

## **The GMs' work context: the case of luxury hotel SMEs in Greece**

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### **Abstract**

A plethora of empirical studies (i.e. Hales and Tamangani, 1996; Nebel and Ghei, 1993; Ladkin 2002) suggests that managerial work in hotels poses various challenges, especially in luxury establishments where there are tremendous pressures for service quality, customer satisfaction, effective people management and outstanding (financial) performance. Despite the importance and key role that hotel general managers (GMs) play in small and medium sized enterprises (SMEs), research has focused on managers in national or international hotel chains where high level of standardisation is expected, in terms of performance and managerial work patterns (Giousmpasoglou 2012; Nickson 1998). Our knowledge on managerial work in small and medium establishments' context that represents the majority hotels globally, is limited in a number of empirical studies that either suffer from a small sample or poor design (Kerney et al. 2014).

The purpose of this qualitative research is to explore the mediating factors affecting the GMs' work context in SME luxury hotels in Greece. Based on the qualitative nature of this study, the research tool selected was in-depth semi-structured interviews supported by field observations. The interview progressed through four parts: occupational socialisation and culture; roles and job requirements; competencies; and key challenges related to the GM's work in luxury SME hotels. A three stage approach was followed in the planning and delivering of the field work in this study. An analysis of the Greek luxury (4\* and 5\*) hotel sector was conducted in order to decide on the potential participant managers and ways to secure access. A purposive sample with

16 hotel unit GMs was used in this research; all hotels have as common denominators the same star rating (4\* and 5\*), type (city or resort), size (small / medium business with less than 250 employees) and ownership status (family; local Greek chain; national Greek Chain). The business selection process followed in this research was dictated by the structure of the luxury hotel sector in Greece: given its nature and geographical spread a decision was made to limit the field work destinations in the most representative and popular places for city and resort hotels respectively. This was made possible by comparing quantitative data retrieved from the databases of the National Statistics Agency ([www.statistics.gr](http://www.statistics.gr)), the Greek National Tourism Organisation ([www.gnto.gr](http://www.gnto.gr)) and the Hellenic Chamber of Hotels ([www.grhotels.gr](http://www.grhotels.gr)).

There are five emerging themes identified from the findings of this research regarding the managerial work context in SME luxury hotels in Greece. To start with management mobility, GMs are expected to follow certain career paths that eventually lead to the position of the hotel unit's GM. This research showed limited career path options in Greek hotels with the F&B and the Front Office departments to appear as the only options for career progression. The situation in national hotel chains is different, with career paths being available from finance, sales and marketing. Then, contact intensity poses as the most important theme that influences the managerial work in SME luxury hotels in Greece. GMs communicate daily with a broad spectrum of 'stakeholders' (owners, ownership representatives, subordinates, staff, customers, local authorities officers/public servants); the contact intensity with each stakeholder category determines to a certain degree the GMs' roles and competencies adopted. The owner-GM relationship is the following emerging theme with two contrasting situations emerging from this research. Family and local chain hotel GMs experience difficulties in identifying the limits of their status and authority; the frequent owner interventions and the appointment of family members or friends as members of staff coupled with high levels of informality, influence to a large extent managerial work in Greek hotels and result very often to political behaviour. On the other hand hierarchical demarcation in Greek hotel chains is strictly orientated and communicated throughout the organisation. Another emerging theme from this study, is the manager's integrity in relation to the high levels of corruption in the Greek public sector. Although this was considered a sensitive issue and the majority of GMs avoided to discuss this in depth,

all hotel managers acknowledged the existing problems when dealing with corrupted public servants. The last emerging theme identified was the hotel GMs' reputation and networking; this was valued very high from the vast majority of participant managers.

**Key Words:** Managerial work; General Managers; Luxury Hotels; SMEs; Greece

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