

Is Project Management a Required Competency for the Hotel Industry?

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1. Introduction

The hotel industry in Ireland has suffered major turmoil over the last 5 years, and is constantly evolving and reshaping in order to survive (Bacon 2009). The industry comprises of 903 hotels with a total of 60,138 rooms. This is a 35% increase from 2005. That year saw €3.97 Billion in tourism revenue, with this increasing to €4.4 billion in 2007 and dropping to €3.4 billion in 2011 (Ireland 2012). The work of hotel managers involves many projects, from new menu concepts to large refurbishment programs; from small dinner parties to large corporate events. Taking this into account, this research paper looks at whether project management should be included as a competency for graduates of hotel management courses. This paper aims to explore the current situation with regard to the competencies being taught in the educational institutions, by carrying out interviews with general managers of hotels, to determine if the institutions are meeting the requirements they have of graduates. There is much literature available in relation to the competencies and what is required (Tas 1988; Yang & Chen 2009; Chung-Herrera 2003; Nolan et al. 2010; Siu 1998) and more in relation to the perceived gaps in the desired and delivered competences (Cheung et al. 2010; Huang & Lin 2010; Brophy & Kiely 2002; Hawkins et al. 2012; Jauhari 2006) and these areas were critically reviewed. In addition, information was examined in relation to project management (Association for Project Management 2006; Project Management Institute 2008), and the potential benefits that it has in event organisation (O'Toole & Mikolaitis 2002; Bowden et al. 2010; Allen 2009; Wei 2012; Williams 2012), with a particular focus on the hotel industry. Project management, "is the application of knowledge, skills and techniques to execute projects effectively and efficiently. It's a strategic competency for organizations, enabling them to tie project results to business goals — and thus, better compete in their markets (PMI 2013). There is no direct connection made in the literature between project management and the hotel industry, so the author will use interviews with general managers in the hotel industry to bridge the gap in the research, to determine if there is necessity to explore this further. The author sets out to investigate whether project management skills are an important positive attribute in the hotel industry, and to determine if there are benefits to including it as a specific module in hotel management courses. The research aims to determine if project management plays a significant role in the hotel industry and if this is the case, whether it should be part of the teaching in this field?

With this in mind the objective of this paper is to look at 3 questions:

1. What competencies influence the management of projects or events within the hotel industry, and are there links to project management processes, with a focus on the events management element of hotels?
2. Are these project management competencies included in the current competencies identified in the literature?
3. What benefit will be gained by these competencies being included in hotel management teaching?

The paper will begin with a review of the literature available on the area; it will then look at the methodology used to expand on this research, and the process involved in interviewing the general managers of 4 and 5 star hotels in Limerick. The results of this interview process will be discussed, and considerations for further research in this area will be highlighted.

2. Literature Review

The APM (Association for Project Management) says, “a project has clear objectives and deliverables, a defined start and end date and must be completed on time, within budget (cost) and to the agreed quality and, of course, it must deliver the agreed benefits”, (Association for Project Management 2006, p.1). The PMI (Project Management Institute) describes a project as, “a temporary endeavour undertaken to create a unique product, service, or result. The temporary nature of projects indicates a definite beginning and end. The end is reached when the project’s objectives have been achieved or when the project is terminated because the objectives will or cannot be met”(Project Management Institute 2008, p.5). There are clear links between the APM and PMI overviews of projects and what are classified as events within the hotel industry. A corporate event is defined as, “an event sponsored by a corporation for the purposes of achieving specific goals and objectives, such as entertaining customers, introducing and promoting new products or services, or providing incentives or training for employees, as well as other activities” (O’Toole & Mikolaitis 2002, p.ix), other events have been defined as, “a specific ritual, presentation, performance or celebration” Allen 2009 (cited in Ferdinand & Kitchin 2012, p.71) and both of these definitions relate to events in the hotel industry, where functions of different types are carried out on a daily basis. An event in the hotel industry can range from a small meeting organised on behalf of a company, to a large scale product launch running over a number of days and involving thousands of people.

2.1 Research Context

Limerick has 10 hotels of a 4 and 5 star rating, and all of these are involved in events on a daily basis. These properties have space which can cater for events for between 2 and 1000 people. For these hotels, events form a substantial part of their business - approximately 37.4% based on the interviews, and as a result it is imperative that they hire managers and staff that are competent in event management. Hotels are divided into three main operational areas - Rooms, Food and Beverage (F&B), and Leisure (spa and leisure centre), with Rooms and F&B being the two main areas of profitability according to the interviews. Approximately 90% of overall revenue is from the Rooms and F&B outlets. Goldblatt (2005) has categorised four purposes of events - celebrations, education, marketing, and reunions. Hotels are uniquely equipped to deal with each of these types of event.

Each of these events can occur in a wide variety of scales (Bowden et al. 2010) and the central task of event management is to create a unique experience for the client who orchestrates the event, within resource constraints (Ferdinand & Kitchin 2012). Resource constraints are a key factor in both event and project management. A key responsibility of a project manager is to decide how best to make use of available resources. They must decide which projects, programs, or portfolio of projects to complete, to make optimum use these resources. Completed projects should also be assessed to ensure that they have actually delivered the desired outcomes (Turner et al. 2006). In the hotel industry resource constraints give the opportunity to maximise revenue at any given time through efficient management of these resources (Anderson & Xie 2010). Within the industry, employees are moved from one department to another to ensure maximum productivity and use of resources. When an event is organised within a hotel it can be operated with its own resources or shared resources. If shared resources are used, the planning and control is of the utmost importance as it involves taking staff resources from other departments and ensuring that they are available for those departments when needed. For example many hotels would use the restaurant staff to serve a wedding before returning to the restaurant to serve customers booked there. This concept is closely linked to the area of Revenue Management in the hotel industry. Revenue Management is defined as, “selling the right capacity (in this case, function space) to the right customer, at the right place, at the right time” (Kimes & McGuire 2001, p.34).

Table 1 highlights the similarities and the differences between Project and Event Management in relation to a number of areas.

| Area | Project Management | Event Management |
|---|--|--|
| Unique in nature | Every project is unique or at least parts of it are unique to that project e.g. motorway through marshland | Every event or function is unique or at least elements of it will be unique to that event e.g. doves delivering the rings to a wedding |
| Defined beginning and end date | The start and end dates define the lifecycle and everything else is governed by these e.g. 10 miles of motorway needs to be finished by x date, this will impact on cost and resources | The start and end dates define the event timeline and all plans revolve around them e.g. wedding on x date all items, flowers, staff, food will have to be ready by that date |
| Project Team | Specific team is assigned accountability for the project | The events team are responsible for carrying out the event |
| Constraints under the iron triangle of time, cost and quality or scope | The project is carried out within the boundaries of the triple constraint, changes to one will impact the others e.g. to bring the completion date of a new road forward then the cost will increase as resources will have to increase. | Events are operated within the boundaries of the triple constraints, if higher level of quality is desired then the cost will increase, time cannot be impacted as dates for most events cannot change so only two of the 3 can be impacted. |
| Agreement | Contracts are signed between the sponsor and the project team | Contracts are exchanged between the client and the hotel/event planner |
| Benefits | Realised over period of time after the project e.g. benefits of a new road are realised for years | Realised almost immediately e.g. benefits of a wedding event are realised immediately by those attending |
| End Date | In many projects the target finish date can be moved e.g. new road opening | In events the target date cannot be moved e.g. wedding |
| Execution Phase | Series of steps you move through until you achieve your deliverables | This is your event, there is little of no margin for error, and unexpected issues must be dealt with as they arise. |

Table 1 Similarities and differences between Project Management and Event Management

2.2 Event Management and Project Management

There are 5 phases described in the event management process: initiating, planning, mobilizing, staging, and closing (O’Toole & Mikolaitis 2002; Williams 2012; Wei 2012) which match the 5 stages from the PMI which are initiating, planning, executing, monitoring/controlling and closing (Project Management Institute 2008), which highlight further similarities that exist between project and event management.

While there are many similarities between event and project management, for example uniqueness and temporary nature, there is one big difference - the execution time for events is normally shorter than for other project timelines. In addition to this, the fact that most events take place in front of groups of people, company staff or other gatherings, there is normally no scope for time adjustments if something is missed, as the event, wedding, product launch or celebration must go ahead on the planned date (Wei 2012; Kimes & McGuire 2001). Given the established links between event and project management processes, this leads to the question of why project management skills are not currently a required competency in hotel management graduates, considering projects and events are such a major part of the industry.

2.3 Project Management and Hotel Management Competencies

Project success is related to the competence of the team and this competence is an ingredient in the development of project plans and the successful implementation of these plans (Rad et al. 2003). Many studies have explored the competencies required for hotel managers (Tas 1988; Kay & Russette 2000; Nolan et al. 2010; Jauhari 2006; Baum 1990), and their importance in the industry. They have also explored the gaps between the competencies required by the hotel industry and those that are evident in students after graduating (Jauhari 2006; Nolan et al. 2010; Siu 1998; Christou 2002; Huang & Lin 2010). Yet, “the link between competency mapping for a particular industry and the education system for that industry is relatively unexplored” (Jauhari 2006, p.123). This study looks at whether these gaps still exist and if there is any collaboration between the institutions and the industry to bridge these gaps. The literature shows that the competencies taught in hotel management courses include the areas of Human Resources, financials, people skills, management, and operational ability (Tas 1988; Chung-Herrera 2003; Huang & Lin 2010), and it is these elements that lead to success in the hotel management field. Without a mixture of these competencies, and the ability to pull them together to deliver projects and events, there can be a lack of cohesion, and the numerous events and projects preformed in the hotel industry may not deliver according to expectations.

2.4 Importance of Projects to Hotels

There is no room for error in the hotel industry in relation to the majority of projects / events, as prices are agreed and contracted in advance, dates for events are set and cannot be altered

unless from the client side, and the quality that is expected has to be provided. The results of failure could be detrimental to the hotel by gaining a reputation for poor quality, thus jeopardising the future of the business. For these reasons - financial, operational, management and human relations competencies are important to the industry. Managers in the hotel industry, like project managers, must be able to operate projects or events within the triangle of Time, Cost and Performance, where performance can be scope, quality or technology (Kerzner 2013). Strategy now also plays an important part in this triangle, and in the whole process of project management, which is alluded to in the definition of project management by the PMI, and also Norrie & Walker 2004 where they introduce a quad constraint project model. This quad model (figure 1) looks at On-Time, On-Budget and On-Quality and adds the additional element of On-Strategy. Within the industry many daily functions in addition to events could be worked around this model.

For example, in hotel B, there is a strategy that small events must not tie up event space. Bookings for small private events would be turned away on a regular basis, as they can interfere with larger events, creating distractions and resulting in potential risk to one of the triple constraints. This is a strategic decision to maintain the correct balance, and highlights the link between strategy and the triple constraints.

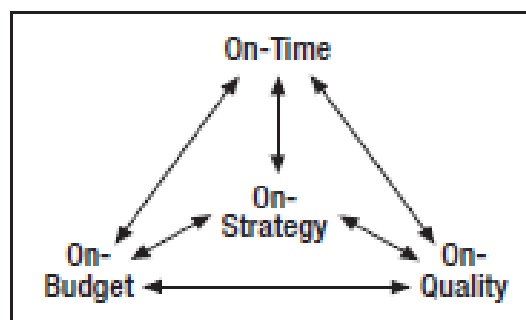


Figure 1 - A quad constrained project management model, source (Norrie & Walker 2004, p.48)

According to Tas, recruitment in the industry would have a greater success rate if potential managers had, “gained competencies in specific areas that would make for a successful manager” (Tas 1988, p.41). The success of project management can also be directly linked to competence in the relevant attributes (Cooke-Davies 2002; Turner et al. 2006).

Events play a vital role in the hotel industry and as a result need to be managed in a way to achieve not only event success but maximum profit for the event. Loyalty from repeat

customers has a major impact on the profitability of hotels with, “a 5% increase in customer retention resulting in 25-125% increase in profits” (Shoemaker & Lewis 1999, p.347). O’Toole & Mikolaitis 2002 have made efforts in their book to bring events and project management together to complement each other and these have evolved more recently into a body of knowledge for event project management (Wei 2012) and also others that are following project management process in their literature on events (Bowden et al. 2010; Ferdinand & Kitchin 2012; Williams 2012), these relate to the stage of projects and how they relate to events. There is however, a gap in the literature relating to projects and hospitality, particularly hotels, and this research will begin a process where the relationship between projects and hotels is investigated further.

3. Methodology

3.1 Research Approach

The aim of the research paper is to determine if project management competencies have a place in hotel management. In order to assess this concept the following sub questions were identified as part of the research: (1) what competencies are linked to the management of projects within the hotel industry; (2) are these competencies related to project management competencies; (3) are these competencies currently seen as relevant in teaching; (4) are there benefits to the industry by including these competencies in hotel management courses?

An inductive approach was taken with the research because there was limited literature available on the subject. There is information available on the competencies expected of hotel graduates and also information in relation to the competencies for project management, however no literature could be identified that directly links hotel management competencies with project management competencies.

The review of secondary data highlighted a gap in research in the area, which led to an interview process with hotel general managers, in order to gather more relevant and meaningful data in relation to the Irish Hotel Industry and their expert view on the benefits a project management competency could have. It was decided to interview general managers in 4 and 5 star hotels to gather this information.

Prior to the interviews, feedback was sought from two general managers outside of the sample area in relation to the structure of the interviews and content. Competencies from the literature review were reviewed and grouped into 4 competency areas - Human Relations, Management, Financial, and Operational, in order to focus the interviews on the subject of Project Management competency rather than the interviews going off track with discussion on the larger range of competencies.

3.2 Research Design

An exploratory investigation was carried out initially on the existing literature in order to identify the competencies which were relevant to the study. The literature was then further reviewed to determine the competencies which were relevant to Project Management.

Because of the fact that there was limited literature on the crossover between project management and hotels, an inductive approach was taken to develop interview questions which could be put to hotel general managers in order to answer the research question. Interviews were chosen as the method to gather primary data. Kvale defines the qualitative research interview as, "an interview, whose purpose is to gather descriptions of the life-world of the interviewee with respect to interpretation of the meaning of the described phenomena" (Kvale 1983, p.174). This approach fits with what was required for this research where the views of general managers of hotels based on their experience were necessary to bridge the gap between what the literature could provide and the view from the industry. The approach was also used in similar qualitative studies (Hawkins et al. 2012; Brophy & Kiely 2002; Jauhari 2006) and, the fact that project management is not a term widely used in the hotel industry, there was a potential for misinterpretation, and it was felt that the interview process would prevent this by allowing the interviewee to ask questions for clarification, and the interviewer's responses would keep them on track (Gubrium & Holstein 2002, p.3).

The interview questions were developed through a consultative process with two general managers outside the sample area and use of the existing research on competencies in the area. Current project management competencies were evaluated and the main concepts of project management were reviewed in conjunction with the project management competencies to develop questions in relation to projects and events in the hotel industry. Competencies identified from previous studies in the hotel industry were also evaluated and included in the questions to determine if they still held the same value. The questions expanded on the broader area of project management, and towards the end of the interview, questions specific to the value of project management and project management competencies were included.

3.3 Sample

For this research the sample size was limited to the 4 and 5 star Limerick hotel market, which is made up of two 5 star hotels and eight 4 star hotels. The list was taken from the Discover Ireland Website (Failte Ireland 2013), which is run by Fáilte Ireland the body responsible for registering hotels in Ireland. There are 11 hotels listed, however 1 of these, The Carriage House, is a golf clubhouse and does not operate full time, and was therefore excluded from the study. The limitation to Limerick was due to time constraints on the research and limited resources to carry out interviews with a larger sample size, however it is important to note

that the nature of the hotel industry means that general managers move around, from hotel to hotel and county to county, and of the 8 general managers interviewed, all have held management positions in counties other than Limerick, and have managed at a general manager level in a combined total of 24 hotels or an average of 2.7 properties over their careers in different locations. All of the 10 hotels chosen have event space available for both meetings and functions. Within the 3 Star hotels in Limerick, only 4 of the 11 hotels had event space so it was decided at this point to restrict the study to 4 and 5 Star hotels with event space. There were early plans to interview operations directors of Irish hotel groups; however this approach was changed as it was felt that they were away from the cold face of operations in hotels and may not yield the views of the managers on the ground. Following this decision, the study was limited to general managers as it was felt that they had the experience necessary to determine what is required in the industry and to provide an insight into the benefits the strategic competency of project management could provide to the hotel industry.

Of the 10 limerick hotels targeted, 8 general managers were successfully contacted; the tenth was not available and did not return calls so an interview could not be arranged. Of the 8 general managers interviewed they had between 4 and 20 years' experience at general manager level and between 10 and 30 years management experience within the hotel industry. Figure 2 gives an overview of those involved in the interview process.

| Respondent | Hotel | Role | Number of years GM | Number of GM positions held | Years in Management positions |
|--------------|---------|---|--------------------|-----------------------------|-------------------------------|
| Respondent 1 | Hotel A | General Manager - Operations, Strategic Management, Human Resources | 4 | 2 | 10 |
| Respondent 2 | Hotel B | General Manager - Operations, Strategic Management, Sales focus | 11 | 2 | 24 |
| Respondent 3 | Hotel C | General Manager - Operations and Sales focus | 6 | 3 | 22 |
| Respondent 4 | Hotel D | General Manager - Operations, Strategic Management, Sales focus | 20 | 8 | 30 |
| Respondent 5 | Hotel E | General Manager - Operations and Sales focus | 10 | 5 | 15 |
| Respondent 6 | Hotel F | Owner / Manager - Operations, Sales, Development, Strategy | 10 | 2 | 20 |
| Respondent 7 | Hotel H | General Manager - Operations, Sales, Human Resource and Strategy | 20 | 1 | 28 |
| Respondent 8 | Hotel I | General Manager - Operations, Human Resources and Sales focus | 6 | 1 | 17 |
| | | Average | 10.0 | 2.7 | 18.4 |

Figure 2. Overview of Respondents, Role and Years as GM

The average number of bedrooms per hotel was 102, with the smallest hotel having 20 and the largest having 158. The average capacity for events was 296 people within the function rooms; however it was highlighted by the general managers that many events would be carried out in gardens and other spaces thus increasing this capacity. An example of this is one of the hotels which has a capacity of 200 in the ballroom but has held events on the grounds for in excess of 40,000 people at a single event.

3.4 Data Collection

An interview process was used to gather information in relation to the research. Each interview lasted between 45 minutes and 1 hour. The interviews were semi structured and covered a range of areas in relation to the research question. Brief explanations were given to each interviewee in relation to the meaning of projects, project management and the golden triangle of success criteria for projects. Notes were taken during all the interviews noting the responses to the questions and also gathering other relevant information discovered during the process. Some of the interviews were recorded, however others preferred that they were not and this request was respected.

The data was gathered through the process of asking questions during the interview and recording the responses to these questions. Many of the questions were asked as closed questions, with yes or no answers. The interviewees were presented with 4 competence areas and asked to evaluate them in relation to most and least important. There were also a number of questions where a percentage value was sought in relation to levels of project work undertaken. An inductive process was adapted where some project management concepts were applied to examples within the industry to derive the value that the general managers placed on the concept.

3.5 Data Analysis

The data was analysed by taking the questions from the interviews, analysing the answers to each question, and comparing how they related to answers from other interviews. These answers were looked at in relation to the objectives of the research, to identify the competences that influence the management of projects in the hotel industry, to determine if these are linked to project management competencies and to determine if there is value including a project management competency in hotel management studies. The analysis involved a mixture of results from the literature and the interview process, and evaluating them to arrive at the results. Elements of the interviews were analysed through survey tools where the information gathered from the interview process was entered into the tool to derive the statistical information in relation to the answers, this was used in particular for the analysis of the competency question.

3.6 Limitations of the Study

There were a number of limitations regarding the research and its findings. The first of these limitations was the sample size of 10, where interviews were only carried out with the general managers of 8 hotels all based in Limerick. This could potentially mean that views expressed may not be valid for other locations; however it is important to note that all 8 general managers have worked in other locations outside Limerick at general manager level. A second limitation was the time constraints to carry out the research in order to complete it for the submission deadline for the master's program. With the limited time and resources available there was an inability to cover a larger sample size thus having a potential impact on the findings. A further limitation on the research is that only employers were interviewed for their opinions, whereas employees or educational institutions were not interviewed or

involved in the study on this occasion. Due to limited resources, it was felt that the initial study should begin with the views of employers, the people who hire and who rely on the graduates to have the desired competences, and on the educational institutions to deliver these desired competencies to their graduates.

3.7 Ethics in the Research

Ethics approval was received from the Ethics Committee in the University of Limerick. All informants were given clear guidelines in relation to the research topic, the nature and type of information being requested. All informants were given the option to withdraw from the process at any stage, were advised that all information given was confidential and that their responses would not be linked to them in any way, and that they did not have to answer any questions if they choose not to. They were also advised that all recordings and information would be stored in encrypted files on a password protected computer that only the author has access to and that if desired these files would be deleted at their request. All the interviewees were adults and aware that they could withdraw from the process at any point. All interviewees were offered a consent form advising these facts. All interviewees gave their consent and took part in the interview process.

4. Findings

Interviews were completed with 8 general managers of 4 and 5 Star Limerick City and County Hotels. The comments, feedback and opinions of these were analysed to arrive at a set of findings in relation to the research objective of determining if project management as a competence should be included in the education provided to hotel management students.

4.1 Response Rate

Overall, the participation rate was 80% for the interview process. The 80% response rate accounted for 80% of the bedroom stock in the 4 and 5 star hotel markets in Limerick and 78% of the event space in the same markets. The respondents said that an average of 48.3% of their time is spent on projects and events ranging from 30% in hotel F to 80% in Hotel B. Some of these projects are change projects - new menus, refurbishment programs, while others are direct revenue generating events such as weddings, product launches and dinner dances.

4.2 Competencies

Analysis of the results yielded a number of findings in relation to the research objective and in relation to the competencies that were desired by hotels. The interviewees were presented with 4 competencies which were chosen by a team of two hotel experts from the competences derived from the literature, outlined in Table 2.

The interviewees were asked to rank these competencies in order of importance for their respective properties assigning a number of 1 to 4 for each with 1 being the most important and 4 being the least. The findings indicated that financial competency came out on top from those interviewed, with 62.5% identifying it as the most important competency in the current climate and 25% identifying Human Relations as the most important. A survey tool, survey monkey® (SurveyMonkey 2013), was used to quantify the results of the survey with the general managers and the data from their responses was fed into it in order to derive the results and determine the importance ranking of each competency.

| Competence | Author | Elements of Competence |
|-------------------|---|--|
| Human Relations | <ul style="list-style-type: none"> • Kay and Russett, 2002 • Ashley et al 1995 and Breiter and Clements 1995 - Cited in Chung, 2000 • Sandwith 1993 • Chung, 2000 • Kay & Moncarz, 2004 • Chung-Herra, Enz & Lankau,2003 • Brophy & Kiely, 2002 • Tas, 1988 | <ul style="list-style-type: none"> • Interpersonal, • People skills, oral communication, listening skills, teamwork, employee relations, problem identification and problem solving, • Interpersonal • Procurement of employee and job • Human resources Management • Communication, interpersonal skills, • Customer care • Manages guest problems, maintains professional and ethical standards, demonstrates professional appearance, communicates effectively, develops positive customer relations, strives to achieve positive working relationships with employees. |
| Management | <ul style="list-style-type: none"> • Kay and Russett, 2002 • Ashley et al 1995 and Breiter and Clements 1995 - Cited in Chung, 2000 • Chung, 2000 • Chung-Herra, Enz & Lankau,2003 • Brophy & Kiely, 2002 • Quinn, Faerman, Thompson & McGrath, 2003 | <ul style="list-style-type: none"> • Leadership, conceptual-creative • Creative thinking ability, employee training and development, quality management • Leadership, Conceptual Creative • Management analysis techniques • Critical thinking, implementation, leadership, self-management • Managing staff, growing the business • Mentor, facilitator, monitor, coordinator, director, producer, broker, innovator |
| Financial | <ul style="list-style-type: none"> • Sandwith 1993 • Ashley et al 1995 and Breiter and Clements 1995 - Cited in Chung, 2000 • Kay and Russett, 2002 • Kay & Moncarz, 2004 • Chung-Herra, Enz & Lankau,2003 • Brophy & Kiely, 2000 | <ul style="list-style-type: none"> • Administrative • Financial skills • Administrative • Financial management • Strategic positioning • Achieving profitability |
| Operational | <ul style="list-style-type: none"> • Kay and Russett, 2002 • Ashley et al 1995 and Breiter and Clements 1995 - Cited in Chung, 2000 • Sandwith 1993 • Chung, 2000 • Chung-Herra, Enz & Lankau,2003 • Brophy & Kiely, 2002 | <ul style="list-style-type: none"> • Technical, • Service orientation, • Technical • Operation techniques and knowledge • Industry knowledge • Quality and standards |

Table 2 - Competence Table for Hotel Management Competencies

Of the hotels interviewed, an average of 37.4% of revenue comes from events, all of which would be classed as projects. This shows that a sizeable amount of overall revenue relates to projects, and highlights the importance of the proper management of events and projects in these businesses. The importance of events was emphasised by all respondents with 75% of them saying that it was their main opportunity to add to the net operating profit of the business. They felt that room revenue and other food and beverage (bar and restaurant) revenue achieved minor increases year on year, however the opportunity for growth was in the area of meetings and events and they were constantly looking at opportunities to drive this area of the business.

4.3 Competency Gap

There was a gap identified, in that it was felt by 75% of the interviewees that the graduates had the competencies required, but were not aware of how to blend them together, and that this took training when they started working. There was a lack of ability to see how the financial elements linked to the managerial, operational and human relations elements of the business. It was felt that each area alone was okay but the area that was lacking was in the business operation, or how they all fit together. Respondent 2 said that “it is the bigger picture that is missing, how all the pieces fit together to make the whole picture, they (referring to the graduates) can’t maintain good relations with the staff when cutting hours, they either cut too many or too few and forget to look at the impacts on the business before rushing into it, there is a failure to plan (on behalf of the graduates / junior managers)”. It was felt by all those interviewed that the project management competence could close this gap by pulling together all the respective areas in a cohesive manner.

4.4 Relevance of Project Management

The research found that 100% of those interviewed felt that project management is relevant to the hotel industry, and with an average of 48.1% of a hotel managers time (according to those interviewed) spent overseeing or carrying out projects, this is a very relevant finding. Overall there was a feeling that it would give “structure” (Respondents 1, 5 & 6) and “consistency” (Respondents 1, 2, & 7) to the way events and projects are carried out in the industry. 62.5% of the interviewees stated that the project management competence would save them time, with one highlighting, “the graduates would know the process and develop a plan to achieve the overall aim” (Respondent 5), the interviewees felt that project management would be a

more structured approach to how they manage events and projects, “which currently resides in our heads” (Respondent 3).

While the research set out to determine if a project management competence would be relevant to hotel management students from the point of view of events and projects within the industry, it was discovered that it could also play a vital part in every day operations, with 62.5% of the interviewees identifying that if a project management mind-set based on the triple constraint and the 5 stages involved in projects was applied to everyday operations it was felt that operational efficiencies would be improved. With Respondent 5 saying, “I could use the Golden Triangle as a mantra to operate by and put it on the walls of the staff areas and start to apply it to every day functions”, he went on to say that, “if the thought process could be taught to students and they came out of college thinking about time, cost and quality, it would be half the battle”.

4.5 Link between Industry and Education

Something that the research found that it did not set out to discover, was a lack of contact between the relevant educational institutions and the hotel industry. None of the interviewees had any input on the course content of any of the hotel management courses, and 50% said that they had been regularly involved with other initiatives with the educational institutions from a tourism point of view but never in relation to the academic side.

5. Discussion of Findings

The research looked at 3 main areas; the competencies that influence the management of events within the hotel industry, whether these competencies are included in the teaching, and the benefits of a project management competency to the hotel industry.

5.1 Competencies and Hotels

The competencies desired by hotels are in line with research in the area which shows that defined competencies (Tas 1988; Chung-Herrera 2003; Nolan et al. 2010; Lin 2002; Brophy & Kiely 2002) have changed over the years from study to study with more recent studies moving from the previous focus on customer relations to a new focus on managerial skills (Ladkin 2000), and a consensus that managers need to adopt a business rather than operational perspective (Harper et al. 2005).

Interviewees were given 4 competences and asked if they felt they were relevant to the industry. 100% felt that the 4 competency areas covered all the areas of competence required for projects and events. The 4 main areas were Financial, Managerial, Operational and Human Relations. Through a survey of the interviewees, table 3 shows the results, these were classified in order of importance with financial being the highest with a score of 2.75, Human relations being next with a score of 2.63, followed by Managerial and Operational with 1.88.

| | High Importance <-----> Low Importance | | | | Rating | Rating Count |
|------------------------|--|-----------|-----------|-----------|--------|--------------|
| | 1 | 2 | 3 | 4 | | |
| Financial | 62.5% (5) | 12.5% (1) | 0.0% (0) | 25.0% (2) | 2.75 | 8 |
| Managerial | 0.0% (0) | 25.0% (2) | 75.0% (6) | 0.0% (0) | 1.88 | 8 |
| Operational | 12.5% (1) | 37.5% (3) | 12.5% (1) | 37.5% (3) | 1.88 | 8 |
| Human Relations | 25.0% (2) | 25.0% (2) | 12.5% (1) | 37.5% (3) | 2.63 | 8 |

Table 3 - Competency Ranking

All these areas were felt to have relevance in the management of projects and events, with the most important competency being the ability to understand the financial implications in relation to the operating an event.

Over the past 6 years, it was felt that all events had to be financially viable and could not operate outside the set margins - from staff costs, to food costs and operational costs. Those interviewed highlighted that if the manager is not aware of the financial implications then “no level of managerial or human relations competencies will bring the event in on budget, they need to understand how much they can spend before they can start to control the spending” (Respondent 4).

While 25% felt that human relations was the most important because “you can teach financial but you cannot teach someone to have a personality or to interact with people” (Respondent 5), 62.5% felt that you can tell if someone is a people person from the interview but if they do not have the financial acumen to operate then “it will show in the results at the end of the month” (Respondent 3) and as one general manager said, “while customers lead to profit, without the profit there will be no customers, it is a fine balance” (Respondent 1). They were referring to the fact that you could be as nice as you want to the customers, but if the service being provided is not being provided in a cost efficient manner then the hotel will not survive.

A study by Edum-Fotwe & McCaffer (2000), identified Finance and accounting, sales and marketing, strategic planning, tactical planning, operational planning, organisational behaviour, personnel administration, conflict management, time management and stress management as the key knowledge areas or competencies of project management. All of these areas can be grouped under the 4 competencies identified as part of this study in relation to the competencies for hotel management. The literature highlights that knowledge gained through training would be developed by experience in industry (Edum-Fotwe & McCaffer 2000) while Jauhari 2006, p.132, recommends that this is not the case and that “inputs need to be given in a formal and structured manner” and not left to be developed after commencing employment. This the view supported by the interviewees, where 87.5% feel that graduates should finish education with the required competencies, because the current climate does not allow for additional training resources.

The interviewees also felt that they are partly responsible for the gap in required competence levels, as 75% said that they do not have a formal plan in place for work placements from the educational institutions, something which is supported in a number of studies (Nolan et al. 2010; Barron 2008). The interviewees feel that more benefit could be gained through structured work placements during the education process and that this should be supported by

the educational institutions, with a number of general managers saying that a consultative process needs to happen between the institutions to ensure that the desired benefits of the placements are achieved. This is also supported in other studies (Connolly & McGing 2006; Harper et al. 2005; Hawkins et al. 2012).

5.2 Competency Gap

It was determined from the interviews that the general managers are happy that graduates have the desired competencies, with 75% feeling that graduates have competencies required to operate at a junior level in the industry. The main concern highlighted in the interviews in relation to the area of taught competencies, was that there was limited ability to group these appropriately, in order to operate in a business manner. Jauhari (2006) highlights that hotels need to be managed like businesses, and when put to the general managers, it is felt that there is too much focus on operational ability and skills from some of the educational institutions, and a lack of cohesion in bringing the competencies together. All of the educational institutions include the main elements required, and they are taught over the 3 and 4 year courses, however it is felt by the interviewees that there is no mechanism in place in the form of an on-going project or practical exam that challenges the students on the areas they have learned, or requiring them to use multiple competencies together in order to achieve a set goal, something which is also highlighted by students (Milman 2001), and the fact that there is a major importance to be placed on internships has also been highlighted where there is a preference to hire people with practical skills (Connolly & McGing 2006; Hawkins et al. 2012).

5.3 Project Management in Hotels

The interview then went on to probe the general managers about projects in their companies, and the amount of time spent on project related areas. The average across the interviewees was that 48.1% of all time at general manager level was spent on project related areas. This ranged from revenue generating projects that accounted for an average of 37.4% of the overall revenue for the hotel, to projects involving change; refurbishments including bedrooms, restaurants, bars, function space, and also menu changes, with some involving complete redesigns to different styles of cuisine. The author found no literature available in relation to the project elements of the hotel industry, so this element of the research is derived from the findings of the interviews and is a first step in linking project management to the

everyday functions of the industry. This is an area that requires further research, as it has been discovered from the interviews that general managers feel that large elements of their role involve project execution and delivery. In the sample, 22.5% of these projects were not directly related to the revenue streams of the business. All the general managers interviewed felt that they have no formal knowledge of project management and that if there was a course available at their level, it would be of benefit to them in relation to the processes and tools related to business projects that they implement on a daily basis.

The interviews asked if the areas of triple constraints and the concept of applying a 5 stage process to all projects could work for the hotel industry? All interviewees felt that both areas could be of importance to the industry and would be of great benefit if students were equipped with this knowledge on graduation. Respondent 1 was emphatic in their view and said “I could operate my business using the triple constraints”, and went on to say that everything revolves around time, cost and quality and that if graduates were equipped with this thought process, “life would be much easier”. The 5 stages of projects (Bowden et al. 2010; O’Toole & Mikolaitis 2002) were discussed in relation to events, and again the general managers felt that having a process to follow was key. Currently ‘it is in my head’ was the general consensus, with 75% of the managers interviewed saying this, however one of the managers said, “there should be a review phase so it should be 6 phases and not 5” (Respondent 3). They felt that the industry lacks a process of reviewing events, particularly the ones that go right, and then documenting them to ensure that the same successes can be achieved in the future. Respondent 6 highlighted that one of the key issues they have is project completion, and during the interview process would include questions like “what projects have you taken on and what were the results?”, they felt that many people have been involved in projects but have not completed them. Again Respondent 6 felt that by including project management as a competency, that the graduates would be aware of “the full life cycle of a project from start to finish”, this would “hopefully result in them following through on things”.

5.4 Benefits of Project Management Competence

The results from the interviews highlight that there is a lack of project management awareness and competency in graduates and that this competency would be of benefit to the hotel industry. The connection between events and project management does exist, and indeed has developed since 2002 (Bowden et al. 2010; Wei 2012; O'Toole & Mikolaitis 2002), however, this has not been carried across to the hotel industry, and as can be seen from the interviews, 37.4% of revenue for the hotels in the study was directly related to events or projects. This study is unique, in that it is not looking at the gap between what competencies the educational institutions deliver and what the hotels want, but looks at project management, and whether it as a competency would be beneficial to the hotel industry.

The surprise finding from the study, was that 75% of those interviewed said that the competency of project management would not just be beneficial in the management of events and projects, but that the discipline would lead to better overall management of the organisation. This was with particular reference to the use of the triple constraint model to explain to staff the importance of the 3 dimensions, and also in relation to the process of following through from start to finish on a project; as Respondent 4 said “this is an area where we fall down majorly, we start lots of things and then lose sight of them so most never get completed”, whereas by using this process “we might actually get results”.

6. Conclusion

The paper set out to determine what competencies were relevant for the management of projects and events in the hotel industry, examine if these competencies are taught in the educational institutions, and if a specific project management competency would be of benefit to the hotel industry.

The study found that a number of the competencies required by the general managers of the 4 and 5 star hotels in Limerick are being taught to students by the educational institutions. The problem identified, is the gap between the competencies present in the graduates, and their ability to apply them to the management of projects and events in the hotel industry. It is identified that there needs to be more interaction between the educational institutions and the industry in developing hotel management courses to close this gap, and ensure that students are ready to take on projects and events upon graduation. Closing this gap will lead to greater satisfaction of the hotel industry with graduates, and reduced time spent on training the graduates when they complete formal education. In order for this to happen, it is important to improve the links between the educational institutions and industry and create a situation where constructive internships are developed, that allow the students to apply knowledge learned in workplace situations, before graduation. In addition, the hotel industry needs to develop a consultative process where changes and trends are fed back to the educational institutions to allow them to develop simulations and ensure that graduates can apply academic learning upon graduation.

The study also found that project management is of vital importance to the industry, with 48.1% of all work at a general manager level in the sample involving projects, 37.4% of which are revenue generating, and that currently no formal processes exist for carrying these out. Projects within the hotel industry are managed based on skills developed over time by managers, and they feel that not only could graduates benefit but the general managers could also benefit from project management competencies. The research shows that project management as a strategic competency needs to be included in hotel management courses, and that this should result in tying together the other competencies taught throughout the courses, leading to graduates who are ready for the industry, rather than having to commence training in how to apply their skills after graduation.

6.1 Recommendations for Further Research

This study was limited by the fact that literature directly linking project management and hotel management is scarce. The research carried out here attempts to create a link between the two, through interviews with general managers in the hotel industry, and is a starting point on which further research can be based. The following are a number of recommendations for further research in this area:

- To enhance and develop the findings of this paper, it is recommended that any future research would be carried out at a national level, incorporating a cross section of hotels from all over the country. This should include hotels of 3, 4 and 5 star levels. With the volume and extent of projects carried out in hotels, it will be important for future research to include hotels without event space, to determine how and if projects impact their business.
- Research is needed to consider the specific benefits of providing training to existing general managers within the industry in the areas of project management, and developing a project management competency. With the high percentage of projects carried out at a senior level within the industry, there could be significant potential benefits of this, and research in the area is necessary to determine the benefit if any this could have. It may also be pertinent to include mid-level managers to determine if they can also benefit from project management skills training.
- There is a need for research in the area of developing closer links between the hotel industry and educational institutions. It is clear from this research that there are gaps between what is required and what is delivered and further study is needed to determine how these gaps can be closed. It is felt that research in this area should include data from the educational institutions in relation to the expected learning outcomes they have for their courses and how these relate to what is required in the industry.
- It is suggested that tourism bodies like Fáilte Ireland and hotel bodies like the Irish Hotels Federation carry out further research into project management and its ties with the hotel and hospitality industry. If these bodies are to represent the industry effectively, they need to be aware of the benefits that could be realised by developing this competency among their members.

In order to create change within the industry, the existing managers need to become aware of the impact of projects on their current positions, companies, and the industry as a whole. This awareness then needs to be passed on through educating future managers in this area.

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