

ion, being over 2000 km
k of social activities and
election and the promo-
up with financial incen-
ce, 'less than 50 per cent
of employment' (Sims,
t ARRC revealed a per-
ff and a 'very unstable
as 23 years. Thredbo's
34.6 years and a lower
ation has a local labour
ally for the high seasons,
labour turnover if resorts

to three isolated winter
Creek and Mt Buller, and
culture that could be seen
d if it would help to over-
Specifically he examined
ment and climate, escape
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e variables only working
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untarily terminate his/her
staff were found to be the
gests that older and core
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ic implications being that
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efore emphasize different

lton Company, US

importance of human rela-
experience of the Ritz-
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2 and has now won it a
d is nice, to paraphrase

Shakespeare, the process is the thing' according to Partlow (1993: 16), so that is what will be examined here.

The Ritz-Carlton Hotel Company is a management company offering a traditional luxury hotel experience that has European roots. It has embraced the Malcolm Baldrige commitment to TQM as a way to get to the top and stay at the top of the luxury hotel and resort sector. It has used the categories and certification criteria of the Baldrige Award scheme as its road map for quality improvement, not just to compete for the award and prestige it brings but also to improve its business and to keep ahead of the competition. Now it is no longer just a hotel or resort business, it is in the development business by adding 'the residences at the Ritz-Carlton' (private residential units) as well as 'The Ritz-Carlton Club' (fractional ownership residences). But given the human relations emphasis of this chapter we will focus on those aspects of its success with TQM.

The Ritz-Carlton Hotel Company operated 36 hotels (25 city hotels and 11 resorts) worldwide in 1999 when it won its second award, a figure that has increased to 58 operations worldwide with its own enlargement and partnership with Bulgari Hotels. It has over 27 000 employees and 85 per cent of its staff are front-line employees. This diverse company is able to deliver customer satisfaction to guests and staff alike, as indicated by the following reported highlights:

In an independent survey, 99 per cent of guests said they were satisfied with their overall experience; more than 80 per cent were 'extremely satisfied'.

(Mene, 1999: 2)

Since this improvement effort has begun we reduced our employee turnover from 80 percentage points to the middle 20s, and that's in an industry that runs at around 100 per cent.

(Schulze quoted by Green, 2000: 2)

How it has achieved such milestones is examined below.

Leadership

TQM required leadership commitment from senior executives, general managers and middle management to succeed because it involves a transformation to the normal way of doing business. 'A focus on customer satisfaction must be built into the management processes of the organization and supported through an integrated system of information