UNIVERSITY OF UVA WELLASSA LIBRARY
Uva Wellassa University

Part C – Essay Questions

Answer **only two (02)** questions from **Part C** including question number **one (01)**.

Marks allocated for part C: 50

Carefully study the following case and answer the question given below.

How Ritz-Carlton Stays At The Top?

An interview with Simon F. Cooper, president of the Ritz-Carlton Hotel Company

Ritz-Carlton has become a leading brand in luxury lodging by rigorously adhering to its own standards. It is the only service company in America that has won the Malcolm Baldridge National Quality Award twice, and *Training Magazine* has called it the best company in the nation for employee training. Its unique culture starts with a motto: "We are ladies and gentlemen serving ladies and gentlemen." One of its remarkable policies is to permit every employee to spend up to $2,000 making any single guest satisfied. Ritz-Carlton codifies its expectations regarding service in "The 12 Service Values," "The Credo," "The Three Steps of Service," "The 6th Diamond" and other proprietary statements that are taught to all 38,000 employees throughout 73 properties in 24 countries. Simon Cooper, who has led Ritz-Carlton for the past eight years, talks about what makes Ritz-Carlton, well, the Ritz.

Forbes: What is the Ritz-Carlton model?

Cooper: We focus on three fundamentals. First, location--making sure we get absolutely the best location, where our luxury customers want to stay. Second, product--building the right physical product for what our guests want today and what they will want tomorrow, which means an investment of between $500,000 and over $1 million per room. That's the platform. Third, people--our ladies and gentlemen serving ladies and gentlemen. They animate the platform. But you must get the first two right. If you're not in the right location, or if you don't have the right physical product, then employees, ladies and gentlemen, can only do so much.

How do you ensure everyone is on the same page?

We use what we call "lineup," which is a Ritz-Carlton tradition. The concept comes from the early restaurants of France, where the chef got his whole team and all the waiters and waitresses and the maitre d' together at 5:30 in the evening. It's a sort of round table. Everybody is there. The chef communicates what they are going to be serving. For the Ritz-Carlton, we want every single hotel, everywhere in the world, every partner, every shift, to utilize lineup, which typically takes around 15 minutes every day. Part of the lineup everywhere around the world is a "wow story," which means talking about great things that our ladies and gentlemen have done. That is a wonderful training and communication tool, where every department layers on the department message. And it's based on having the same message everywhere, every day, and then each hotel layers on its own message. (9)

How do the ladies and gentlemen focus on service?

We entrust every single Ritz-Carlton staff member, without approval from their general manager, to spend up to $2,000 on a guest. And that's not per year. It's per incident. When you say up to $2,000, suddenly somebody says, wow, this isn't just about rebating a movie because your room was late, this is a really meaningful amount. It doesn't get used much, but it

displays a deep trust in our staff's judgment. Frankly, they could go over that amount, with the general manager's permission.

The concept is to do something, to create an absolutely wonderful stay for a guest. Significantly, there is no assumption that it's because there is a problem. It could be that someone finds out it's a guest's birthday, and the next thing you know there's champagne and cake in the room. A lot of the stuff that crosses my desk is not that they overcame a problem but that they used their $2,000 to create an outstanding experience.

There are stories about hiring a carpenter to build a shoe tree for a guest; a laundry manager who couldn't get the stain out of a dress after trying twice flying up from Puerto Rico to New York to return the dress personally; or when in Dubai a waiter overheard a gentleman musing with his wife, who was in a wheelchair, that it was a shame he couldn't get her down to the beach. The waiter told maintenance, who passed word, and the next afternoon there was a wooden walkway down the beach to a tent that was set up for them to have dinner in. That's not out of the ordinary, and the general manager didn't know about it until it was built.

As chief executive, how do you manage your day and your staff?

To manage my staff, I value everyone's opinion and listen to the pros and cons of every issue, but at the end of the day, the decision rests with me, and we move on to the next topic. As Harry Truman said, the buck stops here.

What is the key to building a successful corporate culture?

A culture is built on trust. And if leadership doesn't live the values that it requires of the organization that is the swiftest way to undermine the culture. No culture sticks if it's not lived at the highest levels of the organization. It takes an extraordinarily long time to build a culture.

01.

i) Discuss the techniques to be employed for a strong service management programme in a hospitality organization. (06 marks)

ii) What are the fundamentals for a successful model of a hospitality business? (06 marks)

iii) Explain the technique Ritz Carlton has employed to make sure every employee is contributed to the daily operations. (06 marks)

iv) Discuss the Ritz Carlton's approaches to focus on service by its all staff. (06 marks)

v) Explain how an organization should build up a service culture. (06 marks)

02. Discuss the current issues and challenges faced by hospitality industry. (20 marks)

03. Carry out a SWOT analysis for Uva Province for a successful operation of tourism and hospitality industry. (20 marks)

04. i) Discuss the characteristics of hospitality service with appropriate examples (10 marks)

ii) Discuss advantages and disadvantages of cruise tourism. (10 marks)

b