



**HTM 345: Customer Service Management**

Fourth Assignment (20 Points)

*Case Study (from Chapter 7): Jubilee Hotels Corp.*

Jubilee Hotels Corp. was having problems with negative worker attitudes and low productivity at its Hartwell, Alabama, hotel. To turn things around, JHC decided in 2016 to change the operation of the Hartwell hotel completely. The hotel would be run with a minimum of supervision. The employees themselves would take over such traditional management prerogatives as making job assignments, scheduling coffee breaks, interviewing prospective employees, and even deciding on pay raises.

The new system eliminated several layers of management and supervisory personnel and assigned three primary areas of responsibility—front desk, housekeeping, and office duties—to self-managing teams of seven to fourteen workers per shift. The former middle managers, divided among the primary areas, retained some supervisory authority but had not nearly as much as before. The workers rotated between the dull and the interesting jobs. The teams made all necessary management decisions.

For several years, the new system was a success in many ways. Unit costs decreased by 10 percent compared to costs under the old system, translating into a savings of \$2 million per year. Turnover dropped to only 5 percent. Quality of work life and economic results were good.

Notwithstanding the plan's success, in 2017 the hotel began the transition back to a traditional organizational and management system, as an accompaniment to a major expansion. JHC introduced more specialized job classifications and more supervisors, and they reduced opportunities for employee participation. The company added seven management positions to the hotel, including controller, engineering manager, and services manager. Management took back the right to make decisions about pay raises.

Professor Andrew Stubbs analyzed what had happened at Hartwell for his hospitality class: "The basic problem was that in this functional organization, many managers became nervous about what functions they could perform after the hotel workers themselves were given so many responsibilities. In addition, they resented being left out of things; upper-level management's enthusiasm for enriching the jobs of the workers didn't take into account the feelings of the middle managers. Where was their enrichment?"

**Question 1. Do you agree with the professor's assessment of what went wrong? (5 Points)**

**Question 2. What does the Jubilee Hotel experience tell you about applying work-team, enrichment, and incentives principles in real life? (5 Points)**

Additionally, after you carefully read the chapter 8, please write your answers to the below questions:

**Question 3.1. Name some ways or situations in which guest involvement in the co-production of a restaurant experience can be useful to the organization. (3 Points)**

**Question 3.2. What KSAs should restaurant guests have to be successful co-producers? (4 Points)**

**Question 4. Name some ways or situations in which guest involvement in the co-production of a restaurant experience would not be useful or might be harmful to the organization. (3 Points)**

Note)

- As per the question 1 and 2, please limit your answer with less than 400 words, whereby your answers should be less than 300 words for the questions 3.1., 3.2., and 4.

Please Note