

# The effect of employee empowerment on service quality in foodservice firms

Hong Anh Duong

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The aim of this study was to examine the effect employee empowerment has on service quality in food service firms.

The theoretical background explained in detail how service quality is defined and managed in food service firms, the meaning of employee empowerment and its various forms, and the theoretical effect employee empowerment has on service quality. It also suggested strategies derived from academic sources that were considered efficient for implementing a successful empowerment culture in food service firms.

Exploratory research, a qualitative method and semi-structured interviews were employed to collect the required information for this study. In addition, purposive sampling and convenience sampling were used to select the interviewees who were relevant to the research questions and were willing to participate at the time of the visit, in this case, restaurant managers.

The results revealed that restaurant managers hold different perspectives on service as well as the way they kept track of it. "Employee empowerment" was still a quite new concept to the majority of the interviewees although there already were some empowerment initiatives exercised in these organisations. Besides, the result showed that employee empowerment seemed to add to service quality more positive effects than negative ones, which was complementary to the literature review in the thesis. Finally, the researcher also recommended some effective methods for restaurant managers to implement a successful empowerment culture in order to improve their service quality.

Keywords/tags (subjects)

Quality, service quality, employee empowerment, forms of employee empowerment, food-service industry, exploratory research, qualitative research, semi –structure interview.

Miscellaneous

**Abstract** 

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#### 1 INTRODUCTION

Providing quality is considered to be an essential part of any operation since it can bring to that organisation a positive impact on profit, operational efficiencies and more loyal customers (Davis, Lockwood, Alcott & Pantelidis 2012, 337). In addition, it is generally accepted that the two most valuable assets a business has are its brand and its people; even though they hardly appear on its conventional balance sheet. Hardy (1990, 257) argues that it is the people who create, develop and maintain the brand meaning people should be the company's No.1 asset. Based on those statements above, it is reasonable that strategic human resources management is a means of gaining competitive advantage through one of the most important assets: its people (Richard W. 2001, cited by Memon et al. 2009). Since the food service industry is seen as labour-intensive, the employees' contribution to create and deliver quality for customers is definitely significant. Employers, therefore, should thrive to engage their employees into the process of improving quality. Consequently, the researcher felt the need to gain an insight into how human resources management practice, particularly employee empowerment, can affect servive quality in foodservice industry.

The aim of this thesis is to examine the effects employee empowerment can have on servive quality management in restaurant firms by gathering information from academic resources and from professionals of the industry. The aim will be supported by the following objectives:

- To gain an understanding of how service quality is defined and managed in foodservice firms.
- To investigate the meaning of employee empowerment and its various forms.
- 3) To assess the effect employee empowerment has on service quality in foodservice firms.

4) To suggest strategies considered as efficient for implementing a successful empowerment culture in foodservice firms.

Exploratory research, a qualitative method and semi-structured interviews were employed to collect he required information for this study. In addition, purposive sampling and an element of convenience sampling were used as the researcher selected the interviewees who were relevant to the research questions and were willing to particiapte at the time of the visit, in this case, restaurant managers. All of the interviewees were working for restaurants located in the Jyväskylä area.

#### 2 SOME FACTS ABOUT THE FOODSERVICE INDUSTRY

The foodservice industry has always been an important part of the hospitality industry in terms of providing of food and beverage away from home. It can be divided into two main categories one of which is more profit oriented; while the other focuses more on cost provision as shown in Figure 1 below. Nevertheless, it is important to understand that that these foodservice operations are designed for the demand people have at the time rather than for the type of people they are (Cousins, Foskett & Pennington 2011, 11). In other words, the same person can choose to visit whatever food and beverage venue depending on what he or she needs at that moment.

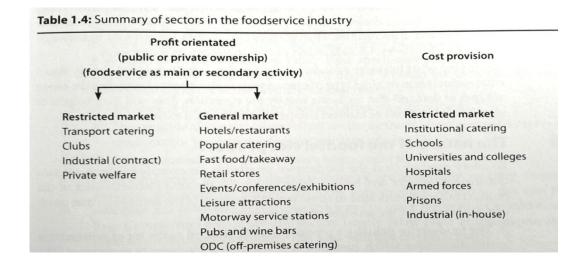


Figure 1: Summary of sectors in the foodservice industry (Cousins et al. 2011, 11)

Furthermore, this industry is seen as a labour-intensive industry which has a combination of core staff and large numbers of temporary employees who are often students, young and/or female (Hotelmule 2009). Especially, the hospitality industry in general and the foodservice sector in particular have played an important role in providing many young people with their first employment experience, allowing them to enter the working world with vital experiences and trainings (The Hospitality Sector in Europe, 2013). Some key requirements for staff in the food and beverage sector suggested by Cousins et al. (2011, 164) include sound product knowledge, competence in technical skills, well-developed social skills and the ability to work as a part of a team.

In addition, it is important to know the challenges that this industry are facing. According to the Global Restaurant report published in January 2013, rivalry in the restaurants industry is fierce due to the presence of large, multinational restaurant chains, and the lack of differentiation between foodservice outlets. The consumers of this industry are individual customers, who are usually large in number and lack financial muscle (Global Restaurant 2013). Consequently, they can easily switch from one service provider to another without suffering high switching costs. During difficult financial times, people can even cut down their expesenses on food and drinks because they just see it as a leisure activity (Global

Restaurant 2013). Furthermore, home-cooked meals together with an increase in snacking and 'eating on the go' culture and alternative leisure pursuits such as movie and theatre going also contribute to the threat from substitutes which can reduce the number of formal meals the consumers have in restaurants (Global Restaurant 2013).

Besides, the fact that customers' demands are constantly increasing in regard to quality improvement of products and services also poses difficulties for enterprise to ensure their sustenance and growth. Dale, Wiele & Iwaarden (2007, 3) points out that quality is not only considered a competitive weapon it once was but also is now regarded as a given requirement and an entry-level characteristic to the marketplace. Therefore, the quest for effective quality management has become a top-most objective desired for managers today.

#### 3 QUALITY IN FOODSERVICE INDUSTRY

#### 3.1 What is quality?

The term 'quality' is a familiar word and can be used in a variety of ways to mean a variety of things. The challenge in defining quality is that it is a subjective concept such as beauty and that everyone has a different definition based on their personal experiences (Qualityguru.net n.d.). What the providers think is best for their customers may not what the customers desire for; thus, that product or service cannot be perceived as good quality. Therefore, it can be said that quality is all about meeting the customers' expectation. Expectations are implied needs or requirements (Hoyle 2007, 4). This could indicate that when talking of anything using the word quality, it implies the extent or degree to which a requirement is met (Hoyle 2007, 11).

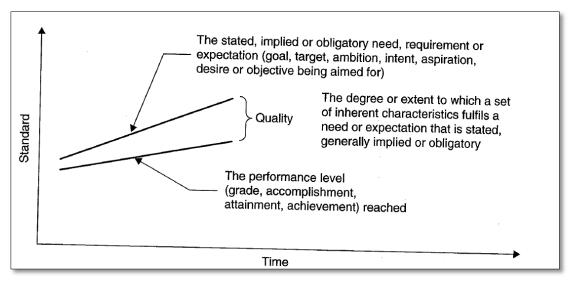


Figure 2: The meaning of quality (Hoyle 2007, 11)

Hoyle (2007, 10) has explains the figure 2 in three points:

- Needs, requirements and expectation are constantly changing.
- Performance needs to be constantly changing to keep pace with the needs.
- Quality is the difference between the standard stated, implied or required and the standard reached.

Consequently, the closer the gap is, the more possible it is for high quality to be met. Furthermore, it is important to bear in mind that quality should be defined by the customers. If enterprises can understand what quality means to the customer, how the customer defines quality, and try to meet those criteria, they are capable of creating new markets and, perhaps, recapturing others (Suarez, 1992).

#### 3.2 Service quality in foodservice organisation

Likewise, quality in food and beverage operations means reliably providing the food, service and environment that matches with customers' expectations and where possible findings ways of adding value to exceed expectations, with an outcome of delight (Davis, et al. 2012). Service quality is also said to play a critical role in developing a competitive advantage; and organisation should move its focus from what is 'best' produced to what the customer 'wants' (Luoh & Tsaur, 2007; Sureshchandar et al. 2002).

One has said 'quality does not improve unless it is measured' (Sureshchandar et al. 2001b). Having the same thought, Parasuraman et al. (1991, cited by Lashley 1997) proposed that service organisations need to be much more systemetic about capturing their customers' expectations of the service. Therefore, he and his co-authors developed a conceptual model of service quality and the SERVQUAL questionnaire comprising of a 22-item scale to measure service quality. By using this model, service providers can acknowledge the differences between customer's expectations and their experiences from which the strengths and weaknesses of service delivery process are indentified (Lashley 1997, 154). The serive quality model consists of five major dimensions which are described in Table 1.

Table 1: The five dimensions of service (Parasuraman et al. 1991 cited Lashley 1997, 154)

Dimension	Definition	
Reliability	The ability to perform the promised service dependably and accurately	
Tangibles	The appearance of physical facilties, equipment, personnel and communication materials	
Responsiveness	The willingness to help customers and provide prompt service	
Assurance	The knowledge and courtesy of employees and their ability to convey trust and confidence	
Empathy	The caring, individualised attention provided to the customer	

According to Lashley (1997), three of the above element which are responsiveness, assurance and empathy have a key role to customer satisfaction and are related to employee empowerment. They are concerned with service process and present the opportunity to amaze customers with exceptional promptness, attentiveness, competence, commitment and exceeding expectation. (p.54)

In addition, Sureshchandar et al. (2001a; Sureshchandar et al. 2001b, 116) suggested another five factors of service quality as critical from the customers' point of view and twelve dimensions of total quality service (TQS) for service organisations. In an attemp to identify which TQS dimensions are actually good predictors of the various factors of customer-perceived service quality, the significant dimensions that have been found are the soft issues of TQS such as top management commitment and visionary leadership, human resource management, service culture, social responsibility, customer focus and employee satisfaction (Sureshchandar et al. 2002). Furthermore, a research conducted by Ueno (2007) pointed out seven features that are most crucial for the management of quality in service businesses. They include recruitment and selection; training;

teamwork; empowerment; performance appraisals/ measurement, recognition and reward; communication and culture.

In brief, it is easy to recognise that in service organisations, the human-oriented issues seem to outweight the technology-related issues in delivering high quality service. Consequently, it becomes essential for the management to place greater emphasis on 'high touch' quality management rather than 'high tech' quality management (Sureshchandar et al. 2002). Thus, employee empowerment should be considered as a useful tool to enhance service quality.

#### 4 EMPLOYEE EMPOWERMENT

#### 4.1 Definition

According to Vecchio (2000, 104), employee empowerment refers to a set of motivational techniques that are designed to improve employee performance through an increased level of employee participation and self-determination.

Similarly it is defined as organisational arrangements that give employees more autonomy, discretion and decision-making responsibility (Buchanan & Huczynski 2004, 285). In order words, lower level employees are given more power, responsibility and freedom to make choices about how to perform their job and how to deal with any of their work-related problem, hence influence organisational outcomes. The core of empowerment is to release the knowledge, experience, and motivational power that are already in people but are greatly underutilized (Blanchard, Carlos & Randolph 1999, 6). Furthermore, the management liturature presents two complementary perspectives on empowerment at work which are the social-structural and the psychological perspective. The differences between them are shown in Figure 3.

## Social-structural empowerment approach

- · Macro orientation.
- Behaviour of a supervisor' who empowers his/her subordinates.
- Focusing on the social-structural or contextual conditions such as empowering structures, policies, and practices that enable empowerment in the workplace.

## Psychological empowerment approach

- Micro orientation.
- 'Psychological state of a subordinate' resulting from his/her supervisor's empowering.
- Focusing on the psychological experience of empowerment at work (meaningfulness, competence, self-determination and impact).

Figure 3: Diffrences between the social-structural empowerment approach and the psychological empowerment approach (Spreitzer 2007)

As regards the social-structural empowerment perspective, its aim is to reduce the conditions that prevent employees from gaining access to the organisation's opportunity, information, support and resources that are necessary for them to make relevant decisions on their job or role (Spreitzer 2007). On the other hand, psychological empowerment refers to the psychological state of a subordinate perceiving four dimensions of meaningfulness, competence, self-determination and impact, which is affected by empowering behaviours of the supervisor (Lee & Koh 2001). Ro & Chen (2011, 423) explain the four dimentions as:

The 'meaning' dimension refers to the values of a work goal or purpose, judged in relation to an individual's own ideals or standards. The 'competence' dimension refers to an employee's belief in his/ her capability to perform activities with skill. The 'self-determination' dimension refers to an individual's autonomy in the initiation and continuation of work behaviors and processes. Finally, the 'impact' dimension refers to the degree to which an individual can influence strategic, administrative, or operating outcomes at work. (Ro & Chen 2011, 423).

#### 4.2 Different forms of employee empowerment

Different forms or applications of empowerment are employed by different managers depending on how they interpret the meaning of empowerment, their perceptions of organisational needs and the benefits of employee involvement (Lashley & McGoldrick 1994, 31).

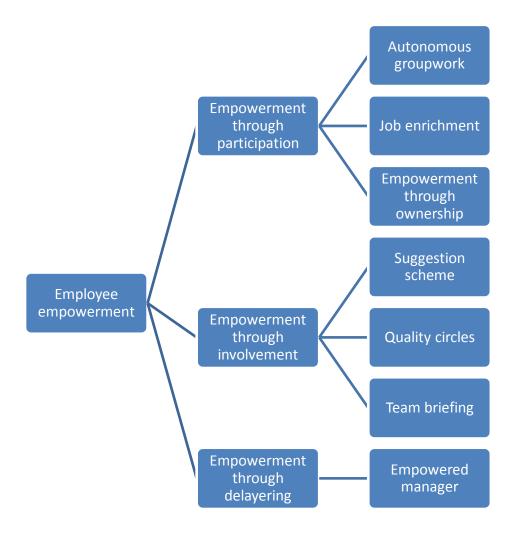


Figure 4: Various forms of employee empowerment

#### 4.2.1 Empowerment through participation

According to Lashley (1995, 50), empowerment through participation presents a number of different forms which involve employees, to varying degrees, in making decisions which would traditionally be made by managers.

The first form is called an autonomous work group or a self-directed team which functions either without an immediate supervisor or under the loose guidance of a supervisor (semi-autonomous) (Lashley 1997, 40-41). Autonomy is the key word here. In an autonomous work group, employees self-organise to complete a task. This includes task allocation, scheduling, ways to improve quality or working methods and in some cases even a decision on revenue expenditure (Lashley 1997). The main point is that employees, as a group or team, are empowered to exercise some form of responsible autonomy, which could enhance work life and productivity (Lashley 1997, 41). Management makes a decision on the team's 'accountabilities' as well as the limits and boundaries within which those empowered operate (Lashley 1997, 41).

The second form of employee participation is said to share several similarities with job enrichment due to the the extension of an employee's authority and responsibility relating to identifying and satisfying customer needs (Lashley 1997). It is different from autonomous groups in a sense that this form of empowerment is aimed at empowering the individual instead of a group. Graham & Bennett (1998, 73) explain that a job is enriched when an employee is given greater responsibility and scope to make decisions and is expected to use the skills not used before. Examples of this form of empowerment include front-line staff giving a reduction on the bills, a free or replacement of meal, a complementary drink or bottle of wine, etc. when complains happen (Lashley 1997, 43). In addition, Lashley (1997,43) mentions that in service organisations, the establishment of a service culture and detailed training programmes in customers service are necessary to guide employeess how to identify and interpret service needs so that

customer problems can be solved right away without reference to supervisor or manager.

Unlike the two previous forms of employee participation, the third one - empowerment through ownership - concerns with extending beyond the task work level. Here employees have an opportunity to comment on, and maybe influence the policies applied at the most senior levels (Lashley 1997, 51). For example, employees can join the company committees and boards through election, appoint or dismiss managers, and hold shares or stocks of the firm, etc. (Lashley 1997; Sagie & Koslowsky 2000, 3). Even though this form of empowerment is representative in nature because not all employees are directly involved, the acknowledgement that their joint interests or concerns are progressed by managers may generate senses of empowerment (Lashley 1997, 51).

#### 4.2.2 Empowerment through involvement

Empowerment through involvement shows manager's intention of gaining employees' experiences, ideas, feedback and suggestions for fault detection, problem solving and service quality enhancement (Lashley 1995, 29). The initiatives dicussing here are sugesstion scheme, quality circles and team briefing. Whereas employees experiencing empowerment through participation can take some forms of decision-making role, here employees experiencing empowerment through involvement carry more of a consultative role and managers continue to make final decisions (Lashley 1997, 56). Nevertheless it is still hoped that employees can feel empowered by involving in various forms of consultation and problem-solving processes.

Staff suggestion scheme is the oldest form of employee involvement (Ahmed 2009, 154). Marx (1995, 16) describes it as a formalised mechanism to encourage employees to think creatively about their jobs and their job environment and to generate ideas for which they will be rewarded on a specific basis, if acceptable and to the development of the organisation. Besides, research has found that employee suggestion systems are beneficial in terms of gathering and utilising employees' constructive ideas especially when innovation and constant improvement plays an increasingly essential role in economic success nowadays (Ahmed 2009, 153). However, the range of issues would typically be limited to output, quality and productivity; and how individual suggestions are handled normally rests with managers (Lashley 1997, 74).

Quality circles involve groups of employees who volunteer to meet regularly to identify, analyse and recommend solutions to common job-related problem usually under the guidance of a supervisor or a facilitator (Lashley 1997, 57). Those who participate in quality circles tend to be more committed to the organisation and have higher self-esteem (Sagie & Koslowsky 2000, 109). Besides, there has been recognition that quality circles can be a useful tool to obtain employees' experiences and suggestions about the changes in customer service needs (Lashley 1997, 58). Unlike autonomous work group, circle members do not have the authority to make decision or implement them since decision-making power stays with the managers (Lashley 1997, 59). However, from an empowerment perspective, quality circles can be seen as a means for establishing employee involvement in the service encounter (Lashley 1997, 58).

As regards team briefings, they provide a mechanism for managers and employees to meet on a regular basis to discuss operational issues, from which consultation and suggestions from employees are collected (Lashley 1997, 60). They can be conducted before/ after each shift, weekly, monthly or quarterly. Team briefings are a direct form of involment since it involves everybody in the firm. Lashley (1997) explains that from an empowerment perspective, team briefings can help

develop a sense of ownership in employees through communication processes which provides targets and feedbacks. Consequently, the ability to make suggestions and have their suggestions introduced will develop pride in employee's work and make them feel empowered. (p.61)

#### 4.2.3 Empowerment through delayering

Delayering is a reduction in the number of levels in an organisation's hierarchy so that the organisation becomes "flatter" and "closer to the customer" (The Economist 2008; Lashley 1995, 30). Some benefits brought by delayering include cutting overheads by reducing administrative costs, making the organisation closer to its customers, less bureaucratic as well as improving communication flows (The Economist 2008; Lashley 1995, 20).

Because the removal of layers of managers often results in unit or junior managers having a wider span of control, it requires them to operate with more responsible autonomy and without direct supervision (Lashley 1997, 87). Empowered managers are also encouraged to act as 'independent' entrepreneurs and to make necessary decisions about service adjustments to suit local conditions (Lashley 1997, 101). Furthermore, the similarity of empowered managers and empowered employees is that they can only make decisions that fit within the scope and domain of their work. To be successful, empowered managers also need to develop essential competences and be convinced that they can make an impact on the firm's performance (Lashley 1997, 101).

## 5 THE RELATION BETWEEN EMPLOYEE EMPOWERMENT AND SERVICE QUALITY

Figure 5 proposes how employee empowerment affects the level of service quality which will consequently lead to profitability.



Figure 5: The linkage between employee empowerment and profitability.

To begin with, customers' unsatisfactory definitely prevents company from improving revenue as well as obtaining higher margins. Figure 6 below highlights some quantitative facts about customer service emphasising the importance of customer acquisition and retention.

- If 20 customers are disatisfied with your service, 19 won't tell you. 14 of the 20 will take the service elsewhere.
- Dissatisfied customers tell an average of 5 people about their positive experience; 12 percent tell up to 20 people.
- Satisfied customers will tell an average of 5 people about their positive experience.
- It costs five times more money to attract a new customer than to keep an existing one.
- Up to 90 per cent of dissatisfied customers will not buy from you again, and they won't tell why.
- In many industries, quality of service is one of the few variables that can distinguish a business from its competitors
- Providing high-quality service can save your business money. The same skills that lead to increased customer satisfaction also lead to increased employee productivity.
- Customers are willing to pay more to receive better service.
- 95 per cent of dissatisfied customers will become loyal customers again if their complaints are handled well and quickly.

Figure 6: The customer service facts (CMC Partnership Ltd. 1991 cited by Dale et al. 2007)

Concerning the food and beverage industry, customers have become more knowledgeable and sophisticated with boarder expection than ever before which puts pressure on foodservice managers to pay attention to quality (Davis et al 2012, 337). The heterogeneous characteristic of service presenting in every service encounter requires employees, especially frontline staff, to be adaptive in responding to the needs of the consumers (Hocutt & Stone 1998; Ro & Chen 2011). Meanwhile, because the inseparability characteristic emphasises the mutual interaction between customers and the service deliverer, as well as the environment and other consumers; the employees have key roles in shaping

customer perceptions of service quality and satisfaction (Lashley 1997, 151; Chow, Lo, Sha & Hong 2006).

In response to these inquiries above, the theoretical and empirical evidence suggests certain benefits that employee empowerment can bring to service organisation in general and to foodservice organisations in particular. First of all, empowered staff are able to provide guests with prompt responses to service requests, quicker solutions to service failures, bend the rules to please customers, use creativity to please guests, which helps enhance service quality and customer satisfaction (Ro & Chen 2011; Chow et al. 2006). In addition, empowerment is said to create more job satisfaction and self-esteem for the employees, engage them in discretionary behavior aiming at meeting or exceeding guests' expectations in service encounters (Klidas et al., 2007 cited by Ro & Chen 2011). Furthermore, Chow et al. (2006) suggest that the employees will provide better quality service and feel a sense of pride in their job if they are trusted and empowered to solve any guest service issues.

In summary, Gazzoli, Hancer & Park (2010, 58) mentioned that if employees feel a high level of empowerment they would be more satisfied with their jobs and have a better sense of task control, which could facilitate employees' work actions that are required to boost the service quality of their workplace. Thus, empowerment really can be seen as a key determinant of quality of service and customer satisfaction (Chow et al. 2006).

## 6 EMPOWER EMPLOYEES TO ATTAIN HIGH QUALITY IN FOODSERVICE FIRMS

Empowerment seems to be an effective tool for the managers to learn how to minimise control and for the employees to learn how to take responsibility for their work and make appropriate decisions. There are some recommendations to strengthen the empowerment culture.

#### 6.1 Hiring people with a customer oriented-personality

First and foremost, it is essential for employees in the hospitality industry to possess the right personality and love their jobs to deliver exceptional customer service experiences (Ro & Chen 2011). The reason is that the hospitality industry including the foodservice sector is solely about providing services. Each employee, regardless of his/ her role and position, helps deliver that service (Ford et al. 2012, 155). Consequently, empowerment should be given to "empowerable" employees whose skills and attitude can be nurtured to exercise an acceptable and responsible decision making, from which an empowerment culture can be cultivated (Hales & Klidas, 1998, cited by Ro & Chen 2011). Besides selecting appopriate candidates, putting them in the right position is also important since it helps increase the employee's perception of 'task meaningful', thus making them feel confident when carrying out their job duties (Gazzoli et al. 2010).

#### 6.2 Training employees to develop critical skills

Traning is essential in empowerment because it can enhance the employees' perception of 'competence' dimension, which is about the belief in his/ her capability to perform activities, by providing them with the access to opportunity, information, support and resources of the organisation. Especially in the case of service failures, a study by Bitner et al. (1990 cited by Ro & Chen 2011) showed that more than 40% of unsatisfactory service encounters result from employees' inability or unwillingness to respond to service failures. Therefore, the staff should also be trained to make appropriate decisions based on what management expects them to do when such situations (requests or complaints) arise (Gazzoli et al. 2010). Moreover, good service training does not only guide and develop employees' service skills to provide excellent services, but also improves their confidence in the decision making process to deliver high quality service to customers (Ro & Chen 2011).

#### 6.3 Clear and open communication

Clear and open communication of service standards helps the employees understand the service expectations of the particular organisation, and be flexible in providing extraordinary services (Ro & Chen 2011). Service standards are described as guiding frameworks for employees, base on which staff know what is expected from them, what they can/ cannot do, and what behaviors/ actions will be rewarded or punished (Ro & Chen 2011).

Communication also involves sharing leadership vision, goals and direction. By doing so, managers help employees to understand a bigger picture and bring out the possibility of creating new ideas and new solutions (Radin 2010). Furthermore,

once the empowered staffs acknowledge what constitutes a successful and acceptable service delivery, they can do their tasks independently without a close supervision (Heathfield n.d.). Communication and sharing sufficient information also help people feel that they are part of something bigger than themselves and their individual job, which results in better sense of responsibility at work.

#### 6.4 Trusting people and giving good level of freedom

In an empowered workplace, the culture is more trust-oriented and generates a sense of self-confidence and courage (Lashley 1997, 15). Trust requires transparent communication and the belief in people's intentions to do the right thing and make the right decision (Heathfield n.d.). Trusting people is followed by giving them a good level of freedom so they can decide how to do their jobs. Hackman and Lawler (1971, 624 cited by Hocutt & Stone 1998) defined autonomy for employees as "the extent to which employees have a major say in... deciding on procedures to be followed." For instance, in restaurant situations, restaurant workers should be free to "own" the special requests (e.g., inclusion of food items that do not belong to a particular dish) or the complaints (e.g., replace meals, provide new meals or provide complimentary bottle of wine where accidents or complaints occur) (Lashley 1997, 15; Gazzoli 2011).

#### 6.5 Recognition, feedback and rewarding

Good service standards communication and rewards system can provide the employees with a sense of importance of the work that they are performing (Ro & Chen 2011). Furthermore, researchers suggest that empowering employees often results in extra energy, effort and responsibility that people voluntarily invest in

work which needs to be rewarded; otherwise, employees tend to interpret empowerment as an extra duty which increases their workload (Ro & Chen 2011, Heathfieldn.d.). Consequently, an appropriate reward system is important to motivate staff. It also helps them to recognise the "impact" dimenstion which is the perception of the degree to which an individual can influence strategic, administrative or operating outcomes at work (Ashforth, 1989 cited by Lee & Koh 2001). In addition, providing feedback is necessary to let people know how they are performing. Feedback plays a role as recognition and coaching to assist staff to continue developing their knowledge and skills (Heathfield n.d.).

#### 7 RESEARCH METHODOLOGY

In order to meet the aim and objectives of the bachelor's thesis, the following research questions were formed with the help of the literature found about the topic.

- 1) How is service quality defined and managed in foodservice firms?
- 2) How is employee empowerment defined and exercised in foodservice firms?
- 3) What are the effects that employee empowerment has on service quality?
- 4) How to empower employee effectively in order to attain high quality service?

#### 7.1 Research philosophy: Interpretivism

According to Saunders, Lewis & Thornhill (2009, 108), research philosophy contains important assumptions which will be the foundation of the research strategy and its methods. There are four main research philosophies mentioned by Saunders et al. (2009) which are positivism, realism, interpretivism and pragmatism. Especially in case of business and management approach, particularly in such fields as organisational behaviour, marketing and human resource management, an interpretivist perspective seems to be very suitable (Saunders et al. 2009, 116).

Myers (2008, 38) explains that "interpretive researchers assume that access to reality (given or socially constructed) is only through social constructions such as language, consciousness, shared meanings, and instruments". In other words, the study of people is different from the study of physical objects; and reality is interpreted differently by each individual within a specific situation. The difficulty of interpretivist researchers is to enter the social world of research subjects and understand their world from their point of view (Saunders et al. 2009, 116). Since this study concerns the human and social aspects in terms of employee empowerment, specifically the behaviour of supervisor and the psychological state of a subordinate; interpretivism philosophy seems to be the most appropriated choice for this study.

#### 7.2 Research approach

An exploratory approach was employed, which Rakotsoane (2012, 35) describes as "a research designed to gain an insight into a little known situation, phenomenon, thing, community or person". The results of exploratory research tend to present a range of causes and alternative options for a solution of a specific problem, and live room for further researches (research-methodology.net n.d.). Additionally, according to Saunders et al. (2009, 140), exploratory research is often conducted using a search of the literature, interviewing 'expert' in the subject and/ or conducting focus group interview, which is compatable with this study due to the amount of literature reviewed and the in-depth interviews technique employed.

Furthermore, the research approach is divided into two categories: inductive and deductive. In the deductive approach (or "top-down approach), a theory and hypothesis are developed and then tested or confirmed by using an appropriate research strategy. On the contrary, inductive approach (or "bottom-up" approach) is more about collecting data and analysing them to develop a theory, which makes it more open-ended and exploratory in nature (Saunders et al. 2009, 124). Based on the differences between the two approaches shown in Table 2, the study employed an inductive approach, which fits exploratory research, the collection of qualitative data and the study of human behaviour to identify the effect of employee empowerment on service quality.

Table 2: Major differences between the deductive and the inductive approach to research (Saunders et al. 2009, 127)

Deduction emphasises	Induction emphasises
<ul> <li>scientific principles</li> <li>moving from theory to data</li> <li>the need to explain causal relationships between variables</li> <li>the collection of quantitative data</li> <li>the application of controls to ensure validity of data</li> <li>the operationalisation of concepts to ensure clarity of definition</li> <li>a highly structured approach</li> <li>researcher independence of what is being researched</li> <li>the necessity to select samples of sufficient size in order to generalise conclusion</li> </ul>	<ul> <li>gaining an understanding of the meanings humans attach to the events</li> <li>a close understanding of the research context</li> <li>the collection of qualitative data</li> <li>a more flexible structure to permit changes of research emphasis as the research progresses</li> <li>a realisation that the researcher is part of the research process</li> <li>less concern with the need to generalise</li> </ul>

#### 7.3 Qualitative research

It is suggested that the type of research method to be used should be decided based on the research problem, the focus and purpose of the study (Ghauri & Grønhaug 2002, 49). There are two common types of research methods: quantitative and qualitative. Quantitative research is 'explaining phenomena by collecting numerical data that are analysed using mathematically based methods' and is highly structured (Muijs, 2004 p.1). On the contrary, qualitative method refers to any data collection technique (such as interview) or data analysis procedure (such as categorising data) that generates or uses non-numerical data including pictures and video clips (Saunders et al. 2009, 151). Moreover, three major purposes for qualitative research described by qualitative methodologists are to explore, explain or describe a phenomenon. Synonyms for these terms could include understand, develop or discover. (Marshall & Rossman 2006, 33.)

Consequently, on reflection of the research's aim and objectives, qualitative method was employed.

#### 7.4 Time horizon: Cross-sectional

The time horizon of this research study was cross-sectional which only provided a 'snapshot' of the research phenomena at a particular time. It is different from longitudinal study which is more alike to a diary aiming to answer the basic question 'Has there been any change over a period of time?' (Saunders et al. 2009, 156). Because this was a bachelor thesis in nature, there was time constrained set in place by the university which was insufficient to carry a longitudinal study.

#### 7.5 Sampling

Rakotsoane (2012, 58) describes sampling techniques as 'methods by which the researcher can derive a sample from a population'. Sampling can help researcher save a considerable amount of time and money (Ghauri & Grønhaug 2002, 122). There are many sampling techniques among which the researcher of this study decided to use purposeful/ purposive sampling and convenient/ opportunity sampling. They belong to non-probability sampling procedure which usually does not involve random selection as probability sampling does.

To be more specific, in purposive sampling the researcher selects particular elements from the population which will provide the best information to address the purpose of the research (Rakotsoane 2012, 58). As for this study, the researcher samples on the basis of selecting interviewees who were relevant to the research questions, in this case, restaurant managers. In addition, an element

of convenience sampling was used as the researcher interviewed those who were willing participate at the time of the visit. The researcher sent interview invitation letters to approximately twelve restaurants around Jyväskylä area. However there were only five restaurant managers agreed to participate in the research.

#### 7.6 Data collection

An interview is described as "a face-to-face meeting between two or more people where an interviewer asks questions to obtain information from one or more respondents" (Rakotsoane 2012, 55). Qualitative interviewing is also characterised into structured, semi-structured and unstructured. Due to the exploratory nature of the study, a semi-structured interview was adopted. This technique prevents the researcher from losing focus on the research problem during the interview by using a list of main interview theme/ topics and some open questions to be addressed; but still alllows enough flexibility for the researcher to ask subsequent questions and enrich data need to be collected (Rakotsoane 2012, 55; Phillips 1966, cited by Ghauri & Grønhaug 2002, 101).

Specifically, a list of interview questions was generated based on the research questions. It had two main parts. The first part aimed to gather background information of the participants and also to warm up the conversation. The second part aimed to collect important information relevant to the research. Most of the questions were open-ended questions begining with words like "what", "when", "where", "how"and most importantly, "why" so that respondents had to really think and reflect about the questions. In addition to the list of interview questions, a paper explaining briefly about each employee empowerment initiative was created to help interviewees quickly understand them. Then they were asked to choose which empowerment initiatives they had used in their restaurant so far. Based on their answers, the researcher asked subsequent questions related to the

initiatives they chose to gain more details. None of the interviewees knew the questions before the interview started. The interview question list and and the supporting paper can be found in appendix 1 and 2.

#### 7.7 Data analysis process

The purpose of data analysis is to acquire meaning from the collected raw data (Ghauri & Grønhaug 2002, 122). In order to maintain data's accuracy and to analyse it thoroughly, interviews were recorded and transcribed. Each interview was about twenty minutes long. The researcher then used preliminary research questions and the related literature developed earlier as guidelines for data analysis, which was helpful in developing categories or themes and the coding process as suggested by Marshall and Rossman (2006). The process of analysing the data for this thesis followed eight steps suggested by Zhang & Wildermuth (n.d).

- 1. Prepare data or the interview transcripts
- 2. 2. Define the unit of analysis based on interview questions
- 3. Develop categories and a coding scheme
- 4. Test coding system scheme on a sample text
- 5. Coding all the text
- 6. Assess the coding consistency
- 7. Draw conclusions from the coded data
- 8. Report the methods and finding

#### 7.8 Ethical consideration

Research ethics is certainly important in the research procedures in order to avoid causing any potential physical or emotional harm to the participants involving in the research (Rakotsoane 2012, 76). Understanding this problem, before the interviews were taken the author of this thesis tried to inform all the restaurant managers about the purpose and the theme of the interview so that they could decide whether to take part in it or not. The researcher also notified all interviewees that the information they gave would be recorded and used for the interviewer's bachelor's thesis. Their identity and the restaurant would remain anonymous in the report. If the interviewees felt uncomfortable, they had the right to leave the interview at any point.

#### 8 RESULT OF THE RESEARCH

Following the data analysis, the results obtained through the qualitative research, consisting of five semi structred interviews, will be presented in this part. Any themes and patterns that had either been predetermined based on the research questions or emerged during the data analysis were suggested here and also related back to the literature review.

As mentioned above, the interviews took place in restaurants at a range of sizes within the Jyväskylä region. Among the participants, three are restaurant managers, one is a shift manager and the other is a front-of-house manager. Since their job titltes are different, their duties also vary including arranging tables, taking reservation, performing administrative duties and customer service duties. Especially, most of them, to some extent, have to deal with staffing duties such as hiring, training, scheduling shifts and evaluating staff's performance, etc.

The table below lists some background information of the interviewees including the types of the restaurants they work for, their job titles, working years and their main duties and responsibilities.

Table 3: Background information of respondents

	Type of	Job title	Working	Main duties and
	restaurant		years	responsibilities
Interviewee A	Hotel's restaurant	Shift manager	5 years	The general management of the shift/ Take reservations and organise tables/ Order inventory and supply such as wine, coffee, foods, etc/ Take care of the payment and staff payroll.
Interviewee B	Private restaurant	Restaurant manager	1 year	Be responsible for inventory and supply/ Look after the reservations during the day/ Staff scheduling.
Interviewee C	Chain restaurant	Restaurant manager	8 years	Be responsible for the whole operation/ Staff recruitment and training/ Be responsible for the services, the security of the restaurant, and financial target from her boss.
Interviewee D	Lunch restaurant and catering business	Front-of- house manager	1.5 year	Take care of the dining area/ Communicate with the kitchen to make sure there is enough food in the food lanes/ Be responsible for inventory and supply/ Instruct trainees/ Communicate with the clients of the catering business.
Interviewee E	Hotel's restaurant	F&B manager	10 years	Be responsible for marketing, business strategy, finance and some staffing duties.

#### 8.1 Service quality and service quality management

In order to see the link between employee empowerment and service quality, it is necessary to know how restaurant managers understand and define service quality as well as how they manage it in their restaurants. The results showed that service quality still seems to be a confused concept to restaurant managers. One interviewee was not even able to give the answer. Some answers given by the respondents matched with the description of service quality which is about meeting customers' expectations.

"Service quality is based on finding what the customer wants and providing the service that they want and need; taking into account what kind of the dinner or situation it is... Service quality to me means the best kind of service considering what the customer wants and what the situation is."

"It's about the experience the guests have, what they expect, what they experience, how they match."

Other interviewees, on the other hand, explained service quality in a more customer-service oriented way.

"When the customers come, we say hello, welcome people and guide them to the table or show them to the table. The table is elegant or nice to the customers, ask what they need and try to be there for them. If they have special allergy, try to help them through the menu and... so that everybody gets what they want and try to recommend wines...things like that uhm... And when they are leaving, try to find out if they were happy and if there is something when they come next time so we can improve our business and they give us the feedback... so make sure everybody has a nice time, comfortable time."

"It's (service quality) a very important thing. The customers arrive and expect to have a good service with us. And we have certain things that we are required for all the workers...uhm... the minimum things to do when the clients arrives."

Furthermore, all of the respondents agree that human-related aspects are more important than the technology aspect in terms of managing service quality in restaurant business. The main reason they gave is that technology is meant to assist human in doing their job. It is the people who makes the service as well as provide the quality of the service.

"The technology helps you to do your job. It's not the one makes the quality for the service, it's the people."

"We need the technology but if we can't relate one to another effectively, the technology won't help us enough. So I think the human-related is more important. If the customer is here, we can communicate... and when we have the reservation we can talk to him face-to-face and it's easier to understand one another than through the emails and to get the information right."

"The human-related aspects. Because it's always about the communication even when you have the technology to help you."

"We do need them both but of course the human resource is the mainbecause it's the person who makes the service."

Table 4: Methods of managing service quality by interviewees

	Feedback	Allocation of work according to employee's capability	Proper planning
Interviewee A		<b>√</b>	
Interviewee B	✓		
Interviewee C	✓		
Interviewee D			✓
Interviewee E	<b>√</b>		

Interestingly most of the managers interviewed depend on feedbacks from customers as a tool to keep track of service quality. For example, interviewee C explained that the way service quality was managed in the restaurant really depended on who was in charge of the restaurant that day and also on feedback from the clients. They have face-to-face feedbacks, paper and electronic feedback forms. Questionnaire is also sent to customers four times a year. Likewise, interviewee E said three times a year the restaurant got visit from a person form the quality to do the questioning. Meanwhile, there is mystery shopper coming to the restaurant every month to check if the staff exercises upselling and recommendation. She got reports of those. Interviewee B also asks for customers' feedback so he could know how to improve the business. It is easily to see that these three restaurant managers have used this method to identify the strength and weaknesses of service delivery process by seeking the differences between customer's expectation and their experiences. Other interviewees use different technique to manager service quality. Particularly, interviewee A said tasks were given to employees based on their strength so that everybody had an optimal job for them, which assists in maintaining good service quality. Alternatively,

interviewee D thought careful planning beforehand would help to ensure the service quality.

# 8.2 Employee empowerment in practice

The majority of the interviewees seem not to be familiar with the term "employee empowerment". In previous chapter, employee empowerment was defined as lower level employees are given more power, responsibility and freedom to make choices about how to perform their job and how to deal with any of their work-related problem, hence influence organisational outcomes. The answer given by interviewee A is most likely to match thisdefinition.

"Providing people with skills and knowledge or education, training so they can do the best job that they can. And they have a sense of responsibility for what they do. Balance between freedom and responsibilities."

However, other respondents were also able to cover some key elements of employee empowerment such as "freedom", "a sense of responsibility", "feel important", and "decision making ability" in their answers. After that, all interviewees were asked which form of employee empowerment had been used in their restaurants. Interestingly, no one had realised that there already have been some employee empowerment initiatives used in their establishment until the researcher showed them the list of different employee empowerment initiatives. According to their responds, it could be said that job enrichment and team briefing are the most popular mean of employee empowerment. Interviewees' answers were summarised in the table below.

Table 5: Interviewees' responds on forms of employee empowerment used in their restaurants.

	Intervie- wee A	Intervie- wee B	Intervie- wee C	Intervie- wee D	Intervie- wee E
Autonomous groupwork				✓	✓
Job Enrichment	✓	✓	✓	✓	✓
Employee shared ownership			<b>√</b>		
Employee suggestion scheme			<b>√</b>		✓
Quality circles		✓		✓	✓
Team briefing	<b>√</b>	✓	<b>√</b>	<b>√</b>	✓
Empowered manager	✓		✓	✓	✓

#### **❖** Autonomous groupwork

Autonomous group work or self-directed team, which functions either without an immediate supervisor or under a loose guidance of a supervisor, was practiced in the restaurant of interviewee E and D. To be more specific, interviewee D explained that her boss - the owner of the restaurant – did not present at the restaurant everyday and even she was not there everyday. Therefore, everybody in the restaurant has the right to solve the issue whenever it happens so that they do not have to call the owner to ask for solution. As regards the case of interviewee E, she said that as a restaurant manager, she mainly worked in the back-of-house office. Consequently, it is the duty managers who are responsible for the service and its quality. She only gives them the means, information and feedback so that they carry out their job. She also believes her staff acknowledges the mission, vision and exact goal where to go on a daily basis, a month or a year.

Based on their response, employee empowerment through autonomous groupwork has been perceived through an employee's point of view (interviewee D) and through an employer's point of view (interviewee E). On the whole, it can be understood that the restaurant managers have empowered their staff to be responsible for the daily running of the restaurant; and that they can self-organise to complete their task as long as the whole company achieves its target.

#### Job enrichment

Job enrichment is performed in all five restaurants. The most common example that the interviewees gave to demonstrate job enrichment in their restaurants was how staff were given the authority and responsibility to make decisions to solve unusual service requests or customer's complaints. However, the main purpose of job enrichment, according to the respondents, is to deal with complaints as soon as possible. The example included replacing the meal, giving reduction on the bill, a gift card, a free cup of coffee or maybe a whole meal, a complementary lunch ticket, offering a glass of sparkling wine or ice cream for kids if the client has birthday or some special occasions. Of course, if the problem cannot be solved by employees, it will go to the managers.

Additionally, training in customer service, to some extent, is important to help staff deal with service problem quickly without reference to supervisor or manager. The reseach also discloses the fact that there are two different ways of training staff to solve problemused in the respondents' restaurants. The first approach is to provide some sort of guideline to the staff beforehand.

"They are all professional, I trust them to solve the problem and we have the idea of how we solve the problem in our business of course. So we have... uhm... sort of guidline to do whenever there is something to solve this kind of problem and if something is unusual."

"For example, two months ago we had a day when we discuss about the difficul clients, how to behave to them and what can you do. For example, if you pour wine on someone's trouser, what are the means that you can use?"

Alternatively, other respondents referred on-the-job training approach to teach staff how to deal with difficult situations.

"The way I train is I explain along with the situation comes. We do not have any practical guide for training. On the first day they come I explain what to do, things like that and at the same time when we do the things."

"Usually people learn as they go and when the situation comes and they discuss how they sloved such problem."

## Employee shared ownership

Interviewee C was the only one who selected employee shared ownership. The reason is that the retaurant chain she works for belongs to a corporation. Basically the business is owned by the customers as well as the workers who purchase the shares in the ownership of the company. Therefore, everyone has the right to be elected or to vote for the person to be the representative. However, she also mentioned that the majority of employees are young people, and they are not really interested in this.

## **Employee suggestion scheme**

There were two respondents who reported that they used employee suggestion scheme in their restaurants. The managers collect suggestion from employees by using suggestion form like in case of interviewee C, or using a memo book like in

case of interviewee D. Sometimes employees can also give feedbacks and suggestions during meetings which take place at least once or twice a year.

Suggestions from staff can be new meal/ drink/ equipment, or opinion on how to perform the job better.

"At least once a year, I sit down with all the workers to give feedback and get feedback from all of them. We also have this kind of form that we fill in and discuss about the things. ... I told people when they have something in mind, they might forget it soon. They write it down straight away and give that to me so I can collect all these opinions; and because often people are working, they are busy but they think like why this works this way and why it is that way. But if they do not write it down right away, they might forget to tell me."

"We have the machine down stair in the staff cloak room that they can use everyday like "Was it a good day?/ Was it a bad day?/ Why? And I want to improve this and this". Twice a year I discuss with everyone personally, one or two hours: What do you want to do in your life? Was it well in here? How do you feel? How can I help you?"

Besides, when asked how the suggestion from employees would be put into action, the respondents said that they did consider about the suggestions and tried to react to them.

### Quality circles

Interviewee B, D and E confirmed they used quality circles in their operations. As regards interviewee B and D, these meetings take place quite regularly either during work hour or outside work. Usually they discuss about things happening during the day or in the future. They represent a much simpler form of quality circle.

"We talk throughout the day about common things like what has happened and what is going to happen... so there is like constantly the talking and solving the problem".

"We have sort of a close team so we talk quite a lot about things. We meet regularly but it is not that everytime there are the same people. Next time there can be other people and they discuss about other things."

In case of interviewee E, she said there was quality circles meeting taking place every Tuesday where all duty managers met and solved problem if there were any as well as discussed about the business for the coming week. In her case, the meeting's members are the same everytime. However, according to the literature quality circles also need a supervisor or a facilitator who actually did not present in these three cases. Therefore, without this person the quality circles probably cannot achieve its highest effectiveness.

## Team briefing

Together with job enrichment, team briefing seems to be the popular initiative of employee empowerment which is used by all managers interviewed. The frequency and the topics of team briefing vary in these restaurants.

Table 6: The frequency and purposes of team briefing by interviewees

	Frequency of team briefing	Purpose of team briefing
Interviewee A	6-7 times/ year	Introduce new menu or new wine menu To discuss about changes in the menu or wine menu To discuss about current/ future events happening in the city To discuss the latest financial result of the business and what to expect in the future
Interviewee B	4-5 times/ year	Discuss about new menu or new wine menu Anything the employee want to discuss
Interviewee C	6 times/ year	Discuss about menu changes, product promotions and any problem occuring in the business
Interviewee D	Depending on the catering business	Discuss mainly about the catering business
Interviewee E	10-11times/ year	Training on new meals and wines Discuss about the financial resutl of the previous period and the financial goal for the next period. Any issues from the human resources department.

As seen in the table above, operational issues are usually discussed in team briefing, from which employee's opinions and suggestions are gathered. The prominent discussion topic concerns meal menu and wine menu. It is an understandable fact since the menu is considered as the most important selling tool for any restaurant. It acts as a communication channel between the operation and the customers, informing the customers what to expect from the food, the service style and the design of the venue. Consequently, with a proper training on menu, staff can communicate more effectively to the customers such as describing items to them as well as using appropriate service style, which overall will help the customers to have the best dining experience as possible. Other significant topics include the financial situation of the business, any upcoming event, product promotion and human resource issue, etc.

## Empowered manager

Four out of five manager interviewed said they experienced the empowered manager form in their organisation. Actually the empowered managers in this case did not result from delayering because these managers also worked under their senior managers. They all agreed that they are statisfied with the amount of power, freedom and responsibility given to them in order to perform their duties.

"I got to use all the skills that I have and I get satisfaction when I succeed in the thing that I do because the responsibility that I have are typically me so it's really rewarding when succeeding in something."

"I think I can decide quite independently and if there is something I'm not sure, I ask my boss."

"Yes, definitely I am given enough responsibility. Sometimes there was too little time to do thing."

"I think I am empowered and they do give me feedback. The organisation likes the idea of empowerment a lot because they are really good workers. I'm not a good servant. I do not know everything about wine and they do so as long as I work well with the duty managers, it will go well and they love it. They said to me that they were never given so much responsibility and power as they do in here."

# 8.3 The effects employee empowerment has on service quality

Most of the respondents agreed that employee empowerment plays an important role in managing service quality. They emphasised the positive affects of employee empowerment such as motivating staff, helping them to feel more important and enthusiastic about their job, and be able to provide quick solution to problem at

work. Consequently, quality of the service will be improved. This result is linked with the above finding of Gazzoli, Hancer & Park (2010, 58) saying that if employees feel a high level of empowerment they would be more satisfied with their jobs and have a better sense of task control, which could facilitate employees' work actions that are required to boost the service quality of their workplace.

"It's extremely important because when people are allowed to do and bring their personality into their work; and when they feel that they have the freedom and they have the responsibility, people are more like enthusiastic about their job. They sort of feel like they have the right ... or they feel important and feel like they're appreciated; their skills and strength are appreciated. And that's if people feel good and confident about themselves and have responsibilities naturally that they are better people in service. So I think it's really fundamental."

"It keeps the employees happy. It gives them the strength to serve the customers better. And when the employees feel needed, they can serve the customers better, I think. The employees, they are more motivated on the business and on the work, they give more to the customers."

"I think the positive thing is that there can be solution right away for the clients."

"It gives the employees a lot of, like motivation and you feel important.

Give employees energy to work."

"The service quality is better because everyone knows what to do and how to do and I think it is better when you can make the decision yourself and you take the responsibility yourself."

On the other hand, some drawbacks of employee empowerment were also pointed out. For instance, employee does not give a sound decision on how much is needed to compensate for a customer. Sometimes they give too much or too little. Moreover, interviewee D and E said that employee empowerment needs clear communition in terms of the result that manager expects from their staff.

"If it's too much it would be exhausting and insecure if you don't know what to do or how to do; not just give like do this, do that but explain what is the result you're looking for."

"I believe if I have been telling them what I want they do know how to do it.

If they don't, then I did not tell them enough."

# 8.4 Empowering employee effectively to attain high service quality

#### Hiring people with customer oriented - personality

This issue aims to support the use of employee empowerment in restaurants since employee empowerment should start with hiring the right people. The result shows that five managers interviewed have different approaches in terms of hiring new employees; and that a probation period is essential in the hiring decision. To be more specific, interviewee A recruits new employees based on their education in the business as well as the experiences they acquired from their work.

"And for me I feel that if we have someone who educate themselves in the business and plus if they happen to have experiences, it's always to easier and more efficient to... they're empowered more efficiently. And for me it's also the restaurant's benefits if a person has professional opinion and... or sort of a view on things because that gives the restaurant new ideas, new

views because sometimes the situation that... we're sort of doing thing with our eyes closed and we don't change some routines."

Interviewee B explained his boss found potential candidates while visiting other restaurants. This is due to the fact that by observing the worker already doing his/her work, it would be easier to know if that person is suitable for the job in his restaurant. Additionally, there are also walk-in candidates who will be given one or two trial days to see if they can work in the restaurant. As regards interviewee C, she said future employees were often walk-in candidates or workers provided by an outside company. Probation period is also needed to see if they fit in the business. In case of interviewee D, because the restaurant is small with two full time and two part time employees, she has trainees from school to help with the business. Last but not least, interviewee E said she usually trusts her feelings when determining who she would hire. However, potential employees also have to go through four months of trial period.

"I usually trust my gut feelings. Normally I don't want to see the papers like school and work experiences. I just want to meet the person here. If he/she mind is open and speak not too much but not too little then we'll try him or her. Four months of trial period, I think in that time, we'll find out if he or she is the person for us.

# Training employees to develop critical skills

As mentioned in the job enrichment part, training is usually offered when there is a change in menu and wine list. Besides, there are also compulsory trainings about the product, security, etc. for all staff which are required by the company once a year like the case of interviewee C who works for a chain restaurant. Additionally, the company which interviewee E works for encourages employees to learn new skills. They have their own institute providing different kinds of skills such as computing or duty managing. Employees can apply for a certain kind of training.

Sometimes the restaurant manager suggests the training to potential employees who she thinks has the possibility to advance in their career. However, normally the staff have to want the training themselves.

### Clear and open communication

The result shows that it is possible for employees to participate in the decision making process. For example, interviewee A said usually employees can have a voice on pairing the food and the wine. Interviewee C also found there was quite clear and open communication between those working in the restaurant. The staff members are welcomed to share their opinion about certain things which they can decide in the restaurant. However, she is the one to have the last word. In the case of interviewee D, in her restaurant everybody listen to each other's opinion and try to find the best solution to how things should be done. Furthermore, interviewee E encourages her staff to take part in the decision making process by asking them such questions as what they want; whether they like this or this; what the suggestion is. Nevertheless, there are some decisions she makes by herself.

## Trusting people and giving good level of freedom

The result showed that a trust-oriented culture prevailed in those restaurants.

"We know that the entrepreneur trusts us. And we know that if we have something we can go to her. Everyone can present their idea and influence their job pretty much."

"I think we trust each other and if I trust my employees and they can solve the problem. Staff can make decision related to their own work because they are professionals." "There are always standards they have to reach at least but they can work extra as much as possible. And of course they can organise their work, come to work certain time and leave at certain time, they can organise themselves who does this and who does that."

"The study about our working environment here tells us that we did trust each other here. I trust them to make good decisions and my boss trusts me."

## Recognition, feedback and rewarding

According to the information collected from the interviews, it seems that feedbacks are given to employees almost everyday and on a personal level. For instance, interviewee B said he tried to give positive and also negative feedback but in a nice way. As regards interviewee C, she gives feedbacks to her staff personally. However, if someone does exceptionally well they can also be mentioned during the meeting. Interviewee E also provides feedback in private converstion.

Rewarding the staff for their good performance is possible in some restaurants. For example, interviewee A has some waitresses who participate in professional competitions. Most of the time, they have done really well so the restaurant offers them a separate payment or gift as a notice about their performance. In the case of interviewee C and E, there is a reward system by their company which provides several features or criteria for rewarding. Usually the reward is given financially four times a year depending on how much a person can sell and if they sell it actively and meets the required goal. Of course, an employee's work ethics, feedback from customers and mystery shopper's report are taken into account when evaluating staff's performance.

# 9 DISCUSSION

Ojective 1: To gain an understanding of how service quality is defined and managed in foodservice firms.

Generally, the liturature review has provided a thorough understanding of how service quality is defined and managed in foodservice organisation. It is said that quality in food and beverage operations means reliably providing the food, service and environment that matches with customers' expectations and where possible findings ways of adding value to exceed expectations, with an outcome of delight (Davis, et al. 2012). In addition, the information from academic resources also mentioned several techniques to manage service quality, which especialy emphasise the importance of human-related aspect over technology-aspect. After conducting the interviews, the result showed that service quality seems to be a confused concept to restaurant managers. They all agreed that human-related aspect is more important than the technology-related aspects in terms of managing service quality. Different managers use different ways to keep track of their service quality. However, the popular method is to rely on feedbacks from customers or from mystery shopper's reports. This could be seen as a reactive approach to manage the quality because they can only have corrective action after knowing the customers' problems, which is not an effective way to ensure the service quality and sometimes is too late to perform the service recovery. The other two methods, which are about allocating work according to employee's capability and proper planning in advance, seem to be more preventive in nature in order to get service right at first time.

# Objective 2: To investigate the meaning of employee empowerment and its various forms.

As mentioned above, employee empowerment can be defined in two perspectives which are social-structural empowerment and pyschological empowerment. This thesis looks at both directions because the restaurant managers interviewed are not only the employers but also the employees at the same time. Interestingly, the majority of interviewees seem not to be familiar with the term "employee empowerment". None of them had realised that there have already been some employee empowerment initiatives used in their establishment. The initiatives discussed in this thesis include autonomous groupwork, job enrichment, employee shared ownership, employee suggestion scheme, quality circles, team briefing and empowered manager. Among them job enrichment and team briefing are the most popular means of employee empowerment. Furthermore, most of the findings in this study are identical with what previous explained in the liturature review in terms of the way the managers executed those initiatives of employee empowerment in their operations and the effects employee empowerment has on service quality.

# Objective 3: To assess the effect employee empowerment has on service quality in foodservice firms.

Based on the interview result, it is likely that employee empowerment has brought to service quality more positive effects than negative ones such as motivating staff, helping them to feel more important and enthusiastic about their job, and be able to provide quick solution to problem at work, etc. Some drawbacks of employee empowerment were also pointed out. For instance, employee does not give a sound decision on how much is needed to compensate for a customer or the need of clear communication.

# Objective 4: To suggest strategies considered as efficient for implementing a successful empowerment culture in foodservice firms.

Academic resources also suggested several important factors that can help managers empower employees effectively in order to attain high quality service. They consist of recruitment, training, communication, trust-oriented culture, and recognition, feedback and rewarding. There are also some issues arose from the research which will be discussed here. To be more specific, it is said that good service training not only guides and develops employees' service skills to provide excellent services, but also improves their confidence in the decision making process to deliver high quality service to customers (Ro & Chen 2011). In the result of job enrichment, the interviews have disclosed the fact that there are two different ways of training staff to deal with difficult situations used in the respondents' restaurants. The first approach is to provide some problem-solving guideline to the staff beforehand. The second approach is on-the-job training which means staff members learn when the situation comes. The first approach seems to be more effective than the second one because when staff are well prepared, they would feel more confident, response appropriately and promtly to the problem. One of the interviewees also expressed her concern about the onthe-job training technique.

"And I often think that if I know something, somebody should know it as well so I might forget to explain what needs to be done, which can confuse the trainees. It's a problem."

Another issue is that empowerment requires clear and open communication in terms of service standards, leadership vision, goal and direction. The reason is that when staff understands what constitutes a successful and acceptable service delivery, they can do their tasks independently without close supervision (Heathfield n.d.). Throughout the research, it can be said that the communication is quite clear and open in the restaurants participating in the interviews; and that employees can take part in in the decision making process. There are various

communication channels between the managers and the staff disscussed in this thesis such as employee suggestion scheme, quality circle, team briefing and even employee performance evaluation which takes place at least once a year, according to some respondents. The importance of clear and open communication of service standards is obvious. Nevertheless, the researcher discovered that not many restaurants in the research have solid service standards in their operations. Below are the response of some interviewees concerning the present of the standards of the service quality in their restaurants.

"Like a list? Not that kind of list but I try to... uhm... whenever it's needed I remind of the employees what is our standards and ... but we have a small community here and I think everybody understands what our quality is."

"We do not have like a book where everyone learns the right words to do the service; we give our staff that they can use their personality and do it their own way as long as the result is the same."

"We've written down something like things to do in the morning, things to do in the evening, after lunch or during the lunch, those kinds of things. But it's not deeply though."

It does not seem to be an effective way to manage service quality by assuming everybody knows what to do about the service quality. Consequently, the researcher felt the need to develop an explicit service standard guideline to use in these restaurants. With an explicit service standard guideline, staff especially new hires could easily and quickly understand what are expected from them in order to deliver good quality service. Moreover, sometimes current employees can forget about the required standards. Managers could use the guideline to repeatedly communicate the standards to them. Let's take the Prevention Plus programme at Publix supermarket<sup>1</sup> as an example. Bascially Publix created the Prevention Plus

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<sup>&</sup>lt;sup>1</sup> Publix is an American supermarket chain based in Lakeland, Florida where the author currently works for

programme to help its associates to understand shrink and safety issues. Every associate has to complete a five-minute of Prevention Plus every month. The content of the Prevention Plus also differs from month to month. Sometimes it reminds employees about certain service standards such as the "10 feet 10 second rule", which means staff has to greet customers within 10 second and 10 feet, or the importance of a smile to create a welcome shopping environment. Although these servivestandards are small, they still can effect hugely on the service quality. As a result, an explicit service standard guideline can be seen as a preventative action which helps to eliminate potential service failure.

Last but not least, it is said that an appropriate reward system is important in an empowered culture since empowering employees often requires extra effort, energy and responsibility form staff (Ro & Chen 2011, Heathfield n.d.). However, the result from the interviews seems to show that the reward employees receiving from their restaurants did not directly result from empowerment practice but from general employee performance evaluation. To some extent, it is understandable since there are several criteria putting into consideration when it comes to rewarding employees; and empowering employees is a part of it. Larger restaurants such as those interviewee C and E work for probably carry a detailed rewarding programme. However, smaller independent restaurants may not have a thoughrough one.

Generally, it could be concluded that the implementation of these factors was insufficient in order to cultivate an empowerment culture in these work places. Consequently the researcher advised managers to consider adopting the idea of employee empowerment into their human resources culture in order to sustain good service quality.

# 10 ASSESSMENT OF THE RESEARCH

According to Veal and Darcy (2014), validity is the extent to which the information collected by the researcher truly reflects the phenomenon being studied. The reasearch aim which was about how employee empowerment affects service quality in foodservice firms and its four objectives was covered well using a considerable amount of liturarure review and the knowledge of the participants. Besides, the research methods employed within this research directly related to its aim and the issues explored. Consequently this thesis seems to have a sound validity. Furthermore, reliability is described as the extent to which research findings would be the same if the research was repeated at a later date or used a different sample of subjects (Veal and Darcy, 2014). The reliability of this research, however, may be not be sufficient due to the small number of subjects interviewed and whether the business has already employed an empowerment culture or not. Nevertheless the research can still provide promising and solid information that would benefit the readers who would like to pursue this topic.

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# **APPENDICES**

# **Appendix 1: Interview questions**

Thank you very much for participating in this interview. Once again my name is Anh, and the reason I'm doing this interview is that I want to understand how restaurant managers manage the service quality and how they use the concept of employee empowerment as a tool to improve the service quality. The information you give me will be recorded and used for my bachelor thesis. Your identity and the restaurant will remain anonymous in the report. If you feel uncomfortable, you can choose to quit the interview at any point. Is there any question you want to ask me before we begin the interview?

**PART 1:** Warm-up questions and to get some background information of the interviewees

- → What'syou full name, sir/ madame?
- → What is your current position? How long have you been in this position?
- → Could you please desrcibe your main duty or responsibility?
- → Could you please tell me the capacity of this restaurant?
- → How many staff do you currently have?

### PART 2:

Research question 1 "How is service quality defined and managed in foodservice firms?" will be supported by the following interview questions:

- → How do you understand service quality?
- → How is the service quality managed in the restaurant?
- → In your opinion, to effectively manage service quality, which of these is more important, the human-related aspect or technology-related aspect?

Human-related issues (soft-aspect): HRM, service culture, customer focus and employee satisfaction, etc.)

Technology-related issues (hard-aspect): technical system, information and analysis, design, servicescape, etc.

Research question 2 "How is employee empowerment defined and exercised in foodservice firms?" will be supported by the following questions:

→ Have you ever heard about the term "employee empowerment" before? How do you understand it

Then interviewees are given a paper showing different ways of empowering staff. They choose which empowerment form(s) they think they have used in their organisation so far. Based on their answers, the interviewer will ask subsequent questions to enrich data. For example, the interviewees will be asked to give example, to explain how a specific empowerment method works in their restaurants or how staff members are involved in this empowerment method, etc.

Research question 3 "What are the effects employee empowerment has on service quality?"

→ In your opinion, what are the advantages or disadvantages that employee empowerment can bring to service quality? And why?

Research question 4 "How to empower employee effectively in order to attain high quality service?" will be supported by the following questions

Hiring people with customer oriented – personality:

→ How new staff are recruited in terms of "right man for the right job"?

<u>Training employees to develop critical skills</u>:

→ How do you develop staff skills and their performance by training?

### <u>Clear and open communication</u>:

- → How is information communicated to the staff?
- → How do you involve employees in the decision-making process?

# Trusting people and giving good level of freedom

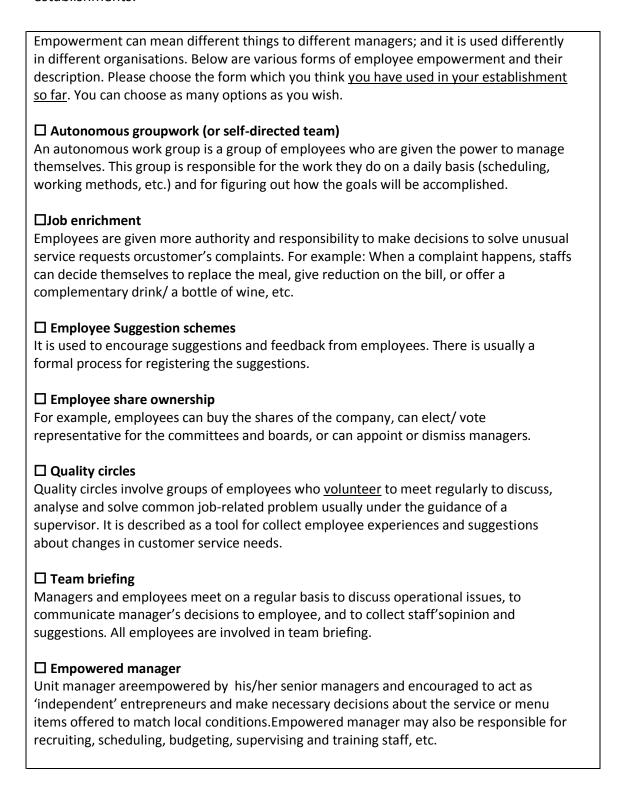
- → Do you think there is a trust-oriented culture in your restaurant?
- → To which extent are staff members allowed to make decisions relating to their own work?

# Recognition, feedback and rewarding

- → How individual performance is evaluated and provided feedbacks?
- → If staff performs well, how is that person rewarded?

# **Appendix 2: Supporting interview material**

During the interview, this paper was presented to each participant in order to help them understand which type of employee empowerment they had used in their establishments.



# **Appendix 3: Interview transcripts**

# Interview script A

Date interview: December 2 2013

QUESTIONS	INTERVIEWEE A	
PART 1		
1. Current position	Shift manager for 5 years (managers of all the waiters)	
2. Main duties and	The general managerment of the shift, what happens	
responsibilities	when she's here.	
	Organsing tables and reservation	
	Inventory: ordering wine, coffee, foods, etc.	
	Background work (logistics)	
	Taking care of the payments, making sure everybody gets	
	their paychecks.	
3. Restaurant's	102 seats (2 dining rooms and 2 cabinets, 1 conference	
capacity	room)	
4. Number of	4 full time workers, 3 part time workers	
employees	Some extra employees during summer, Christmas or busy	
. ,	time.	
	PART 2	
1. How do you	Service quality is based on finding what the customer	
understand the	wants and providing the service that they want and need	
service quality?	taking into accont what kind of the dinner or situation it	
	is.	
	Service quality to me means the best kind of service	
	considering what the customer wants and what the	
	situation is.	
2. How is the	For everyone who's working in the restaurant, the tasks	
service quality	are delegated in a way that everybody has their key	
managed in the	strength in use. All the tasks are divided according to	
restaurant?	that. Everybody has the optimal job for them.	
3. Which of these is	Human-related aspect is more is more important than	
more important,	the technology-related aspect in managing service	
the human-related	quality. It's also about the people who are working, which	
aspect or	is an important resource the restaurant has. The	
technology-related	technology helps you to do your job. It's not the one	
aspect in order to	makes the quality for the service, it's the people.	
manage service		
quality?		
5. Have you ever	Yes, during my study at JAMK	

heard about the term employee empowerment before?	
6. How do you understand it?	Providing people with skills and knowledge or education, training so they can do the best job that they can. And they have a sense of responsibility for what they do.  Balance between freedom and responsibilities.
Job enrichment  a) Could you please give example of this form of empowerment in your restaurant?	a) replace the meal or give reduction on the bill, complementary drink and so on when there is a complain. Everybody has the right to do so. Staff can decide for themselves. Usually they have to discuss with the manager of shift but if I'm busy and they have a situation they need to solve right away, they have the righ to do that so they are empowered.
b) How is your staff trained to solve unusual service requests or customer's complaints?	b) We don't have like manual about how to do, if something happens what to do. Usually people learn as they go and when the situation comes and discuss how they solved such a problem.
Team briefing a) How often do you have team briefings?	a) We usually have team briefing every time menu or wine menu changes so it's about 6-7 times a year or when something is really sudden then we have a team briefing.
b) What do you usually discuss with your staff during the meeting?	b) Usually we discuss what is coming up, let's say, in the next two months or if there big events going on in the city, if there are some renovations coming up or maybe some new equipment or something like that and of course the figures are usually discussed everytime so how things are going and what to expect financially in the future.
Empowered manager a) What kind of the decisions can you make for your restaurant here? And what are the decisions made by more senior	If I have some sort of idea of how to do something more efficiently or more organisingly, I can decide that for myself and I will let everyone know how I'm doing something differently. But I'm not the restaurant managers so I so I have to check with my manager about any big decisions. So I can decide on things about how to make my job easier. Order new wine, for example, check

	<del>,</del>
manager or the	with my senior manager.
head office?	
b) What do you	b) For me, it's really nice. I got to use all the skills that I
think about the level	have and I get satisfaction when I succeed in the thing
of power, freedom	that I do because the responsibility that I have are
and responsibility	typically me so it's really rewarding when succeeding in
that is given to you	something. Someone else might think it's a small thing
as a / to run this	but to me, it's a big thing. So I'm happy with these
restaurant in	responsibilities.
Jyvaskyla area?	
7. What are the	It's extremely important because when people are
effects that	allowed to do and bring their personality into their work;
employee	and when they feel that they have the freedom and they
empowerment has	have the responsibility, people are more like enthusiastic
on service quality?	about their job. They sort of feel like they have the
on service quanty.	rightor they feel important and feel like they're
	appriciated; their skills and strength are appreciated. And
	· · ·
	that's if people feel good and confident about themselves
	and have responsibilities naturally that they are better
	people in service. So I think it's really fundamental.
8. How are new	We recruit all new employees based on their education
staff members	but of course if they have required experience that
recruited in terms	they've been working somewhere else, that's always a
of "right man for	good thing. And for me I feel that if we have someone
the right job"?	who educates themselves in the business and plus if they
	happen to have experiences, it's always to easier and
	more efficient to they're empowered more efficiently.
	And for me it's also the restaurant's benefits if a person
	has professional opinion and or sort of a view on things
	because that gives the restaurant new ideas, new views
	because sometimes the situation that we're sort of
	doing thing with our eyes closed and we don't change
	some routines. But when a new person comes, we feel
	•
	like they have the right to say or 'hey, why don't this this
	way". So recruitment isis as the way that you said is
	usually good to start the empowerment there.
9. How do you	We have training as I mentioned we have our menu
develop staff skills	change 6-7 times a year. Everytime the menu changes we
and their	have wine tasting and food tasting. So training is
performance by	basically and also at the same time we have the team
training?	briefing when we test the wine and the food then we
	discuss the whole pairing and how does it work. They can
	be changed if someone says "this is not working, we
	should do something about it" and we change it.
	1 and the distriction of the state of t

	Employee can have a voice about it. It makes the job of
	the people who decides the wine easier. Everybody will
	benefit from that.
10. Do you think	Definitely, we know that the entrepreneur trusts us. And
there is a trust-	we know that if we have something we can go to her.
oriented culture in	She's an incrediable boss, a really good team leader.
your restaurant?	There's a really trust-based culture.
To which extent is	Well of course we have sort of manual of the service
individual	processbut everyone can take and make it their own. And
employee allowed	if someone has an idea that and if they feel like they want
to make decisions	to do something more or take responsibility about certain
relating to their	tasks, of course they can suggested. But it is always
own work?	disscused together with the manager. Everyone can
	present their idea and influence their job pretty much.
12. How individual	We have a development conversation once a year so that
performance is	the tool to evaluating and feedback is given everyday.
evaluated and	Sometimes is more, sometimes is less.
provided	Ulla evaluates the front of house staff. Head chef
feedbacks?	evaluates the kitchen staff.
If staff performs	We don't have like a system sort of like if I do this and
well, how is that	exceed it and I get this. We have a lot of waitresses who
person rewarded?	are competing in professional competitions and usually
	they've done really well. So they can get separate
	payment or gift or kind of notice about their performance
	but like every day tasks, I can't say there is certain
	rewarding system so It's usually the positive feedbacks;
	we thank each other for the shift, like everyday
	communication.

# Interview transcript B

Interview date: December 3 2013

QUESTIONS	INTERVIEWEE B
	PART 1
1. Current position	Restaurant manager for 1 year
2. Main duties and	Order wine, the drinks, look at the reservation during the
responsibilities	day and try to see the needs of the employees during the
	day, and how many people we need during the lunch/ in
	the evening, make 3 week work list
3. Restaurant's	90 seats
capacity	
4. Number of	8 employees
employees	
	PART 2
1. How do you	I think we have to be happy and When the customers
understand the	come, we say hello, welcome people and guide them to
service quality?	the table or show them to the table to go. And the table
	is elegant or nice to the customers, ask what they need
	and try to be there for them. If they have special allergy,
	try to help them through the menu and so that
	everybody gets what they want and try to recommend
	winesthings like that uhm. And when they are leaving,
	try to find out if they were happy and if there is
	something when they come next time so we can improve
	our business and they give us the feedback and try to be
	so everybody has a nice time, comfortable time.
2. How is the service	(The interviewee seemed to mention it in the question
quality managed in	above.)
the restaurant?	
3. Which of these is	We need the technology but if we can't relate one to
more important, the	another effectively, the technology won't help us
human-related	enough. So I think the human-related aspect is more
aspect or	important. We need both like the cash register, that sort
technology-related	of technology is very important because when the
aspect in order to	reservation comes in the emails and that's very
manage service	important. We don't need the telephone or something
quality?	like that much and but the human-related isand
	also not only with the employees but also with the
	customers. If the customer is here, we can communicate
	and make all the and when we have the reservation we
	can talk to him face-to-face and it's easier to understand
	one another than through the emails and get the

	information vieles
4 Da 1	information right.
4. Do you have any	Like a list? Not that kind of list but I try to uhm
standards for the	whenever it's needed I remind of the employees what is
service quality in	our standards and but we have a small community
the restaurant?	here and I think everybody understands what our quality
	is.
5. Have you ever	Might be not, no.
heard about the	
term employee	
empowerment	
before?	
6. How do you	It likes the uhm try to give a person some sort of
understand it?	different kind of uhmm if you can handle this one and
	he feels himself important and that kind of
	empowerment
	Give them a little bit more freedom and like trying to give
	them if you can handle the wine list, can you handle
	this and this is yoursort of responsibility. Do you like
	this one and you can handle this one, and if you don't
	care that much about that thing, can you handle this one
	and try to be responsible for other kinds of thing. They
	feel themselves ok and needed.
Job enrichment	
a) Could you please	a) They are all professional, I trust them to solve the
give example of this	problem and we have the idea of how we solve the
form of	problem in our business of course. So we have uhm
empowerment in	sort of guidline to do whenever there is something to
your restaurant?	solve this kind of problem and if something unusual
	uhmm Every customer has their own complain so we
	have to read the people: ok, she needs a discount, she
	wants to be served, she's happy just to give us the
	feedback and thing like that so we try to solve the
	problem by reading the customer what she/ he needs
	and try to give him the compensation what the
	customer needs. (Try to give the customer what
	he/sheneedsnot just random compensation.)
	,
b) Can the employee	b) If I or Miko is not here, they can decide it themselves.
decide themselves	If we re working, they come to ask us if this is ok. But
what to compensate	they can decide it themselves as long as the customer is
the customer at that	happy.
time or they have to	
talk to you?	
Quality circles	We have sort of a close team so we talk quite a lot about
adding on oics	things, also at the time when we're working and of
	times, also at the time when we le working and of

	course outside the work occasionally so this quality circle is sort ofuhm we meet regularly but it's not that everytime there are the same people. Next time there can be other people and they discuss about other things
Team briefing	
a) How often do you	a) We have team briefing one or two times/ year.
	ay we have team briefing one or two times, year.
have team briefings?	
b) What do you	b) It depends. Of course everytime we change the menu,
usually discuss with	around 4-5 times/ year. We try to have a small briefing
your staff during the	about the menu, about the wines and if there is
meeting?	something, whatever the employees want to discuss, we
meeting.	
	try to bring it there. Or if Miko wants to discuss
	something with the employees, he brings it there too.
7. What are the	It keeps the employees happy. It gives them the strength
effects that	to serve the customers better. And when the employee
employee	feels needed, they can serve the customers better, I
empowerment has	think. The employees, they are more motivated on the
on service quality?	business and on the work, they give more to the
on service quality:	, , ,
	customers.
	Can't find any bad experience with employee
	empowerment.
8. How are new	I think Miko has recruited all the people when he's eating
staff members	in the area restaurants. "He or she is a good waiter, what
recruited in terms	if you come to work with us". I think it's quite good to
of "right man for	see the worker already doing his work. So you see how
_	·
the right job"?	he/she suits in our business. Of course, we do have
	people coming here with their CV. And we test by let
	them work one or two days and see how you can work
	here.
9. How do you	Not that much. The training is sort of The training about
develop staff skills	the menu and the wine to match with the food.
and their	
performance by	
·	
training?	
10. To which extent	I think we trust each other and if I trust my employees
is individual	and they can solve the problem. Staff can make decision
employee allowed	related to their own work because they are professionals.
to make decisions	
relating to their	
own work?	
	I tru to give the positive feedback and also regetive
11. How individual	I try to give the positive feedback and also negative
performance is	feedback but in a nice way. I try to give feedback right
evaluated and	away or if I hear about things, I try to give it as soon as
provided	possible.
	] I

feedbacks?	
If staff performs	I try to trust my workers and give them the good
well, how is that	feedback and also rewarding is possible (from Miko and
person rewarded?	Johanna)

# Interview transcript C

Interview date: December 4 2013

QUESTIONS	INTERVIEWEE C
	PART 1
1. Current position	Restaurant manager since the end of 2005
2. Main duties and	Responsible for everything: recruit the staff, training
responsibilities	them, the service, clients, security of the restaurant,
	financial and the target from my boss that I need to
	meet.
3. Restaurant's	About 200 seats
capacity	
4. Number of	23-24 employees
employees	
	PART 2
1. How do you	It's a very important thing. The customers arrive and
understand the	expect to have a good service with us. And we have
service quality?	certain things that we are required for all the workers
	the minimum things to do when the clients arrives. There
	are service standards that come from the Rosso chain
	and also from this Keskima, we have this target for
	example, who has the responsibility for like the value
	we have to follow – the way we treat our clients as well.
2. How is the service	It really depends on who is the manager of this day to
quality managed in	make sure everything goes ok and also feedback from the
the restaurant?	clients, they fill in this form or from the internet. 3-4
	times a year we sent questionnaire to the clients, face-to-
	face feedback, twice a month someone send us
	something.
3. Which of these is	The human-related aspect because the clients and the
more important, the	situation is different and it's just important to have
human-related	certain standard but it can be flexible.
aspect or	
technology-related	
aspect in order to	
manage service	

quality?	
5. Have you ever heard about the term employee empowerment before?	Yes, I think I know what you mean.
6. How do you understand it?	How much you give your workers to make their decisions, give them more responsibilities.
Job enrichment  a) Could you please give example of this form of empowerment in your restaurant?	a) When there is a complain, the workers have the right to decide themselves what is required, maybe just a cup of coffee, maybe the whole meal or depends on the situation on how angry or dissapointed the client is, for example. And also if the client has a birthday or some special occasions, the worker can offer a glass of sparkling wine or ice cream for kids or something.
Employee shared ownership	Keskima is owned by all the clients and also the workers pay the share in the ownership. Everyone has the right to vote for the person to be or representatives or if someone wants to be elected. There are many young workers and I don't think they are interested in it.
Employee suggestion scheme	At least once a year, I sit down with all the workers to give feedback and get feedback from all of them. We have this kind of form that we fill in and discuss about the things. I also start to collect I told people when they have something in mind, they might forget it soon. They write it down straight away and give that to me so I can collect all these opinions and because often people are working, they are busy but they think like why this works this way and why is it that way. But if they don't write it down right away, they might forget to tell me.  The meeting is required to be held at least once a year.  1.5 – 2 hours.
In your opinion, to what extent are the suggestions considered by the manager and put into action?	I think most of the things I put into action because it really needs for it and mostly during work you get the idea of how to do things better. I always try to react to this.
Team briefing a) How often do you have team briefings?	a) We had team briefing 6 times/ year. But we decide to have it every month but in shorter ones.

b) What do you usually discuss with your staff during the meeting?  Empowered manager a) What kind of the decisions can you make for your restaurant here? And what are the decisions made by more senior manager or the head office?	b) we discuss everything that the work of the day, the menu change and campaign and if there is a problem we discuss about it, as well as important decisions from upper level manager  a) We can decide how we organise the work here but it has to follow the ruls or the value of the company. The menu is by Rosso chain so it always has to be available but we can always give suggestions we have the local menu as well that we can decide what we serve.
b) Is there any situation when you are allowed to make decision about things which are usually done by more senior managers?	b) I think I can decide quite independently and if there is something I'm not sure, I ask my boss
c) What do you think about the level of power, freedom and responsibility that is given to you as a /to run this restaurant in Jyvaskyla area?	c) I think I have enough power and responsibility
7. What are the effects that employee empowerment has on service quality?  8. How are new staff members recruited in terms of "right man for	I think the positive thing is that there can be solution right away for the clients and personal, because the situation is very different. I think it's a good thing that people can decide but of course there are sort of someone who doesn't do enough or too much when compensate.  I think it mostly quite like the way it should be but I think I and my assisstants know the people quite well so if we know that someone is not so much trusted to make decision so there'll be more control on what he/she
the right job"?	doing.  New staffs are recruited: by making appointment with

	me or sometimes there is this company which provides the workers, they suggest me some persons if I need some workers. And then they come to try the work with us to see if it works.
9. How do you develop staff skills and their performance by training?	Yeah, we have. Sometimes we have, our company has some special trainings: about the products, security, etc. Once a year there is some kind of compulsory training for the whole staff. And then we have our own training here as well: new menu, new product or special events coming.
9. How do you involve employees in the decision-making process and how important decisions are communicated to the staff?	In these meetings we discuss things and have some opinions about something we can decide in our restaurant if we find a solution but I always have the last word in it.
10. Do you think there is a trust-oriented culture in your restaurant?	Yes, I find it's quite trusting.
To which extent individual is employee allowed to make decisions relating to their	There are always standards they have to reach at least but they can work extra as much as possible. And of course they can organise their work, come to work certain time and leave at certain time, they can organise themselves who does this and who does that.
own work?  11. How individual performance is evaluated and provided feedbacks?	We see how much product one person sells, work ethics, the client's feedback. I give feedback daily and during the meeting, we have feedback how people sell and who is the best seller of the month. I give feedback personally, but if someone does exceptionally well we can mention him/her during the meeting as well. Negative things we don't say it in the meeting.
If staff performs well, how is that person rewarded?	We have a reward system adopted from our company and have the same features/ criteria, for example, we have a private system to evaluate how people sell product actively and also the how much we sell and we have certain standards and then every four months we have a look at how much they reach in this restaurant and pay/give bonus.

# Interview transcript D

Interview date: December 3 2013

QUESTIONS	INTERVIEWEE D
	PART 1
1. Current position	Been working here since March 2012, as a supervisor
	nearly more than one year.
2. Main duties and	Make sure everything goes smoothly this side of the
responsibilities	restaurant and if we're lacking of some stuff and we need
	to order, I make a list of what we need to buy and make
	sure there's enough food on this place (the food lane) by
	communicating with the kitchen about what's going on
	and we also have the catering business so I have the
	main responsibility about that with Mika. I contact the
	guests and talk about the event and the party and so on.
3. Number of	2 full time & 2 part time, trainees on and off during the
employees	year.
	PART 2
1. How do you	It's about the experience the guests have, what they
understand the	expect, what they experience, how they match.
service quality?	
2. How is the service	There are quite a lot to do the things right in the way that
quality managed in	they should be done. Once it's well thought before hand
the restaurant?	so when it's happenings, it goes really well.
3. Which of these is	The human-related aspects. Because it's always about
more important, the	the communication even when you have the technology
human-related	to help you. But if there is something goes wrong, you
aspect or	still can save a lot with lika an honest and open approach
technology-related	to the situation: admit it and apologise and try to make
aspect in order to	up whatever it need.
manage service	
quality?	
4. Do you have any	Lunch: it's the same thing go over and over everyday like
standards for the	the thing happens in the same way. Same guests, but if
service quality in	new guests coming and I don't recognise I haven't seen
the restaurant?	before, I try to make good first impression, be extra
	helpful and thoughtful and friendly with them. Regular
	guests already know what they are getting, they have
	their own expectation.
	The catering: that's a little more difficult because each
	event is so different. I try to get as much as detail as
	possible with the clients, how they want things to be
	done.

5. Have you ever heard about the term employee empowerment before?	No
6. How do you understand it?	I guest it has something to do with like encourage your workers to be loyal to the company in a sense and give their best, try to make an effort and try to give something more than the orginal like I come to work, I do my thing and I go home but like try to feel important.
Autonomous groupwork	Mika is the owner and entrepreneur of this company but he's not here everyday. He comes and he goes, so we work here during that day, even I'm not here everyday. But still like whoever is here, we have the right to solve the issue whenever it comes at hand and then we don't have to call Mika to ask what we should we do but we can use our common sense for that specific situation. And also with that scheduling, especially with the catering business. It depends on the schedule of the guests. Depend on when we go there, I can decide when to pack thing, what time I go there, those kinds of thing. It's not so strict in that sense.
Job enrichment  a) Could you please give example of this form of empowerment in your restaurant?	a) And especially, if somebody is unhappy with the lunch and gives the feedback directly, we'll give them a complementory lunch ticket to come back again and we say we're terribly sorry. Usually that helps and shows some kind of effort to solve the situation.  Trainee: usually they ask. It's not like that they have to ask but they're not sure how to do. It also depends on the situation, if they see it happens before then they would know what to do. I also would like to be aware of what going on if there is something happens.
b) How is your staff trained to solve unusual service requests or customer's complaints?	b) When new worker is coming, we tell them how it works. And there is always this this who is the manager for today, for example if I'm not here, there is always someone – my assistants – so if someone is not sure how to do it, they can ask for help. Not specific training, on- the- job learning.  The way I train is I explain along with the situation comes. We don't have any practical guide for training. On the first day they come I explain what to do, things like that and at the same time when we do the things. And I often think that if know something, somebody should

	know it as well so I might forget to explain what needs to be done, which can confuse the trainees. It's a problem. We've written down something like things to do in the morning, things to do in the evening, after the lunch or during the lunch, those kinds of things. But it's not so deeply thought.
Quality circles	We talk throughout the day about common things like what has happened and what's going to happen so there's like constantly the talking and solving the problem and even when we're working, we can just talk and talk. It's kinda like along the job
Team briefing How often do you have team briefings?	That depends. Not everybody is involved. Usually it's me and Mika discsusing about what's happening in the catering business because he's sending the emails to the guests and I kind of deal with the guests after they accept it. So I and him talk a lot and send email to each other. They (Mika informs Jako, I informs Heidi) communicate in different way but we should have more of the team briefing when everybody would be there and hear the situation at the same time. Mainly about the catering business.
Empowered manager	
a) What kind of the decisions can you make for your restaurant here? And what are the decisions made by more senior manager or the head office?	I cannot make any decision that concerns money, how much something costs or like how much the lunch costs, how much some wedding menus costs. Costing is Mika's duty.  No buying equipments
b) What do you think about the level of power, freedom and responsibility that is given to you as a /to run this restaurant in Jyvas area?	b) Yes, definitely. Sometimes too little time to do things.
7. What are the effects that employee	It gives the employees a lot of like motivation and you feel important. If I don't do my job good enough it would ruin the company reputation, causes a lot of damage to

empowerment has	the company. Give employees energy to work, if it's too
on service quality?	much it would be exhausting and insecure if you don't
	know what to do or how to do, not just give like do this
	do that but explain what is the result you're looking for.
8. How are new	Head chef and his assistant were from previous owner of
staffs recruited in	the restaurant. I and Mika started at the same time. We
terms of "right man	used trainees from school.
for the right job"?	
8. How do you	(The interviewee mentioned this in previous question.)
develop staff skills	
and their	
performance by	
training?	
9. How do you	We all, in the sense that we listen to each other's
involve employees	opinion. If somebody say something, someone is against
in the decision-	it, we try to find the best solution about how things
making process and	should be done. It's basically about the daily routine
how important	things. We try to have a meeting at least once a week but
decisions are	they don't have time to do it (to sit down and talk).
communicated to	Decisions can be made between her and Mika, Mika and
the staff?	head chef then they inform it to other people. Everybody
	eventually finds out about the decision but not at the
	same time.
10. Do you think	Yeah
there is a trust-	
oriented culture in	
your restaurant?	
11. How individual	To trainees: give feedback when thing occurs.
performance is	
evaluated and	
provided	
feedbacks?	
If staff performs	Not like you work harder you get raise in salary.
well, how is that	
person rewarded?	
person rewarded:	

# Interview script E

Interview date: December 17 2013

QUESTIONS	INTERVIEWEE E
	PART 1
1. Current position	Food and beverage manager for 10 years
2. Main duties and	Marketing, planning, doing the strategy, economy
responsibilities	(financial) and our staff
3. Restaurant's	120 seats and other restaurants: breakfast, ballroom, 35
capacity	seats
	PART 2
1. How do you	
understand the	
service quality?	(She gave no answer to this question, she said a board
2. How is the service	question, she understand it but unable to explain.)
quality managed in	
the restaurant?	
3. Which of these is	We do need them both but of course the human related
more important, the	aspect is the main because it's the person who makes
human-related	the service.
aspect or	
technology-related	
aspect in order to	
manage service	
quality?	
4. Do you have any	We do not have like a book where everyone learns the
standards for the	right words to do the service, we give our staff that they
service quality in the	can use their personality and do it their own way as long
restaurant?	as the result is the same. And we do want them to sell
	things; they always have to recommend certain articles,
	sometimes what they want to, sometimes what we want to. So the base of the service is recommendation.
	And of course we do want them to sell things; for
	example wine (be able to say something about it,
	recommend it for a certain meals).
5. Have you ever	Yes
heard about the	163
term employee	
empowerment	
before?	
6. How do you	We use it all the time in here because I'm as the
understand it?	restaurant manager, I'm not working here. Mainly the
unucistanu it:	restaurant manager, i in not working here. Mainly the

	duty managers are doing this work and also leading the service quality. In only give them the means and information and feedback to them and they do it.
Autonomous groupwork	In our organisation, I give them like goals and they do know the mission and vision and our values and exact goal where to go to in dailty basis, a month or a year. Of course everyone of our team has their personal goal, it could be something like you have to work with the communication skills or the up-selling skills, things like that but they do manage it themselves.
Job enrichment  a) Could you please give example of this form of empowerment in your restaurant?	a) For example, when a complaint happens they make the decision, I do not because they want to solve the problem right away. If it doesn't work, then the complain goes to me and then I'll try to solve it. But all of them have full authority to give, for example, a meal or a gift card or things like that.
b) How are your staffs trained to solve unusual service requests or customer's complaints?	b) Of course we do that also. For example, two months ago we had a day when we discuss about the difficul clients, how to behave with them and what can you do. For example, if you pour wine on someone's trouser, what are the means that you can use?
Employee suggestion scheme	We have this memo book where they can put their suggestions and of course once in a year we work environment auditing. And we have the machine down stair in the staff cloak room that they can use everyday "was it a good day? / was it a bad day? / Why? And I want to improve this and this". Twice a year I discuss with everyone personally, one or two hours: what do you want to do in your life, was it well in here? How do you feel? How can I help you?
In your opinion, to what extent are the suggestions considered by the manager and put into action?	If they are good and we can manage those, we do them. (The staff are in charge of the restaurant and organising things, if they feel they need more glasses, just go ahead and order it. good Suggest new meal, or drink, we try/taste them if it's, here it goes.)
Quality circles	We have it every Tuesday, our duty managers meet and they solve problems and discuss about the next week.
Team briefing	

- a) How often do you have team briefings?
- a) All the group together like 35 people, 10 or 11 times a year. And in smaller group like the kitchen only/ waiteringstaff like 5 more times. Duty managers like 6 times/ year.
- b) What do you usually discuss with your staff during the meeting?
- b) We train new things (new meals, new wines) we learn those together and we always discuss the last period, how it went, I see the results (finance) of our business very briefly of course to all of the staff (but more concentrate on duty managers). Then we talk about the goals, the next period, what's happening in here and if there's some regards from our staff management. Of course, Keskima is a big company; we have this staff department (HRM).

#### **Empowered manager**

- a) What kind of the decisions can you make for your restaurant here? And what are the decisions made by more senior manager or the head office?
- a) I do all the decision, of course if the dicision is a big one that it changes our work here, I'll tell him, my boss and maybe he'll tell his boss. And if we need a lot of money, I have to have application for that telling how much do we need and for what but all the decisions are made here.
- b) Is there any situation when you are allowed to make decision about things which are usually done by more senior managers?
- b) I can do it.

- c) What do you think about the level of power, freedom and responsibility that is given to you as a ... /to run this restaurant in Jyvas area?
- c) It's quite stressful sometimes because a lot of staff, that's the hardest part. The economy and marketing, they are easy, you just do them, and I'm good at numbers. But the hardest part is leading the staff. You should be, as a manager, really positive and motivating. All the things at the same time so it's stressful but I love it.

I think I have enough power and responsibility, and they do give me feedback. I get feeback from the study that we do with the customers and with the employees. So I know where we are going.

#### 7. What are the

The organisation likes the idea of empowerment a lot

### effects that employee empowerment has on service quality?

because they are really good workers. I'm not a good servant. I do not know everything about wine and they do so as long as I work well with the duty managers, it will go well and they love it. They said to me that they were never given so much responsibility and power as they do in here.

Pros: the service quality is better because everyone knows what to do and how to do and I think it's better when you can make the decision yourself and you take the responsibility yourself.

For me, in this culture sometimes it's difficult because I don't know what happens in here. Because they see everything and then tell me. I always disscus things with the duty managers. Sometimes it bothers me that I don't see the employees working in the weekend and night here. I see them like once/ twice in a month in the meeting. Because I always work daily from Monday to Friday. But if they need me, I'll come but they never need me.

Cons: I don't know. Of course sometimes they do the decisions that are not really good but then they learn. Sometimes I manage to keep my mouth shut, sometimes I have to say something. For example, the setting of the table, they only think it from their perspective: how it is easy and how good thing for them, they forget the customers and the feelings and general layouts. You have to tell them it's not a good decision but then we can talk how to make it a better one. I believe if I have been telling them what I want they do know how to do it. If they don't, then I did not tell them enough.

## 8. How are new staff members recruited in terms of "right man for the right job"?

I usually trust my gut feelings. Normally I don't wanna see the papers like school and work experiences. I just want to meet the person here. If his/ her mind is open and they speak not too much but not too little then we'll try him or her. Four months of trial period, I think in that time, we'll find out if he/she is the person for us.

# 9. How do you develop staff skills and their performance by training?

Yes, of course. We are pro education and training. For example, we ask IFMA the group in Finland where we have our own institute of learning different kinds of skill like computing or duty managing. It is organised by the group. It doesn't cost anything for them.

We don't have to do anything but if you are willing and

	you want to learn more, you can apply for certain kind
	of training. Sometimes I even suggest something
	bacause I can see some person gets the possibility to get
	up in career. But normally they have to want
	themselves. They come to me like I want to study for
	example wines, then together we check the posibilities
	and select one. If our own, it doesn't cost anything. If outside, we pay half of the course.
10. How do you	
•	By asking question: what do you want? Do you want to do it like this or like this? Any suggestions? Sometimes
involve employees in	they can vote like yesterday we vote for our lunch menu
the decision-making	1 .
process and how important decisions	next year. Some decisions I do by myself.
are communicated	Of course there is something we can't tell very early like
to the staff?	business secret but when they are public, we tell them
to the stair:	first to our staff then to the media. You do the
	communication during meetings, also via facebook,
	email. Next year we have a new system called Dori. It's a
	system that every employee gets the shift to their
	mobile phones and I can send the messages to them. Of
	course the old fashion bulleting board are there and
	daily schedule for them when we list when they come to
	work.
11. Do you think	I certainly hope so. The study about our working
there is a trust-	environment here tells us that we did trust each other
oriented culture in	here. I never like be spying here what they do and I
your restaurant?	trust them to make good decisions and my boss trusts
	me. So I hope so and I think so. For most of the time.
12. How individual	In these private conversations, they have their goals
performance is	like they have their own roles in here and own goals. If
evaluated and	you are a waitress you have to sell a certain amount in
provided feedbacks?	an hour, that's easy to measure. Then you have goals
	like I have to talk nicer to my friends here then we have
	twice a year we talk about that. And of course people
	know what they are good at and like do they like to do
	better if they really have to think about it.
16 -1 - 66 6	Maria ha sa a tha a sa a sa a sa a sa a sa a
If staff performs	We do have this rewarding system here. We reward
well, how is that	them financially with the salary four times a year. The
person rewarded?	process is like we measure how much they all together
	sell in an hour and how much up-selling they're doing,
	the secret visitor thing, how they succeed with that, the
	complete sell of the period and when they answer this
	system downstair 10 times/ month. We don't look at the
	result like are they happy or not but they do have to

asnwer. These 4 and the customer satisfaction, we
measure them then they have like a certain amount of
cent per hour of that period that we pay extra for them.