



## Predictors of customer service training in hospitality firms

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### ABSTRACT

Small hospitality firms have a reluctance to embrace business improvement activities in general and customer service training in particular. In a survey of 255 hospitality firms, this study investigated a range of predictors for owner-managers to adopt specific customer service training activities, in a series of regression equations. It was found that, in general, those firms that placed more importance on customer service training were willing to take up more training activity. In addition, it was found that predictors for specific customer service training activities, such as benchmarking best practice or mystery shopping, varied between types of activity and with a general intention to consider customer service training.

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### 1. Introduction

There is a widespread recognition that small service oriented firms, such as those in the hospitality sector, are reluctant to invest in training initiatives (e.g., Lashley and Rowson, 2003; Beeton and Graetz, 2001). Despite calls for better approaches to improving small firm management generally (e.g., Down, 1999), there remains a general lack of understanding of the limited uptake of business improvement activities by owner-managers (Jameson, 2000; Johnson, 2002). This is the case even though, as Massey (2004) suggests, training in the small to medium enterprise sector is a huge investment in training by governments around the world. Thomson and Gray (1999) report that participation rates in government sponsored business initiatives still remains very low. Furthermore, Morrisson and Bergin-Seers (2002) argue that there is, worldwide, a market failure in the inability of small firm owner-managers to be engaged in business improvement initiatives. Consequently, researchers have argued for a more sophisticated understanding of the owner-manager's disposition, means and organisation of learning (Morrisson and Bergin-Seers, 2002).

Determining firm behaviours and attitudes toward business improvement in general, and customer service improvement activities in particular is the first step toward developing more suitable customer service improvement tools for the sector. This

project aimed to provide insights into the attitudes of owner-managers of hospitality firms toward training, business orientation and organisational factors that might lead to greater training activity. In particular, we explore how these three sets of variables relate to customer service training outcomes (see Fig. 1). We first outline, in a brief literature review, some of the previous research into training within small hospitality firms. This discussion is followed by the results of an empirical study that explored the drivers of customer service training/information within small hospitality firms.

### 2. Literature review

#### 2.1. Attitude toward training

It is apparent that many small tourism and hospitality firms have a degree of scepticism of business improvement activities. Indeed, Johnson (2002) argues that small firms are behaving quite rationally in rejecting a strong focus on training activities. For instance, there is a well established chronic fear of staff mobility resulting in efforts to develop staff to be seen as a largely wasted investment (Patton and Marlow, 2002). Consequently, small firms tend to be reluctant in investing time, finance and other resources in training (Lashley and Rowson, 2003; Beeton and Graetz, 2001). However, Thomson and Gray (1999) have linked growth oriented small firms to a positive attitude toward training activity and, in particular, strong awareness of the importance of management development. In small to medium size firms with between 20 and 200 employees, Vinten (2000) found those firms undertaking higher levels of training also had a positive attitude that training leads to success; tended to integrate training as part of a company

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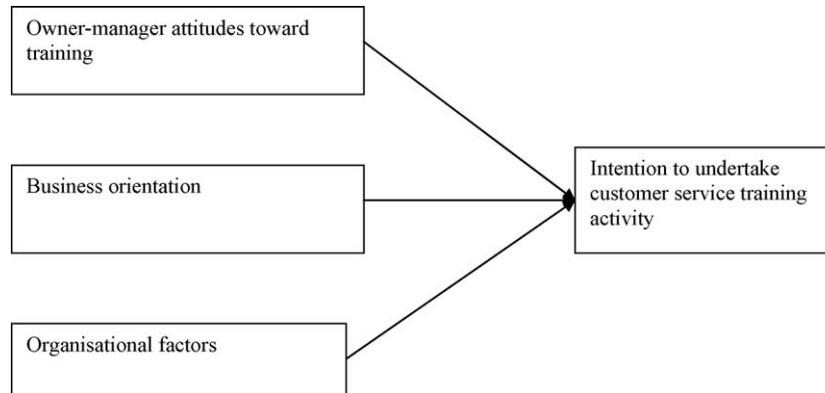


Fig. 1. Model of drivers of customer service training in hospitality firms.

strategy; adopted training that is very practical rather than theoretical; and, acknowledged the importance of a strategic role for training. He argues that where training is made more relevant to small firm needs and delivered onsite in a flexible manner there will be greater receptivity.

Johnson (2002) asserts that business improvement, and especially training, is often seen as an act of faith. A number of authors have identified a range of factors leading to a loss of faith, including such elements as training not seen as relevant to needs, no credible person teaching the activity, or the delivery of training is too formal (e.g., Westhead and Storey, 1996). This lack of confidence is compounded by the inflexibility of hours and place of delivery (Beeton and Graetz, 2001) with off-the job training activities more likely to reduce output (Curran et al., 1997). Morrisson and Bergin-Seers (2002, p. 396) argue that small firm owners tend to distrust training providers who they see as supply focused rather than meeting the needs of the small firm and would be more likely to “impose prescriptive views of what they believe small businesses should [do], rather than what, they actually need” (word in parenthesis added). Thus, we believe that a positive attitude toward training is essential before small hospitality firms are likely to engage in high levels of training activity. Accordingly, we state the following proposition:

P1: Owner–managers of small hospitality firms who hold a positive disposition toward customer service training are likely to be more interested in training activity

## 2.2. Business orientation

A number of authors have indicated that the personal orientation of owner–managers will play a major role in determining the nature and level of business improvement activity generally. In particular, it is the growth ambitions of the firm that is a logical indicator of interest in business development and, thus, business improvement initiatives. For instance, Morrisson and Teixeira (2004) acknowledge that a host of ‘human’ factors including personal motives, lifestyle activities and profit motives will influence performance outcomes due to the idiosyncratic outlook of small firm owner–managers. More generally, Gray (2002) found that those firms most content with the way the firm was performing were least interested in change, especially growth. In support, Johnston and Loader (2003) assert that more training is conducted by small firms as they grow. More specifically, Kinsella (1993) noted that high growth small to medium sized firms appear to conduct more management oriented training and, similarly, Matlay (2004) suggested that smaller firms provide less formal training than larger firms. Nevertheless, in direct contrast,

Morrisson and Bergin-Seers (2002) investigated growth oriented small firms and generally found a negative attitude toward formalised training and providers. One reason for such a finding is advocated by Gray (2002) who suggested that micro-firms (less than 10 employees) are more interested in survival rather than growth. He notes the paradox where the perceived flexibility of small firms is seen as a strength to adapt to changing conditions, yet these firms also suffer from ingrained habits of the owner–manager that can stifle growth. Thus, personal ambitions or orientation toward profit goals, growth and customer service are more likely to lead to a variation in interest in training, in general, and customer service training in particular. Given the mixed research findings on this issue we state the following tentative proposition:

P2: Owner–managers of small hospitality firms with a greater emphasis on profit, growth or service orientation are likely to be more interested in training activity

## 2.3. Organisational factors

Several organisational factors have been suggested to account for variation in training activity (e.g., length of business experience, prior training experience, number of employees, business planning). One of the more widely cited factors related to training activity or business improvement more generally is firm size. For instance, Massey (2004) argues that there is a consensus that firm size is positively related to the decision to invest in training and consequently found that the smallest firms spent the least on training. In general, the issue of staffing resources for business improvement was nicely stated by Barry and Milner (2002) who noted the lack of time to allocate to staff training for new technology innovations. They found that the small size of the firm meant that it was a luxury, rather than normal practice, to spare a staff member to attend a training course. While some authors have noted that training within small firms is less visible and internal, it was pointed out by Loan-Clarke et al. (1999) that one of the more consistent findings among small firm researchers is the relationship between firm size and the level of external training. For instance, Kotey and Folker (2007) found that the amount of formal training increased as firm size increased. In support, Curran et al. (1996) argue that firms with less than 10 employees do the least training and many scholars have acknowledged that more training is conducted as firm size increases (e.g., Marshall et al., 1995). In addition to the observation by Barry and Milner (2002) that small firms lack staff capacity for training, Gray (2002) suggests that owner–managers are also likely to be heavily involved in operational matters and this can reinforce the resistance to learn

new ways of doing things. It follows, therefore, that two aspects of change resistance are the level of risk involved and the owner–managers risk disposition. Gray (2002) asserts that risk aversion is not uncommon in many small firms, especially micro-firms, such as hospitality firms.

A second organisational factor, closely related to firm size characteristics is the emphasis on human resource practices and policy. While human resource policy is a given in large organisations, it is very much a problematic issue in smaller firms. Logically, we note that micro-firms, in particular, will have little capacity to specialise in the human resource function. For instance, Atkinson and Meager (1991) found that as firms increased in size so did the appointment of employees with specialist skills, including human resource management skills. However, they found that the number of firms employing personnel managers was small (about 10%) even among the largest firms (over 50 employees). In addition, Leon-Gurrero et al. (1998) argued that as firms grow in size, so do human resource management practices increase, such as human resource planning. This increase in capacity and skill levels provide larger firms with the opportunity to engage in more staff training as the natural domain of the human resource function. However, Wilkinson (1999) states that human resource management practices do occur in small firms but appear to be more informal. Highlighting the dilemma for researchers, Kotey and Sheridan (2004) acknowledge that it is not clear when such formality in the human resource training function might begin. They found only small amounts of formal training in small firms, which was largely focused on operational detail rather than strategic human resource issues. Finally, Reid and Adams (2001) found that in non-family firms with 15–75 employees that about 75% of firms surveyed had a business plan and mission statement but only about 35% had a human resource management plan. Further, they found that about 50% had a human resource management department. These figures were reduced in family run businesses, where around 25% of firms that had a human resource management plan and 40% had a human resource management department. Thus, we acknowledge that very small firms will have a less structured human resource management function but still may have business plans, mission statements, and an assigned role for the human resource management function. We believe that those firms that take the human resource management function more seriously are more likely to engage in training activities.

One further organisational factor often discussed is the role of a peer network for small firms. Several authors have suggested that the nature and extent of involvement in peer networks can contribute substantially to knowledge sharing and business improvement uptake (e.g., Morrisson and Bergin-Seers, 2002; Chaston and Mangles, 2000). In particular, Ahmad (2005) found, in a small network of chalet owner–managers, that the greatest perceived benefit from networking was the level of knowledge sharing. Similarly, Patton and Marlow (2002) suggest that owner–managers are often willing to attend training activities just to obtain a feel good factor of doing the right thing. Thomson and Gray (1999) also suggest that membership of an external organisation is an indicator toward a positive attitude to management oriented development. Thus, we believe that participation in a peer network will be a positive contributing factor in influencing owner–managers to consider customer service training activities. Collectively, we view these organisational factors as important predictors of the level of interest in customer service training. Accordingly, we state the following proposition.

P3: Larger hospitality firms and those small hospitality firms with a greater emphasis on the human resource function, or greater involvement in peer networks are likely to be more interested in training activity

#### 2.4. The study model

Next, we present a rationale for the modelling approach developed for this study. First, we note that while a range of factors thought to influence the interest of owner–managers in business improvement activities have been proposed and/or investigated by scholars very few studies have examined such predictive factors collectively. Two studies have investigated several factors jointly and these are now discussed. The first study by Loan-Clarke et al. (1999) focused on small to medium organisations likely to have a management team and thus limited their research to organisations with more than 10 employees. This restriction excluded all micro firms and many small firms. These authors investigated the relationship between predictor variables, such as organisational variables (size, growth orientation, and age) and human resource policy (importance, promotion), with management training initiatives. They found size (number of employees) strongly related to management training initiatives but age and growth factors were not significant. The second study by Thomson and Gray (1999), investigated small firm ‘management development’ activity for firms with less than 10 employees. These authors constructed a model that grouped independent variables into four aggregated clusters: (1) external structural variables (e.g., no employees); (2) internal structural variables (written plan, targets); (3) personal factors of owner–manager (age, membership of external org); and (4) policy framework for management development. Each cluster contained a set of statements. Their model explained 19% of the variance in management development training outputs, as measured by number of days of training. Thomson and Gray (1999) found that policy factors were the best predictor of management development training outputs, while size of firm made a modest significant contribution. However, no studies could be found that have explored such factors jointly within hospitality firms. We intend to investigate these factors collectively.

Second, the delivery of high quality customer service plays an important part in the hospitality experience. Although variously defined in the literature, service quality is generally accepted to mean an overall appraisal of a service. Evaluating the quality of services is more difficult than evaluating the quality of goods, due to the nature of services, specifically their intangibility, inseparability and variability. This is particularly relevant to hospitality firms where it is often the experience that is important to the customer. Given that over 90% of tourism firms are micro- or small firms (Greenbank, 2000) it is felt that such small firms are particularly vulnerable to quality evaluations. Customer service skills are probably one of the most important aspects of managing service quality within hospitality firms. In many instances, it is the customer contact staff who actually make the experience positive or negative for the customer. However, customer service improvement activities that do not demand a high priority will not be taken up by managers of customer contact staff or, in the case of micro firms, themselves as frontline staff. Understanding what customer service improvement initiatives are considered valuable is critical. We could find no studies within the tourism and hospitality sectors that have investigated the drivers of customer service improvement initiatives for small firms. Accordingly, we seek to explore the relationships between such predictor variables and the desire to engage in specific customer service training activities.

Third, while authors have called for more sophisticated approaches to understanding small firm attitudes and activities there has been little development of particular constructs and their measurement, especially within the hospitality sector. In particular, Morrisson and Teixeira (2004) argue for scholars to look deeper into the complexity of small firm performance to understand the maze of obstacles restricting their performance. In this

study, we sought to develop multiple item scales to further such understanding quantitatively. In addition, specific types of customer service training have yet to be investigated. Training is largely treated as an aggregated term that has until now escaped being examined at a more micro level. Hence, in this study we explore predictors of various forms of customer service training, such as mystery shopping, quality reviews and benchmarking best practice. We feel such an approach is timely given the calls by key researchers. As previous researchers have not investigated specific forms of customer service training in this context we sought information from industry executives to assist with the formulation of outcome variables. The process of why such variables were selected and what they entail is outlined in Section 3.

### 3. Method

A single cross-sectional survey was conducted to collect information for this study. Data were collected by a self-complete questionnaire from owner/managers of small hospitality firms. The sample of 255 owners, managers or owner-managers was obtained from a database of subscribers to the major membership publications for the Restaurant and Caterers Queensland Association and the Hotel and Motel Association of Queensland, Australia.

#### 3.1. Instrument

The questionnaire was designed to obtain information about the nature of hospitality firm operations and attitudes toward business improvement activities. The instrument also requested background information on current business operations; owner/managers' attitudes and behaviours toward business improvement activities and demographics including respondents' gender, age, education and income. Behavioural and attitudinal items were largely based around a range of issues identified by the researchers in the literature review, as well as interviews with an industry reference group.

The questionnaire captured quantitative data and used a mix of five or seven point itemised scales or dichotomous scales. We undertook a scale development exercise to develop multiple-item measurement scales for owner-managers attitudes toward training, their business outlook and peer involvement. While many authors have discussed such aspects of training for small firms very little work is evident in the measurement of such variables. Accordingly, a large set of statements was generated to capture key aspects of owner-managers attitudes toward training. With the assistance of an industry reference group this set of statements was reduced to 53 items that were included in the questionnaire. The further refinement of items is discussed in Section 4. Other single item variables included general organisational factors, such as the number of full and part time staff, length of industry experience, and prior seminar experience. In addition, single item categorical questions relating to human resource management were asked, such as whether the firm had a mission statement, human resource plan or an individual specifically assigned to a personnel role. A single item five point scale captured data on the owner/managers intention to use customer service training—*how likely was the customer to need specific customer service training activities in the next 12 months*. Further questions captured categorical data about the respondents' preferences for specific customer service training tools and or information. The questions sought information about interest in three forms of customer service training/information: benchmark best practice; quality review and mystery shopping. The choice of these three variables was made following consultation with an industry reference group and an examination of available industry training materials. The

research team found several books in the popular press that focused on customer service training and included guides or checklists to undertake a variety of specific customer service improvement initiatives. From a small list of such improvement activities, the industry reference group suggested three forms of training should be investigated given the context of this study—mystery shopping, quality reviews and benchmarking best practice.

Mystery shopping involves an 'outsider' to visit the accommodation as a guest and report on how they perceived the level of service on key attributes. The quality review typically involves a list of attributes being rated by the owner/manager as an insider. The third improvement activity, benchmarking best practice, involves selecting an external point of reference with high standards and making comparisons between the firm and the external point of reference. Each form of customer service improvement activity involves varying levels of 'control' by the owner/manager. For instance, the owner/manager has no control over how a mystery shopper rates the performance of the firm but has complete control in a self-report of quality attributes. It was considered by the industry reference group that such a hierarchy would provide a useful framework.

#### 3.2. Sampling

A convenience sample was collected for the study. The procedure for data collection involved the distribution of 4000 questionnaires by the Restaurant and Catering Queensland and Hotel Motel and Resort News, as inserts in their respective publications. Thus, the database population received the opportunity to respond. However, given that a large group of hospitality operators are not members of either hospitality organisation we treat the sample as a convenience sample only. Both publications carried short articles about service quality, indicated the nature of the research project and encouraged readers to complete a survey form. Prize draws of department store vouchers worth \$1000 in total were offered as an incentive to encourage responses. A total of 255 completed questionnaires were received, indicating a response rate of 6.4%. No differences were detected between early and late respondents. The response rate was in line with industry forecasts prior to distribution and previous academic research into the sector (e.g., Gultek et al., 2006).

## 4. Results

#### 4.1. Sample profile

Participants were 255 owners, managers or owner/managers of hospitality firms in Australia. Most respondents operated micro or small businesses with more than 90% having less than ten full time employees. The majority of respondents were male (58.3%), had a monthly turnover of in excess of \$AUD15,000 (78%), and worked jointly with their husband/wife/partner (62.9%). Over 90% of respondents had owned or managed their business for more than 2 years (90.5%). The majority of respondents ran their businesses in Queensland (94.7%) with the remainder running their business in NSW (5.3%). Age of respondents ranged from 18 to over 65, with the 45–54 age group having the highest number of respondents (32.8%). About two-thirds of respondents owned or managed an accommodation business (motel, hotel, b & b) while the remainder operated either a food service business (27.5%) or food service business combined with accommodation (5.2%). Statistical tests for differences between these two sectors showed no practical differences and the data were aggregated and analysed together. The majority of respondents from the accommodation sector

operated service apartments (62.6%) with motels/motor inns next largest group (22.5%). The largest food service group was dine in only restaurants (51.2%) with dine in/take away restaurants next largest at 25.6%. Ninety-three percent of respondents reported that they belonged to a recognised hospitality related membership association.

#### 4.2. Scale development

We adopted a standard approach suggested by DeVellis (1991) for multiple-item scale development. We initially obtained a large pool of potential scale items that were derived from the literature and an industry reference group relating to owner/manager attitudes toward training, their business outlook and peer involvement. This pool of potential questions was refined through expert judgement in consultation with members of an industry reference group made up of hospitality executives. In addition, pilot testing with a small group of owner-managers was conducted to test the appropriateness of statements for the survey. The resulting 53 statements used in the questionnaire were factor analysed using principal components analysis with varimax rotation. The set of statements was considered acceptable for factor analysis with a KMO score of .81 and the Bartlett's test of sphericity being significant at 0.001. Those statements with factor loadings less than 0.3 were excluded from analysis. Second, those remaining statements that loaded by 0.4 or above on more than one factor were removed from the solution. The resulting solution was six factors explaining 62.5% of the variance. Statements for each factor are shown at Table 1.

Owner-managers attitudes toward training was indicated by two factors. The first factor comprised five statements that related to how respondents viewed 'the importance of the training function' for business success. The second factor labelled 'training confidence' related to how confident was the owner-manager to the

effectiveness of available training activities. Four statements captured the essence of this latter factor. The third factor was labelled 'service orientation' and contained five statements relating to the owner-managers orientation toward customer service. The fourth factor was labelled 'peer networks' and captured the level of interaction with industry peers. The final two factors related to the business outlook of respondents. First a two statement factor was labelled 'business contentment' and sought data on how comfortable was the owner-manager with the way the business was performing. The final factor captured information on the 'profit motive' for respondents. For this six factor solution, we note that factor loadings are all above 0.5 with the majority of factor scores above 0.6. Furthermore, there is little cross-loading between factors indicating an adequate degree of convergent and discriminant validity. Cronbach alpha coefficients for each of the six factors ranged from 0.68 for profit orientation to 0.78 for confidence in training. While five factors exceed the generally accepted minimum level of 0.70 for Cronbach alpha we note that higher reliabilities will be desirable to build on this exploratory study. These six multiple-item scales, together with other single item scales discussed above, were used in a series of regression equations.

#### 4.3. Regression analyses

Two types of regression equation were used to determine the effects from various predictor variables. First, the ordinary least squares (OLS) regression technique was employed to analyse the effect of predictor variables on the likelihood of utilising customer service training/information in the next 12 months. A further three separate logistic regression equations were run to test the predictive effect of the same independent variables on specific types of customer service training, measured as categorical data. The three types of customer service training activities used were

**Table 1**  
Measurement scales.

Scale statements	Factor loading	Item-total correlation
Training importance ( $\alpha = 0.74$ )		
Staff and management training is provided only when needed	0.55	0.38
To be successful you must provide extensive training to staff	0.78	0.63
Staff/management training is crucial to our overall business strategy	0.74	0.64
There is no option but to train our staff to a high level	0.73	0.44
Staff training is a low priority on a day to day basis	0.61	0.51
Confidence in training ( $\alpha = 0.78$ )		
I/We have little confidence in business training	0.79	0.63
Further business training would only have a marginal benefit to my/our business	0.64	0.55
Most business training is too structured/formal	0.82	0.64
Trying to find suitable business improvement activities is too hard	0.78	0.52
Service orientation ( $\alpha = 0.71$ )		
I/We strongly encourage customers to let me know about our service levels	0.68	0.43
I/We sit down regularly to assess the business' performance	0.64	0.47
I/We constantly think of how to serve customers better	0.74	0.47
I/We like to constantly try out new ideas in the business	0.62	0.50
I/We reward staff for making customers happy	0.52	0.44
Peer networks ( $\alpha = 0.73$ )		
I/We tend to be more involved in industry matters than most of my peers	0.69	0.49
I/We have a strong network of industry colleagues	0.82	0.61
I/We like to pass on new ideas to tourism industry friends	0.79	0.56
Contentment with business performance ( $\alpha = 0.76$ )		
I am/We are content with the way the business is going	0.88	0.61
I am/We are happy with the performance of the business	0.86	0.62
Profit orientation ( $\alpha = 0.68$ )		
A high income is a top priority for me/us	0.84	0.52
I am/We are aiming for a large profit in the business	0.83	0.52

Note: Some statements reverse coded.

(1) benchmarking for best practice, (2) service quality review, and (3) mystery shopping. The results from each equation are shown in Tables 2 and 3.

In the first equation, where the more general dependent variable of likelihood of customer service training was used, the model explained 27% of the variance. The degree to which respondents attached importance to the training function was the major influencing factor on likelihood of using customer service training. Three further factors were also significant in the equation. Thus, a lack of confidence in the availability of suitable training together with prior business seminar experience was influencing factors, together with length of industry experience. The lack of confidence in suitable training availability was a negative influence on the take up of training. It is also noted that the longer respondents had been working in the industry, the more likely they were to seek customer service training. None of the factors measuring business orientation were found to be a significant influence. Similarly, the measures for firm size, human resource management practice and network links with peers were not significant factors. This finding has interesting implications for hospitality membership associations and government agencies involved in policy development to encourage small hospitality firms to engage in more business improvement activity. This aspect is discussed further in Section 5.

For the second set of regression equations, the binary logistic technique was used to test three separate models using different dependent variables (mystery shopping, quality review and benchmarking). Using the chi-square for log likelihood difference, all three models were significant. The degree of variance explained in each dependent variable was measured with a Nagelkerke *R* squared test and ranged from 22.3% for benchmarking best practice to 38.2% for mystery shopping. All three Logit models were found to make a small improvement in the percentage of cases correctly classified. Thus, the models are appropriate for further

**Table 2**  
Predictors of likelihood of customer service training.

Independent variables	Beta	<i>t</i>	Sig.
<b>Attitudes toward training</b>			
Training importance	0.29	3.59	0.000
Low confidence in available training	−0.17	−2.46	0.015
<b>Business orientation</b>			
Service orientation	−0.06	−0.84	0.405
Contentment with business performance	−0.02	−0.27	0.789
Profit motive	0.06	0.88	0.379
Growth objective	0.01	0.15	0.877
<b>Organisational factors</b>			
Number of full time staff	0.08	0.90	0.372
Number of part time staff	0.01	0.13	0.899
Mission statement	−0.03	−0.44	0.661
Human resource plan	0.07	0.94	0.346
Personnel role	0.02	0.28	0.779
Peer networks	0.05	0.70	0.482
Length of industry experience	0.16	2.41	0.017
Prior seminar experience	0.19	2.68	0.008

*F* value 6.34. Significance 0.000. Adjusted *R*<sup>2</sup> 0.27.

analysis. In the case of benchmarking best practice, it was found that a lack of confidence (Wald Statistic = 4.8) had a negative influence on whether this activity would interest respondents. No other factors were significant in this equation apart from length of industry experience at the 90% level of significance. For service quality reviews, two different independent variables significantly accounted for respondent interest. The level of importance attached to training (Wald Statistic = 6.3) was a positive influence while the degree of contentment with firm performance (Wald Statistic = 11.7) was a strong negative factor in the level of interest in such a training activity. In the third model, using mystery shopping as the dependent variable, four factors were significant in

**Table 3**  
Logistic regression results.

Independent variables	Mystery shopping				Quality review				Benchmark best practice			
	<i>B</i>	S.E.	Wald Statistic	<i>p</i>	<i>B</i>	S.E.	Wald Statistic	<i>p</i>	<i>B</i>	S.E.	Wald Statistic	<i>p</i>
<b>Attitudes toward training</b>												
Training importance	0.59	0.32	3.52	0.061	0.54	0.22	6.29	0.012	0.13	0.20	0.441	ns
Low confidence in available training	−0.13	0.23	0.316	ns	−0.10	0.16	0.380	ns	−0.36	0.16	4.81	0.028
<b>Business orientation</b>												
Service orientation	−0.60	0.42	2.05	ns	0.28	0.27	1.11	ns	0.32	0.26	1.47	ns
Contentment with business performance	−0.10	0.18	0.273	ns	−0.47	0.14	11.7	0.001	−0.19	0.13	2.17	ns
Profit motive	0.54	0.24	5.04	0.025	0.15	0.15	0.564	ns	−0.03	0.14	0.039	ns
Growth objective	−1.24	0.51	5.88	0.015	0.36	0.36	0.002	ns	−0.35	0.35	1.01	ns
<b>Organisational factors</b>												
Number of full time staff	−0.004	0.03	0.018	ns	0.03	0.03	0.392	ns	0.01	0.03	0.057	ns
Number of part time staff	−0.007	0.03	0.075	ns	0.02	0.02	0.010	ns	−0.004	0.02	0.040	ns
Mission statement	1.62	0.51	10.13	0.001	0.32	0.36	0.780	ns	0.59	0.37	2.52	ns
Human resource plan	−0.45	0.65	0.483	ns	0.49	0.49	0.123	ns	0.88	0.54	2.62	ns
Personnel role	0.11	0.49	0.049	ns	0.36	0.36	0.634	ns	−0.09	0.35	0.071	ns
Peer networks	0.52	0.24	4.55	0.033	0.02	0.15	0.014	ns	−0.02	0.15	0.016	ns
Length of industry experience	0.03	0.02	1.42	ns	0.015	0.015	0.076	ns	−0.03	−0.02	3.22	0.073
Prior seminar experience	0.70	0.55	1.60	ns	−0.007	0.39	0.000	ns	0.26	0.40	0.441	ns
<b>Model summary</b>												
<i>N</i>	199				199				199			
Chi-square ( <i>p</i> -value)	51.74 (0.000)				38.32 (0.000)				36.23 (0.001)			
−2log likelihood	130.2				230.6				236.9			
Percent correctly classified	87.4				66.8				65.8			
Proportional chance	82.9				59.3				55.8			
Nagelkerke <i>R</i> <sup>2</sup>	0.382				0.236				0.223			

the equation. In contrast to the first two logit equations, attitudes toward training played no part in predicting interest in specific activities. Instead, those owner–managers interested in more profit and growth together with possession of a mission statement and involvement in peer networks accounted for the variance in interest in training related to mystery shopping. The largest factors in predicting interest in mystery shopping was whether respondents had a mission statement (Wald Statistic = 10.1) and growth objective (Wald Statistic = 5.9).

## 5. Discussion

This project aimed to provide further understanding of the attitudes of owner–managers of hospitality firms toward training. In addition, we have examined how these attitudes, together with views on business direction and other organisational factors, might lead to greater training activity. For the aggregated customer service training question, we found that the level of perceived importance of the training function is the key predictor. However, having the confidence in suitable training activities together with length of prior industry experience and recent attendance at seminar training activities are also important predictors. While changing owner–managers' attitudes to the importance of training is recognised as a challenging task, other factors examined in this study offer useful insights for policy makers. It is noted that size of the hospitality firm, as measured by the numbers of either full or part time staff, is not a significant predictor of training. This finding contradicts the suggestion by Devins et al. (2004) that there is a body of evidence that firm size reflects the degree of interest in training activities. Furthermore, this finding supports the calls of researchers, such as Morrisson and Teixeira (2004), who argue for a more sophisticated understanding of the predictors of training rather than using crude indicators, such as size of firm.

We also found that, for specific customer service training activities, the predictors of customer service training interest varied. While we detected four significant predictors of mystery shopping training/information we found two significant predictors for quality review and just one predictor for benchmarking best practice. Accordingly, the variance explained by the respective models was 38% for mystery shopping down to 22% for benchmarking. Thus, a different set of predictors need to be found for different forms of customer service training activity. For the specific activity of benchmarking, we found that the one predictor is confidence in the suitability of the training activity. Thus, we suggest that agencies promoting this form of customer service training need to 'sell' the credibility and merits of such activity to the hospitality firm. For the activity of mystery shopping, we found that the business orientation is important. Thus, the business objectives of owner–managers appear to be important and not their attitude toward training. Interestingly, the strongest predictor for mystery shopping is whether the firm has a mission statement or not. We believe that the hospitality firm with a mission statement is more likely to be a strategic planner, than a firm without one. As a result, owner–managers with a more organised or visible idea of what their business is aiming to achieve may be more receptive to an activity, such as mystery shopping.

Finally, we note that, in the first regression equation, we found that the importance placed on training is the strongest predictor of the likelihood of conducting customer service training, overall. However, at the specific level of type of training this 'importance' factor was significant for only one specific customer service training activity: quality reviews. Furthermore, even for quality reviews the level of importance placed on training was not the strongest predictor. Thus, a generally positive attitude to the importance of customer service training is not a strong explanatory

variable when we look at why firm owners and managers may respond or not to calls to attend specific training initiatives.

### 5.1. Implications

Overall, we note that attitudes toward training together with length of industry experience and prior seminar experience are the strongest predictors of training uptake. Thus, one of the more interesting management implications for policy makers is how to exploit this knowledge about predictors of interest in customer service training activities. If experienced owner–managers are more predisposed toward attending training activities then it may be possible to target this group directly and inexperienced operators indirectly. Accordingly, we suggest that one of the target groups for government agencies and hospitality organisations could be the experienced owner–manager. The aims for targeting such a group are twofold. First, to engage those owner–managers most predisposed to business improvement in general, and customer service training activities in particular, is easier that tackling the inexperienced group at the other end of the spectrum. However, the second aim is more interesting. It provides an opportunity to encourage experienced owner–managers to 'sell' the value of customer service training to less experienced operators. Hence, in practice, experienced operators of hospitality firms could be asked to bring along a hospitality new comer or first timer to any seminar activity. Indeed, one could envisage innovative agencies offering experienced owner–managers something like a 50% discount deal for bringing along first time attendees. In addition, experienced operators could be provided with better information to promote such activity. Such a role for experienced operators could be expanded to a more intensive 'mentoring' role. It is possible to envisage that incentives be provided for more leaders in the sector to induct and mentor new entrants to the hospitality sector.

A second important implication arising from the findings is that a generally positive attitude toward training is no guarantee of training activity. The likelihood of adopting specific training activities relies less on attitudes toward training. Accordingly, a closer examination of specific predictors suggests that peer networks and growth oriented firms are more likely to adopt an activity over which owner–managers have little control, such as mystery shopping. Thus, such activities need to be closely targeted at high growth operators through strong peer networks, such as industry associations. On the other hand, a more closely controlled training activity, such as an internally conducted quality review, is more reliant on the closely aligned performance rating measure of contentment. That is, those firms not happy with their own performance will seek out such reviews. Finally, firms that were less confident about the efficacy of training activities were more willing to adopt benchmarking as a training activity. Thus, the training cynics may welcome a rigorous approach that showcases previous success and/or recognised high standards of performance. One could envisage an industry association engaging in a training program to target different groups of stakeholders with separate offerings of training support.

One further implication<sup>3</sup> highlights how these findings provide an educational tool for further research. It is often too easy to assume that a one size fits all approach to hospitality industry training will suffice. In this study, we have shown that the level of customer service training amongst hospitality operators will vary between general and specific activities. In addition, crude measures, such as firm size, are largely inferior to other more specific predictors of training adoption. The comprehensive

<sup>3</sup> The authors acknowledge one of the reviewers for providing this suggestion.

approach taken in the current study, with respect to individual measures, provides a solid base for further research into the hospitality industry. However, the broad range of measures examined provided a modest level of explained variance in training activity. Despite the predictors being sourced from the literature and reviewed by industry executives further predictors are keenly sought.

## 5.2. Summary

In this study, we have extended knowledge about training adoption in small hospitality firms in five important ways. First, we have extended a more general inquiry by previous researchers, from small and medium sized firms, into the hospitality area that was previously lacking. Second, we have extended inquiry beyond 'the size makes all the difference' argument to the level of training activity. Third, we have explored the relative predictive effects of a range of possible factors to indicate training take up. Fourth, we have developed new scales for important constructs. Finally, we have extended inquiry to a micro level to investigate which predictors work for different forms of customer service training.

While the results of this exploratory study provide a strong basis for further inquiry into understanding the adoption of business improvement activities by hospitality firms, we note some limitations to the findings. While the sample size was adequate for our purposes, we suggest that a larger sample would assist in teasing out any small effects. The new scales developed for this study meet minimum reliability requirements and further scale refinements will assist in detecting small effects. While the three logistic models provide useful insights into specific customer service training activities future models may need to test new predictors. A number of authors have indicated that the uptake of any external training activity within hospitality firms is small and, thus, it will be difficult to detect small effects. New models may seek to investigate mediating and moderating effects of different constructs to predict training intentions.

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