when it comes to innovation and developing new services and products. This contributes to the rate of failure of some new services and products. Four out of ten services fail in the market place. (Griffin, 1997) states that after having introduced new targeted products and services. This could be due to the fact that the processes adopted by some companies for caring out the creativity needs to be looked at.

Understanding the processes involved in innovation which can help improve performance standards in our hotel companies will have to be actually worked on in all aspects so as to protect the image of the firms. Knowledge has increased rapidly and service firms have to significantly improve their success rate through redefined processes and stages for carrying out innovation.

It is important to understand that the current trend in hospitality operations is competitive advantage through innovation. It is rather surprising that although innovation in services is an important aspect of hospitality management intuitively and theoretically authors found little published on innovation processes; for example, Jones (1996) discussed case studies with regard to the innovation process of hospitality organizations. (Enz and Siguaw's, 2003) showed that innovations were significantly affected by outstanding hospitality individuals as either employees' managers or stakeholders.

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On the other hand, some businesses however, are also finding that market for smaller, innovative firms is dying up because employees are marginalized in most of the strategic planning processes. Furthermore, other innovation expert observed that the threat to companies that do not innovate is also on the increase. On every front; products are getting into markets faster than ever. (Conger and Kananga, 1988) explains that this is so because, capital is easy to come by or available these days, so even small firms can launch devastating sneak attack using employees. Furthermore, offshore products and services are steadily getting cheaper and better, technology and business knowledge are expediently, leaving slow movers in the dust. (Griller, 1994).

Consequently, If a company is not continually coming up with new products, new services and new ways of doing things that redefine the market segment rather than simply make incremental improvements, they may wake up one day to find the train has left the station and they are not on it. Grunions (1992) further added that for a any company to match-up with the recent wave of innovation trend in contemporary hospitality industries, companies must acknowledge that human resources is the key to meeting the organizational objectives if the life span of any hospitality operation system should prolong. (Rashness and Ashley, 1995).

#### 1.2 Hospitality Innovation:

There are many interesting researches about innovation. For instance, most firms believe they are highly innovative. A glance through any annual report demonstrates the conviction of most gurus that a key to future success will be through new ideas, new products or new services. In reality, most firms are not as innovative as they think they are. Many so-called innovations are not "new to the world" but just original for that firm. It is also suggested that innovation should be considered as a rational and logical process.

Most articles on innovation provide structured models that propose a series of steps to turn ideas into products or services in the market place. In reality, most innovation is not earned out in a structured way - nor, as this article illustrates, need it be. Innovation requires creativity. This thrives not only in structure but also in chaos, risk-taking, boundary -pushing, and non-conformance.

Innovation is essentially the development and implementation of new products or ways of doing things. This article identifies a typical 15 stage process for managing innovation. It then examines the extent to which industry practice actually reflects this. Hidden in most real world examples of innovation, there is a more or less systematic process that firms follow, but many firms are not aware of it.

Even when they are, they do not always apply all stages of the process. Nonetheless such firms succeed in innovating. On this evidence the article goes on to propose why innovation for most firms should be a systematic process designed to fit with the nature of the innovation itself and the environment in which it is being developed. On this basis, the management of innovation can range from being a highly systematic research and development process through to a chaotic, quixotic crusade to beat competitors to the market.

# 1.3 Products or Services:

There is a reasonably well established approach to new product development (Feltenstein 1986). In reality, many new "products" in the hospitality industry are not simply products, they have service implications too. These service implications may mean modification to the processes earned out back-of-house, or directly affect the way in which customers are served. For instance, in the restaurant industry many new menu items require changes to the skill base of the kitchen personnel and their practices, impact on how items are served and cleared from the dining table, and even sometimes this can also affect dish wash and waste disposal procedures'

If most innovation involves the development of an idea that has both product and service attributes, the development process should be designed to accommodate these. Generally speaking, services are more complex to develop for a number of reasons: unlike products, services cannot easily be measured, each customer's experience of a service is unique, service purchase and consumption happens at the same time. Any discussion of innovation needs to consider the implications of this. Thinking about products and services separately does not make sense. The in-flight catering industry is a good example of this. It comprises a supply chain made up of food manufacturers, flight caterers and airlines. The industry therefore involves large number of operators engaged in a wide range of processes, delivering a wide range of products/services. The case study in this article on the pre-filled drinking glass is a good example of a major new product that requires a review of service procedures adopted by the airlines.

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## 1.4 What happens in practice?

Recent 11 U.K.-base research into fast food (Jones and Wan 1993) and flight catering (Jones 1994) has confirmed previous studies of innovation, that most innovations are modifications to existing products or services as opposed to completely new, 'original' innovations. As in other industries, the level of innovation is greatest in larger companies and somewhat limited for smaller companies. For example, an indication of the nature of new products and services in the flight catering industry can be gained from analyzing the International Flight Caterers Association annual awards scheme for innovation - the Mercury Awards. A number of airlines put forward new ideas to keep children occupied on long flights - Gulf Air had developed a fun zone for children concept, Air France have a Planet Bleu package, and Delta have enrolled 800, 000 children from 155 countries into their Fantastic Flyer program. Likewise a number of suppliers and caterers 'reshaped' their products for easier use by airlines - Corsair had developed a new gourmet concept meal service for short haul flights. The conventional approach to new product/service development outlined here takes these factors into account (see exhibit 1). For an innovation that involves a significant change in service delivery, all stages o f the development process may need to be followed, although not necessarily in the conventional sequence. But for a largely product-based innovation, many of the stages may be excluded altogether.

New Product or Service Development

- Objectives & Strategy
- Structure
- Idea Generation and Screening
- Concept Development
- Concept Testing
- Business Analysis
- Project Authorization
- Service Design & Testing
- Process and system design and testing
- Marketing program design and testing
- Personnel Training
- Service Testing
- Test Marketing
- Launch
- Post launch review

#### Formulate Ideas:

The first stage of successful innovation focuses on how new ideas are generated and developed (steps 1 to 3). These apply to both new product and new service development.

Objectives and strategy: The development process must begin with a precise formulation of the objectives and strategy concerning the effort. A well designed strategy drives and directs the entire innovation effort and induces it with effectiveness and efficiency. Many companies claim to have specific company objectives that mention innovating new products and/or services. However, research in both the international flight catering industry and U.K. restaurant sector found that relatively few were able to identify a specific example of such innovation taking place in the previous twelve months.

Structure: As well as having a clear strategy for innovation, companies must also ensure that they have organized themselves in such a way to enable innovation to take place. In large companies, this may involve setting up a Research

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and Development (R & D) department. Research in the hospitality industry suggests that only a small number of companies - around 10% to 20% - have a specific department responsible for research and development. Such departments tend to come up with totally new ideas. However, in many cases it is the Sales and Marketing people who may be the division given responsibility for generating new ideas. This department tends not to originate new ideas, but to adapt ideas from other sources.

Idea generation and screening: New ideas can be drawn from external sources, or internal consultation and brainstorming can add to the idea pool. Where there is a structure, the department most likely to generate new ideas in many firms is the sales and marketing department. In the majority of firms however, ideas are likely to be generated in an ad hoc way, either from a listening and talking to customers or the brainwave of an individual. This is especially true of all of smaller firms. Often the most powerful idea source is customer feedback. In some cases, especially if developing a new service, it may be necessary to screen idea to ensure that only those that seem feasible are processed.

#### 1.5 Concept Developments:

#### i. Idea formulation:

The idea formulation stage is followed by four stages that enable the company to decide if it will proceed with the new development (steps 4 to 7).

Concept development: This requires that the surviving ideas are expanded into fully fledged concepts, especially if there is a significant service element. Such development should normally be in conjunction with the company's own customer contact personnel, since it is these front-line staff who are an invaluable source of knowledge regarding customer needs and wants. A typical concept statement would include a description of the problem, the reasons why the new product or service is to be offered, an outline of its features and benefits and the rationale for its continued development and/or purchase.

Concept test: This next stage in the development process is a research technique designed to evaluate whether a prospective user understands the idea of the proposed product or service, reacts favourably to it and feels it offers benefits that answer unmet needs. This can be done by talking directly to the users or to those closest to the user - customer contact staff.

Business analysis: This should represent a comprehensive investigation into the business implications of each concept. This should include a complete market assessment and the drafting of a budget for the development and introduction of each proposed new product/service.

Project authorization: This step occurs when top management commits corporate resources to the implementation of a new idea; product or service. In an industry with many small companies, like hospitality, it is likely that 90% of companies have just one person/or department in the company to authorize all innovative projects. This is usually the Managing Director or the 'committee leader'. The ad hoc way in which new ideas are generated is also reflected in how funding is agreed for projects and research for new services/products is earned out.

# ii. Test the Design:

Once the go ahead has been given, the detailed design and implementation of the innovation is earned out (steps 8 to 11). Some of these stages may not be necessary in new product development, namely process and system design and testing, marketing program design and testing, personnel training.

Design and testing: Next is the conversion of the new concept into an operational entity. This requires design and testing. For products this may largely centre on a specialist team. But for services this activity should involve both the input of prospective users and the active co-operation of the operations personnel who will ultimately be delivering the service.

Process and system design and testing: This stage is applicable to both products and services. For products it may be necessary to design new production processes, develop new equipment or make new dies or mouldings. For services, this stage refers to the totality of the delivery process, not just the element experience by the customer. This often involves back-of-house process engineering. Marketing program design and testing. The introductory marketing program should be formulated and tested in conjunction with prospective users. Especially with services, it is best if the marketing program is

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devised in conjunction with the service development. In product development, the marketing program may often be entirely separate from the development process.

Personnel Training: This applies mainly to service development. To complete the design phase, all employees should be familiarized with the nature and operational details of the new service. Research in flight catering showed that 91 % of airlines engaged in personnel training whereas only 68% of food manufacturers. This reflects the fact that airlines mainly engage in developing services, whilst manufacturers engage in product development.

#### iii. Evaluating the Innovation:

The evaluation of a new innovation involves a four step process (steps 12 to 15). These stages could be used for either products or services.

Product/Service testing: This should be used to determine potential customers' acceptance of the new product or service while a pilot run ensures its smooth functioning. All firms agreed that operations personnel need to be involved in testing new innovations. Once developed, nearly all companies claimed to carry out 'pilot runs' to test new products/services. This can either be carried out internally, using in- house personnel, or by trailing the new product or service in the market place.

Test marketing: This examines the salability of the new service and a field test should be carried out with a limited sample of customers.

Launch: With the delivery system and marketing in place and thoroughly tested, the company should next initiate the full-scale launch, introducing it to its entire market area. Different sectors tend to evaluate new services/products once on the market in slightly different ways, for instance fast food operators use market surveys, whereas foodservice contractors rely more on after sales for feedback. All companies claimed to monitor customer satisfaction on a constant basis.

Post-launch review': This final step should be aimed at determining whether the strategic objectives were achieved or whether further adjustments are needed.

# 1.6 What Happens in Practice in the Hospitality Industry?

In order to investigate the extent to which this innovation process were adopted and practiced in the hospitality industry for firms that were known to have recently engaged in developing a new product or service were investigated in depth - Disney, Guest ware, Little Chef and Pour shins. Two were British companies and two were American. The investigation was based on interviews with key personnel involved in managing the innovation process, from which a case study on each was developed. This was then reviewed by the interviewees in order to ensure matters of accuracy. The cases were then analyzed in order to establish stages in the innovation process.

# Innovation is Contingent:

It is clear from these case studies that firms typically do not follow the 15 stage model in their approach to innovation. They may both eliminate some of the stages and they may change the sequence of activity. Why is this? There are three major reasons, relating to the nature of the innovation itself, the organization engaged in innovation, and the external environment. Products were often important and potentially highly profitable, but not major innovations, as for instance in the Little Chef Express example. It is therefore likely that fewer than fifteen stages of the innovation process will be followed with 'new to the company' products or services.

Secondly, different products have different levels of "protection" from competitors. Patent protection, as in the spiriture case example, is the exception rather than the rule. Most hospitality industry innovation may have some copyright protection, for instance of a logo, but little else. The less protection there is for a new product, the more likely those competitors will come into the marketplace. Hence the development process may be shortened in order to get to the market first.

Thirdly, the level of capital investment may vary widely from one innovation to another. The spiriture concept required significant investment in research and development, followed by further investment in manufacturing technology before a single glass could be sold. On the other hand, some organizations may go ahead with the development of new products with little market research, especially if the investment cost for creating and training the new product is often quite low. For instance, Lion Foods used their expertise in herbs and spices, in conjunction with another division of the company, to

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develop a new range of marinated chicken breasts specifically for use in foodservice, with very limited consultation with their potential customers.

Innovation will also vary with regards to the range of professional expertise needed. Some products or service depend on the expertise of relatively few people. But many, including the examples cited in this article, depend on a wide range of professional expertise. The greater the range of expertise needed, the more likely it is that the process will involve more stages.

Spans the less investment that may occur in its development. Disney estimated the "life" of one of its professional development seminars to be about five years, whereas the spiriture may be in use for many decades.

## 1.7 Organizational Characteristics:

An organizations characteristic is normally seen in the type and size of the organization. This is because, some organizations are big and others are small or profit and non-profit organization. If the organization is a profit making organization, its plan and strategies are different from nongovernmental organizations. The organizational strategic plan can be shaped on a phenomenon like innovation and its process adopted. Many hospitality organizations that operate as hospitality companies are now relatively small this is due to the cost of overheads Even though, it is difficult to support the overhead of a research and development, there is a trend towards partnerships and joint ventures among hospitality firms.

Intercontinental hotels, has many small hotels coming together under the same management This explains the fact that innovation may often require capital investment and necessitate sufficient economies of scale to keep unit costs down to an acceptable level. For small firms, effective linkages with either manufacturers, suppliers or other operators is one way to generate the funds needed to support strategic innovation which might be a new idea

It is important to ensure that it sells at sufficient volume to keep costs down. For instance, in the airline business one supplier developed the muffin as a product for use in airline meals by adapting the product significantly to the typical portion size. This involved collaboration with both the manufacturer of the muffin mix to assist with the production process development and with a foodservice company to assist with the promotion of the product to the airlines. In 1991 no airline flying out of the U.K. served muffins; by 1994 the innovative supplier was producing 15,000 per day.

Montano, Daniel (2006) suggests that, small, start-up companies are often developed as a result of an innovative idea or concept. Innovation as a concept and a process may also be embedded in an organizational culture. Disney is a good example of an organization in which all its members are encouraged and supported to think of new' ways of doing things

# 2. METHODOLOGY

Case study design of qualitative research was employed for this research. A case study is but one of several ways of doing social science research. Robert, K. Yin. (2003). In general, case studies are the preferred strategy when it comes to how or why questions are to be answered, where the investigator has very little control over events and when the focus is on contemporary phenomenon within some real life context. (Ghauri and Gronhaug, 2002)It is in this vain that a single case study has been chosen for this research. For Case study -research normally precedes interviews.

The purpose of this study is mainly to explore and understand the stages at which employees are involved in innovation process. Books, periodicals, previous studies and published reports and models on innovative processes used by the various companies ranging from airlines caterers and suppliers of hospitality products and services to hospitality associations have been combined in order to bring about some understanding into the issue associated with the process of innovating in the hotel companies.

A form of non-probability sampling, judgment sampling, has been used. Judgment sampling involves the choice of subjects who are in the best position to provide the information required. It is used when a limited number or category of people has information that is needed to do the research, which in this study are clearly stated.(sakaran, 2000). To do any kind of probability sampling will therefore not be meaningful

Although, using judgment sampling may reduce the extent to which the findings can be generalized, due to the use of experts that are conveniently available, it is in this study, the only viable way for obtaining the information needed. Therefore, the employees of five star hotels in London central area that have been interviewed have been sampled using purposive judgment sampling.

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A non-contrived study setting was used and the respondents were interviewed in their natural environment. All the employees were interviewed during work hours for the simple reason of convenience for the interviewees this is because of the fact that the employees need to be on duty, it was not possible to interview them in any other place than in their work environment. At this point a quick tour was taken round the hotel premise. Permission was not granted neither photographs could be taken nor for recording to be done since it was against the hotels policy due to confidentiality. Care was taken in the designing of the interview guide that questions followed each other, naturally in order to avoid jumping from one subject to another and to create a conversational-type interview. This style of interviewing encourages the participants to talk freely and open up around the area of interest. All the interviews have been tape-recorded after careful negotiation and the actual interviews lasted anything between 45 minutes to 2 and 1/2 hours, depending on the motivation of the respondents to answer the questions and give examples as well as additional information. In most cases, the interview was followed by a brief tour around the hotel identifying the areas that have received some form and types of innovation in the previous years. A sample of the interview schedule details can be found in table1. All the interviews were translated verbatim as soon as possible after the interview. The tapes and transcriptions were than kept in a secure place to ensure confidentiality. An example of those transcriptions can be founded in the findings. A transcribed version of the recorded version has/been added to the appendix It has been suggested by Easterly, & Thorpe and Lowe (1993) that there are two major qualitative data analysis method, which are content analysis and grounded theory. Content analysis was used to test hypothesis, and it is mainly implemented by analyzing frequency. Since the data gathered in this case is non standard, and the objective of the study is to provide a general screening of the level of employees' involvement in innovation process in 5 star hotels in London. For this reason the method of grounded theory was therefore considered to be the most appropriate as is useful in processing non-standard data (Glaser and Strauss, 1998) and it is particularly good for dealing with transcripts.

#### 3. FINDINGS LEVELS OF EMPLOYEES INVOLVEMENT

#### Case Study: A Zest Cafeteria (Staff Restaurant):

The study revealed that one staff cafeteria ZEST (staff restaurant) for food and beverage, has been carried out within the past 8 months "ZEST" cafeteria.

ZEST, is the name given to the staff restaurant through brain storming at one of the staff council meetings. The staff cafeteria purposely designed for the staff at four season's hotel in London. Four seasons hotel London is located in the heart of London, set back from park lane and overlooking Hyde park of 10 million people covering an area of over 3,626 hectares (14 sq.mi) With roots dating back to antiquity, London branch four seasons has much to offer. The ZEST cafeteria itself is located at the back of house within the property with most of its fixtures and equipment seen as modem and sophisticated for the use of staff exclusively in a cafeteria.

# The organizational characteristics:

An organizations characteristic is normally seen in the type and size of organization. This is seen in its activities either small or big, profit making and non-profit making. Four seasons hotel is an international hospitality company. It has 73 properties in 32 countries. It has its major areas of specialty for business as restaurant and accommodation operation. This means profit making organization with its head office located in Toronto, Canada.

How would you choose to conduct a case study in a staff restaurant it is like an easy question but it is the one that brought about the competitive advantage to the four seasons hotel and as a result, was able to hold the best position in investor in people from 1999-2004, in 2005, had the best UK business hotel, in the same year, had the best hotel in business in UK. Just to mention but a few achievements. When asked what the strategic plan for this property is, he had this to say;

#### The strategic plan:

Manager a has this to say "the strategic plan in four seasons hotel is designed on just one philosophy which says that every employee has the responsibility to treat others as they would want to be treated. Manager B explain further that the companies mission statement is also based on three things and this three things are the people first, product second, and product third. Every manager in charge of a property is given some amount to design an innovation or think of doing something different in his or her department. This plan is expected to be discussed at the general managers meeting once in a year. Secondly, there is a team of staff called staff council within the property which is actually responsible for taking

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most of the decisions that may need to be taken. "Unless otherwise, all strategic plans are carried out by the central management, which is based in Toronto" Manager A said for the past 8 months the four season's employees have been enjoying breakfast lunch and supper in ZEST restaurant, a well decorated and well equipped restaurant with full 3 course meal including special diets and vegetarian meals as well.

The meal service area is designed to provide appropriate temperatures for the cooked foods that are served depending on the traditional temperatures required for the various dishes provided tables and chairs provided are as comfortable as what one can equally obtain in a 5 star hotel restaurant. Television telephones, coffee and self service machines a big cold apartment for assorted drinks, all in the light to provide enough comfort and unique experience for employees to enjoy their break and also have good experience for the buffet service making it possible for each and every ones interest and individual taste to be met, A well designed art work on the walls with lots of creativity in terms of the choice of colour artwork and design at play was created by an employee. However, the case study will elaborate on 15 stages of the innovation processes discussed the literature review, chapter 3.

#### Strategic planning:

Four seasons is dedicated to performing the travel experience through continuous innovation and the highest standards of hospitality. From an elegant surrounding to a caring, highly personalized service one

The deeply instilled four season's culture is personified in its employees and people who share a single focus and inspired to offer great service. Founded in 1960, found a targeted a course of expansion, opening hotels in major city centres and desirable resort destinations around the world currently with 74 hotels in 31 countries and more than 25 properties under development.

The nature of strategic planning in four season's hotel is about empowerment of staff. Four season employees are empowered to make sure that the arrangement of optimum use of resources are fair for all in every department and balanced to meet individual and departmental needs. Specific arrangements agreed in each department should be viewed on an ongoing basis in terms of standards. Services available for staff on any shift both day and night must be managed with care. This is to ensure that services available for staff are on equitable practices and help development within the company. It is believed that the staffs working to this arrangement is trusted to use the opportunity provided responsibly to exhibit their professional commitment to customers and colleagues as well.

#### **Special department:**

The strategic plan according to Manager C, the current manager of the London, property said the corporate members and the investors are responsible for strategic planning in the hotel. However, every manager of each property is given an incentive package to plan and present to management an innovation plan by the close of the year on a specific department for screening. The screening is normally done by the team of managers who are selected from the various properties. When asked whether employees are involved, the manager answered yes because the team is made up of employee representatives.

#### Idea generation and screening:

The idea generation for the ZEST cafeteria was done by the food and beverage manager who served the firm for eight years. On the 411' of January 2007 this buffet cafeteria proposal came up as a recent product at the usual council meeting that is held once every month. The idea came up at one of a number of brain-storming sessions aimed at identifying product development priorities. According to the food and beverage manager, he believed that the company's objectives are based on people, product and profit. And if the firm is to live its vision then there is the need to design the staff cafeteria to merit 5 star hotel statues. The idea was taken to the council meeting and a name had to be selected. Many names came-up and after thorough screening, the staff settled on ZEST. At this stage almost all the employees were involved.

# Other innovated products:

Manager B argued that there are other types of innovation that may be particularly unique for a particular department. This may not be as big as others but do exist.

Bits and pieces of things alleged to be innovations peculiar to four seasons properties. In view of the corporate mission statement it is important to note that innovation is part of the strategic planning process, since it states that it performs travel experience through continuous innovation. This is demonstrated in the eye pods introduced into the shower rooms.

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The florist changes the floral arrangement weekly staff uniforms are designed by themselves through the standard specifications given by management on staff appearance and policy on uniforms. And at the various stages, employees are involved in the various departments

#### **Concept testing:**

This concept testing requires that the surviving ideas are expanded into filly fledged concepts. This is true especially if there is significant element of service element such developments should be in line with the company's own customer contact personnel.

In the case of ZEST cafeteria with regards to concept testing, since the cafeteria innovation was not meant for commercial gain. There was no concept testing. But once the instructional design was mapped out the forecasted design team made up of line managers estimated the cost of the project.

This instructional stage was aided by the personnel manager, the engineering team, and the finance department. These three departments were involved in the concept testing and were supported by the small teams from the various departments.

#### **Business analysis:**

The analysis carried out was done by employees made up of the engineering team within the property. At this stage, there is the need for technical inputs to be made therefore, the engineering department took over the analysis concerning what equipment to buy and where it should be fixed for a example At this stage most of the kitchen and restaurants employees were involved.

#### **Project authorization:**

The authorization of the idea generated on the staff restaurant, "ZEST" was authorized by the management team. The management here refers to people with managing status within the property. This project is to be jointly implemented by the staff council and the authorization by the board of directors. The design testing stage could not be made public because the type of innovation is not directly for commercial gain. However, the equipment and the service had to be tested in house, showing employees parts and processes through which the machines regarding how the new service provider equipment could be used effectively and efficiently. At this stage few employee representatives were involved. But indirectly, internal research was carried out through the chef in charge of the cafeteria to testify whether the staff patronage of the facility was positive there was positive response. This indicated that the idea of introducing ZEST to staff was a step in the right direction.

# **Concept test:**

This next stage in the development process is a research technique designed to evaluate whether a prospective user understands the idea of the service proposed or, reacts favourably to it and feels it offers benefits that answer unmet needs. This can be done talking directly to the users or the closest to the user- customer contact staff. Since this cafeteria is not a commercial product or service there was no concept testing.

#### **Training:**

At this stage, general orientation and training had to be given to all employees concerning the use of the new equipment at the restaurant. This is because in this particular stage, the innovation concept is to give the true sense of belongingness, and also the employees to have 5 star first class staff restaurant feel. This gesture goes to confirm what the aims of the organization says. However, the training was conducted by the engineering team and the head chef. The aim of the firm and its philosophy explains that if their employees are treated well it will be passed on to the guests. This has actually reflected the firm's corporate goals, people products and profit and the order of preference which signals that the firm is indeed happy to invest in things that concerns staff.

#### Launching reviewed:

The innovation process was reviewed, and the position of some equipment had to be changed for example the position of the disposable caps telephone locations within the restaurant were turned around the position of the hand set also received different location the meal planning process was also reviewed to suit what the night staff can eat whiles on duty at night.

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#### How successful is the innovation:

How successful the innovation was; I think the innovation was successful because the staffs have confessed that the quality of food and the service experienced currently comparatively to the past is about 78% as against 40% in the past and then the staff where people feel empowered and free to try new things." The table bellow gives a summary of the stages at which managers and employees are involved in the innovation process. Stages in the Process, four seasons hotel Park Lane. Table 2 summarizes the level of managers and employees involvement at each state of the process.

# 4. CONCLUSION

The notion of employees' involvement in innovation process is about 90% comparatively to managers of just about 10%. Initially, the taut of management being involved more than 10% was very high. But the research has shown that the opposite is rather true. The findings have also shown that, firms do not have formal research and development departments instead they turn to rely on creative entrepreneur and living innovation personnel or generating innovation culture, in which new ideas are encourage. It is therefore, not unusual for the hotels studied, to exist within a research department While both characteristics of the cases studied in the hotels revealed that about 90% of the stages involved team work with employees inclusive, the idea generation still rests in the hands of line management. Nevertheless, the over whelming impression to be gained between the literature and finding is that, though the literature model has 15 stages, each case study has adopted the module in a flexible motivation and team building strategy. However, both hotels have adopted 11 stages out of the 15.

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# **APPENDIX - A**

**Table 1: Interview details** 

Friday 20 <sup>lh</sup>	Jul:	1:00pm	Hotel A	Manager A	60 minutes
Friday July	20 <sup>th</sup>	2:00pm	Hotel A	Employee B	60 minutes
Friday July	20 <sup>th</sup>	3:00pm	Hotel A	Employee C	60 minutes
Friday July	20®"	3:45pm	Hotel A	Employee D	45 minutes
Monday August	23 <sup>rd</sup>	1:00pm	Hotel B	Manager E	60 minutes
Monday August	23 <sup>rd</sup>	2:00pm	Hotel B	Manager F	60 minutes
Monday August	23 <sup>rd</sup>	3:00pm	Hotel B	Employee G	60 minutes
Monday August	23 <sup>rd</sup>	3:50pm	Hotel B	Manager H	50 minutes
Monday August	23 <sup>rd</sup>	4:50pm	Hotel B	Manager I	50 minutes
Monday August	23 <sup>rd</sup>	5:50pm	Hotel B	Employee J	50 minutes
Monday August	23 <sup>rd</sup>	6:20pm	Hotel B	Employee K	40 minutes

Table 2: Summary of the level of managers and employees involvement at each state of the process

Stages in the process	Manager A	Manager B	Manager C	Employee D	Employee E	Employee F
Strategic planning	$\checkmark$	<b>/</b>	$\overline{}$			
Special Department			$\overline{}$		,	,
New product/service	/	/	<b>/</b>	/	<b>√</b> ,	$\overline{}$
Screening ideas	V,	<u>.</u>		<b></b>	V	<b></b>
Concept testing	$\overline{}$	$\overline{}$	/		$\overline{}$	
Business analysis	$\overline{}$		$\overline{}$	$\overline{}$	$\overline{}$	/
Authorization	<b></b>	<b>\</b>	-	-	-	-
Testing the design	$\vee$	<b>/</b>	<b>/</b>	$\overline{}$	$\overline{}$	$\overline{}$
Marketing/testing	-	-	-	-	-	-
Personal training		$\overline{}$				
Launching of product/improved/success						