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Grant Cairncross
Southern Cross University

Simon J. Wilde
Southern Cross University

Lucinda Hutchinson
Southern Cross University

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Training and Service Quality – a case study analysis of regional Australian restaurants

Grant Cairncross, Simon Wilde and Lucinda Hutchinson

Grant Cairncross is a lecturer and PhD candidate in the School of Tourism and Hospitality Management at Southern Cross University (Coffs Harbour Campus), Australia.

Simon Wilde is a PhD candidate with the Australian Regional Tourism Research Centre, Southern Cross University (Coffs Harbour Campus), Australia.

Lucinda Hutchinson is a Research Associate with the Centre for Enterprise Development and Research (CEDAR), and a marketing practitioner at Southern Cross University (Coffs Harbour Campus), Australia.

Abstract

The incorporation of training procedures, both formal and informal, within hospitality firms is recognised as a vital element in achieving sustainable perceived service quality. Yet, despite this importance, relatively little is known about the extent, nature and determinants of training in hospitality firms in regional Australia. Restaurants in particular have proven hard to analyse because many are what the Australian Bureau of Statistics calls micro-businesses who employ less than five staff, or are small businesses with five to twenty employees, and have little in the way of training resources and expertise in the area. An examination of six restaurants in Northern New South Wales identified that medium sized boutique operations owned and managed by operators with a passion for fine food and service had training policies that were more extensive than larger organisations such as resorts even though the latter often had a higher star rating. It was apparent that organisational size and resources had more of an effect on the adoption of formal training strategies such as induction and the establishment and provision of a formal training manual.

Keywords: Training, service quality, hospitality, restaurants, Australia, case study.

Introduction

It is often argued a strong human resource focus is a vital component to helping achieve sustainable perceived service quality. This is because consumers of a service are involved in an understated, but important, personal and psychological experience (Schneider, 1994, p.82). The relationship between a successful service quality strategy and a considered human resource management (HRM) policy in the hospitality industry has been analysed by a number of studies which have highlighted the link between a successful HRM strategy and service quality outcomes (Haynes and Fryer, 2000; Lashley, 1998).

However, very little study has been done on training strategies and their link to service quality in the restaurant sector, particularly in an Australian regional context. This article aims to address this gap in the literature and does so by presenting the research under five main headings. Firstly the literature pertaining to training and service quality is reviewed. Then the existing relevant literature about the make up of the restaurant sector in Australia and its employment characteristics is presented. The research method used is then explained followed by a discussion of the findings as they pertain to six regional restaurant's training strategies. Lastly the article then examines the findings and discusses their implications for the industry and for further research.

Linking service to training and HRM

Organisations working in the hospitality industry compete primarily with their services, a situation described by Gronroos as service competition (Gronroos, 2000, p.121). Gronroos states the first rule for achieving successful ongoing service quality is; "people develop and maintain good and enduring customer contacts. Employees ought to act as consultants, who are prepared to do their duty when the customer needs them and in a way the customer wants. The firm which manages best to do this strengthens its customer relationships and achieves the best profitability" (2000, p.377).

In order to maintain and improve the quality of service and to ensure customer satisfaction, quality staff are required and that, in turn, requires HRM practices such as ongoing staff training and strategic career development planning (Van der Wagen, 2005).

Schneider (1994, p.64) suggests "without customer focused HRM, inappropriate people may be hired, training might fail to provide people with the kinds of knowledge, skills and abilities required, supervision might be too loose or too tight and rewards might be dispensed for the wrong kinds of activities". Therefore customer needs and expectations must be at the centre of any HRM and service quality strategy and be emphasised throughout all organisational operations so as to sustain a successful operation.

Often customers judge the quality of the service they receive largely on their assessment of the people who provide the service (Lovelock and Wright, 2002). Firms, who understand this successfully, devote significant efforts to the recruitment, training and motivation of their staff, so as to ensure their customers experience a service exceeding their expectations (Lovelock and Wright, 2002). Unfortunately at times, organisations find difficulty in maintaining superiority based on the tangible elements of the service encounter, as competitors can easily replicate these elements of the service offer. However, a positive personal interaction with an obliging employee can readily demonstrate a firm's superior service (Kandampully, 2002).

Training is a crucial part of the 'armoury' of a hospitality industry employer in ensuring sustainable perceived service quality is attained. The importance of training has been identified as a way to achieve professionalism, improve the levels of service quality, improve consistency and maintain a set standard. Additionally it helps to increase the experience of staff, ensure they do it the right way, guarantees standards and systems of work, attains timeliness and reliability, increases communication and stimulates staff while helping deliver the economic bottom line (Delahaye, 2005). In spite of this training has been identified as largely an ad hoc process in previous studies of the broader hospitality sector in Australia (Davies, Taylor and Savery, 2001; Department of Education Science and Training, 2005).

The primary purpose of a training program is to help achieve overall organisational objectives but, at the same time, an effective training program must demonstrably contribute to a trainee's personal goals (Nankervis, Compton and Baird, 2005). Cannon

(2002) argues "crucial internal services include employee training and development in preparation for career advancement and continual professional learning" (p.94). Nankervis, Compton and Baird (2005) also argue successful training requires relevance via a thorough needs analysis, precise goals and outcomes, employee involvement and understanding and a transparent evaluation and feedback process.

Restaurants in regional Australia

At the end of June 2004, there were 188,102 persons working in cafe and restaurant services in Australia. Cafe and restaurant services are dominated by a large casual, or on-call, work force, accounting for just over half (53.4% or 100,460 persons) of all employment. In this sector, permanent full-time employees accounted for just over a quarter (25.4% or 47,740 persons) of all employment, while permanent part-time employees accounted for 13.7% (25,824 persons). Females comprised just over half (53.7% or 100,926 persons) of all employment in the broader Australian hospitality sector. Most females (61.6% of total female employment) worked as casuals. Males also occupied more casual positions (43.9% of total male employment), however, they also were more likely to occupy full-time positions (34.3%) than females (17.7%) (Australian Bureau of Statistics, 2005). Approximately 45 per cent of all employees in the cafes and restaurants sector are aged between 18 and 25 years old.

This high degree of casual, female and youth employment has led to a labour 'turnover culture' that has led to concerns about the supply of quality employees in a time of tight labour markets (House of Representatives, 2006). This, in turn, has produced an intense focus on the non-transportable and fragmentary nature of hospitality training in Australia and the negative effect it has on career development and employee retention (House of Representatives, 2007). The industry is also made up of 95 per of cent small, family owned and operated businesses who also compete with large international chain affiliated organisations.

With such a large number of small, family owned and operated businesses many smaller restaurants rely on owner/manager intuition and often see training as a luxury commodity

(Buultjens and Cairncross, 2004; Davies, Taylor and Savery, 2001). It has been argued these owner/managers are often unaware of the benefits that can be obtained from formal training, resulting in inadequate training and ultimately hindering their effort to provide high quality service (Davies, Taylor and Savery, 2001; Fishwick, 2003). It has been identified that small and medium businesses in the Australian hospitality industry lag behind larger organisations when it comes to training (Becton and Graetz, 2001) something which was also found internationally (Price, 1994). This is particularly a concern given the labour market shortages in Australia from 2004 onwards and the fact many employees are members of Generation Y who, research shows, expect and demand a high degree of ongoing valuable training from employers (Sheahan, 2005).

Taylor and Davies (2004) argue one of the most important core functions of human resources (HR) that can lead to the attainment of numerous benefits for the organisation is a strategic training plan. Their argument in regard to training is based on Hay's study which found training employees to provide quality service is essentially a large contributing factor leading to customer satisfaction and positive perceptions of service quality (Hays, 1999). "It has been long recognised effective staff training allows an organisation to provide a unique and differentiating standard of service resulting in increased profitability to service providers" (Hays, 1999, p.466). Taylor and Davies (2004) compared the extent of the role of training in hotels in Perth, Australia and Singapore. Both quantitative and qualitative research was undertaken which provided results suggesting the hotels surveyed believed training was essential to the provision of good service culture within the industry. Internationally the importance of HRM strategies in attaining higher service standards, attracting high quality employees and in reducing turnover in restaurants has been established by DiPietro, Murphey, Rivera and Muller (2007) in the United States and the importance of training particularly in relation to the aforementioned issues has been established as being vital to an award winning restaurant chain's success in the United Kingdom by Pollit (2006).

In Australia, human resource management has progressed along similar lines to the United States and United Kingdom albeit at differing stages of development influenced by

slightly different social, economic, political and industrial relations factors (Nankervis, Compton and Baird, 2005). In Australia HRM is a complex and rapidly changing field of practice, particularly as a result to numerous changes to employment legislation as implemented by successive Governments, and this is a crucial contributing factor to the success of Australian organisations, especially those within the hospitality and tourism industry (Nankervis, Compton and Baird, 2005). However, HRM has been identified as the corporate function many smaller Australian organisations outsource (Pinnington and Lafferty, 2003). Many practices associated with HRM like sophisticated recruitment and selection, performance related pay, teamwork and employee involvement have become more widespread, including the growth in training initiatives (Pinnington and Lafferty, 2003).

Bartram's (2005) study, for example, suggested small Australian firms are less likely than medium to large organisations to utilise formal HRM practices, findings which were found to be replicated more strongly in smaller hospitality establishments when compared to larger ones (Buultjens and Cairncross, 2004). Bartram (2005) recommended greater research needs to be carried out in the area of small to medium business HRM strategies and their impact on organisational performance, yet to date very few studies in Australia have investigated the impact of HRM on organisational performance in regional organisations. A review of the extant literature found this was particularly the case in regard to regional restaurants or organisations hosting regional restaurants.

Australian restaurants have to deal with imprecise standards and fluctuating demands. Seasonality further complicates the task of defining, delivering and measuring service quality and consistency among employee service behaviours (Wong Ooi Mei, Dean and White, 1999). This is particularly so in regional Australia where the industry is often particularly seasonal and labour is highly mobile and transient as a result, something which has been exacerbated as a result of the skills and labour shortage which became apparent from late 2004 onwards. This study looks at the training strategies of a number of regional restaurants, all of whom are winners or unsuccessful nominees in a state-wide

restaurant competition, in order to attain what they themselves believed contributed to their perceived customer service and whether training was a key factor in any success.

Methodology

A total of six case restaurants were selected as a pilot study to form the basis for a latter larger study. The pilot study looked at a number of restaurants from the 2005/06 Northern/New England Visa International Awards for Excellence nominees and actual winners list, an event administered by Restaurant and Catering NSW/ACT (RCNSW/ACT), a peak Industry Association representing over 2400 members of the restaurant and catering industry throughout New South Wales (NSW) and the Australian Capital Territory (ACT). The judging forms for these awards had a special service quality category applied to all establishments being judged which uncovered a wide range of perceived standards. The training strategies of the case study award winners were then compared and contrasted with comparable sized and similar market positioned restaurants who were also consistent nominees in the same awards. Value can be gained from identifying the success and experiences of like firms. The selection of these cases was made to recognise innovative training solutions, in an effort to assist organisations with similar challenges.

The application of a case study methodology seems reasonable for this undertaking particularly given the researchers wished to find answers for "what", "how" and "why" questions (Yin, 2003). Hospitality researchers such as Haynes and Fryer (2000) assert the use of a case study methodology is appropriate where researchers seek a richer understanding of the key issues and dynamics involved in a specific context. In particular, Redman and Mathews (1998) note case study research is of particular value in deepening our understanding of the relationship between service quality and human resource management functions such as training. Whilst there is no precise guide as to the number of cases to be included in a study, some authorities on case study design have endeavoured to recommend a range within which the number of cases for any research should fall (Perry, 1998). For example, Eisenhardt (1989, p.545) suggests between four and ten cases, and Hedges (1985) sets an upper limit of 12, however he recommends that "in practice four to six groups probably form a reasonable minimum for a serious project"

(p.76-7). Restaurants chosen for this study were located on the North Coast and the Northern Tablelands of NSW and offered a variety of foodservice options, ranging from resort-based establishments to stand alone restaurant locations. This selection allowed for training trends across an array of firms to be examined. Care was taken to ensure the restaurants compared came from the same award categories. The interviews were carried out over late 2005 and early 2006 and the findings were then compared with the 2007 results for the same establishments which uncovered the same winners in 2007 as for 2005**.** The restaurants chosen were all members of Restaurant and Catering NSW/ACT and some had been successful in a recent judging competition while others had not been. All had been judged on the same criteria, so their training policies, which did not form part of the judging criteria, were analysed to see if any important differences could be uncovered.

The primary research tool employed was interviewing, with a semi-structured interviewing technique utilised by the researchers. Each respondent was interviewed individually, for a period of forty five mins to one hour, with four of the six interviews conducted within the restaurant setting. This setting allowed for the observation of some staff whilst the interview was taking place, which may have assisted the impact of the interviewee's responses as the topics being covered were able to be visually aligned with the environment. Managers and owners were interviewed because they funded, chose and, as it turned out, often directed and carried out many of the training and development strategies.

A list of twenty two questions covered issues of the frequency, range, and depth of staff training within the organisation, the process, frequency and use of performance assessment in identifying training needs, and the evaluation of the success of staff training based on the literature pertaining to successful training (Nankervis, Compton and Baird, 2005; Walsh, 2003). This proved especially useful given the nature of the research outcomes; based around the restaurant owners' and managers' opinions and individual responses (Kotler, Bowen & Makens, 2003). In addition to interviewing, management documents were examined, providing a means of overcoming any subjective data collected during the interview (Haynes and Fryer, 2000). The questions used in the face to

face interviews were developed to identify not only the process and methods of staff training within each organisation but to also achieve an understanding of each interviewee's attitude and perception of the importance of training their employees, the method deemed best to achieve this training, and the effect they believed training has on the overall success of their organisation.

Findings

Importance of staff training

The importance of training was identified by the respondents as a way in which to achieve professionalism, improve the levels of service quality, improve consistency and maintain a standard, increase the experience of staff, make sure staff "do it the right way - our way", ensure standards and systems of work, timeliness, less errors and more reliability, increase communication, do the job properly, stimulates staff, is "*good for them and good for us*" (Restaurant F), and is beneficial to the economic "bottom line".

While there was a general agreement of the importance of training all staff members within a restaurant, three major reasons emerged;

- To increase the levels of service quality or professionalism the organisation presents to the public,
- To tailor the service type to the specific establishment,
- That there are multiple beneficiaries from the use of staff training - the establishment, but also stimulation for staff members.

This last outcome was specifically identified by one participant only (Restaurant F) but was a major factor from what other respondents said in the interviews. There was a strong theme of "doing it our way, the right way" in each interview.

From the interviews it is apparent that although restaurant staff were being trained, it is through previous industry experience from which any training programs, formal or otherwise, originate. Five of the six restaurant participants interviewed revealed they had

no formal training instruction or qualifications with the exception of one resort restaurant (Restaurant A) where the main staff trainer was a certificated vocational education instructor, and had completed a "train the trainer" course, on top of many years of industry experience. Four of the other five restaurants were small owner operated restaurants where natural aptitude, industry experience, trial and error, observation of the competition's training programs (usually through standards of staff received from other establishments – Restaurant D), and perceptions of industry standard training practices was the basis for their training "qualifications".

Restaurant C identified the dangers to the industry of untrained/unqualified staff training others in the industry. This restaurant also discussed their "training" of customers, with a 100% bookings only policy described as being important because "*if they don't book, you may end up understaffed and give a bad quality of service*". As a result this restaurant adopted a policy that was not universally applicable to other restaurants, a factor they acknowledged by admitting that high density restaurant areas with high customer traffic areas also made it difficult for a bookings only policy to operate successfully (Restaurant C).

Staff training methods

The selection of staff for restaurant roles also created a point of difference between the participating establishments. Restaurant A identified the fact that employment of staff can be difficult, and that Food and Beverage staff can often be "green". They saw "*diligent interviewing processes"* as important. Due to the larger size of Restaurant A and the availability of a functions department, all Food and Beverage staff was able to be initially trained through this area. Further selection for restaurant service was then done.

The other large restaurant within a resort chose to employ half their staff with a very basic level of training, and the other half with a higher level of training and experience, stating that "green" staff "*tend to have more loyalty and are less transient"* (Restaurant D).

Restaurant B, a medium sized restaurant made a special point of not employing young staff solely for the purpose of their hourly wage advantage. The owner chose to emphasise experience and professionalism in order to maintain a level of expectation.

It is well documented that the larger the organisation the more likely formalised training programs will occur (Delahaye, 2005). However, five of the six participants in this research identified their training methods as being both formal and informal. One small restaurant participant believed their training to be wholly informal with "induction" consisting of "*throwing them in the deep end*" and ongoing "training" considered to be on the job with informal meetings over a few drinks (Restaurant C).

One of the two large sized organisations interviewed did utilise more formal induction processes such as working through an employee handbook, and having supervisors sign off on the training each employee receives. They took this formal approach due to their belief that if the training is too informal, employees are likely not to take it as serious training and because it would not be attractive to employees as a result (Restaurant D).

Restaurant F, a medium stand alone restaurant has taken an even more formal approach in the communication of their training components. Employees work through procedure logs, signed off by supervisors and staff also do an exam on what they have read in the manual. This was done because "*some things need to be learnt by writing them down for consistency*". More informal methods of on-the-job training; such as a senior mentoring a junior, or a "buddy system", were also frequently used in most restaurants in the study.

The presence of a manual and on-the-job training through "show as you go" observation and "buddy systems" for the first two weeks of shifts were the major methods of training front line staff in the larger, resort based, restaurants. The same medium sized restaurant (F) that demonstrated an understanding of the positive effects of training on staff development once again confirmed their motivation to assist their employees to learn by regularly asking staff "*what can we do to help you learn the information in the manual?*"

Other participants identified the content of their staff manuals covered service procedures in detail, including plate handling, presentation, door approach, clean up procedures, polishing of cutlery, and restocking of restaurant items. This content was described by a number of the participants but only two restaurants made a copy of their manual available to the researchers. One of the manuals, from a medium sized stand alone, or single entity restaurant (Restaurant B) was extremely detailed and covered the following areas:

- Vision and Mission statements and a hierarchy of management,
- Phone messages and reservations script,
- Booking procedures,
- Restaurant service procedures,
- Product items,
- Service protocols,
- Service points and markers,
- Complete in detail restaurant setup,
- Weekly tasks,
- Main suppliers and contact people.

The other manual, this one from a small sized stand alone restaurant (Restaurant E), was a little less detailed but covered;

- Service expectations,
- Uniform,
- Service procedures,
- Instructions for beverages,
- Docket writing,
- Menu descriptions,
- Service "do's and don'ts".

This manual was different in its style of information delivery from the first; the manual from medium sized Restaurant B was concise and factual, delivered the procedures in points and appeared very professional. The manual from small Restaurant E was far more descriptive and portrayed the emotion, atmosphere and "flavour" expected by the staff in

the restaurant. It went into detail about how staff were to look and act, down to a far more detailed level.

> *"We try to make the service here of the highest quality without being pretentious, servile or stuffy. Service must be polite, friendly and well-informed, while sloppy or uncaring service will not be tolerated. Staff must have adequate professional skills and also be adept in the area of personal relations. A sense of well-being is engendered in the customer if the waiter has the required skills, presentation, attitudes and disposition. The service is as important as the food and wine in making an enjoyable dining experience" (Restaurant E).*

A number of the respondents identified that although their staff training practices were established and in operation, the manuals to support their training methods were still in "varying stages of development".

Table 1 outlines the major methods of staff training utilised by the selected restaurants. The results show no direct correlation between the training methods of the restaurants that were consistent award winners and the training methods of those selected as consistent finalists. As a result the non correlating results make it particularly difficult to identify and pinpoint staff training methods which could be considered as a basis for award winning service quality.

However, what was apparent was that organisational size and resources had more of an effect on the adoption of formal training strategies such as induction and the establishment and provision of a formal training manual. Interestingly it was the medium sized stand alone establishments rather than the large resort based ones who had the more in-depth manuals and formalised training approaches.

Frequency of training

A number of the restaurants revealed there had been a slight decline in their training programs and expressed a strong desire to establish a larger training budget and to put more effort into their staff training programs. Ongoing training in these restaurants, although utilised, was predominately conducted in a low key manner through constant on the job evaluation and the discussion of relevant issues with individual staff members.

Staff members largely received introductory training when they first begin work at most establishments and, for the most part, this ends their formal training. There seemed to be no quarterly, half yearly or annual training updates, no structured, formalised training scheduled to update staff of recent industry service trends and innovations, little in the way of feedback on ways to improve the restaurant's service procedures, or formal encouragement and response to staff requests for skills and knowledge updates. In regard to these components of successful training all the restaurants showed similar deficiencies, although the two medium sized restaurants were considering ways to deliver these vital training modules. There seemed to be little differentiation between consistent award winning restaurants and the other finalists in this regard which is interesting because the competition judges showed a wide range of perceived service standards.

Service Quality and the identification of training needs

All six interviewees identified the primary driver of training, *need identification*, as being largely derived from performance assessment. The performance assessment procedures utilised will be discussed in the next section of this article. Only three of the six interviewees, however, identified other forms of training needs identification.

Restaurant F reported their use of staff feedback and communications of training needs; from the front line staff or supervisory staff and management identification, another cited their use of secret shoppers, speaking to customers in the restaurant and supervisor feedback. The Manager from Restaurant D lived on site and ordered room service and dined in the restaurant regularly, as well as evaluating restaurant standards questionnaires filled in by guests. This method was independently discussed by the

director of Restaurant F, who argued it was useless trying to assess the service in the restaurant by dining there himself because he naturally received the "best service" and therefore could not accurately assess the service from the viewpoint of an anonymous customer. For this reason, he chose to use 'secret shoppers' to identify the quality of service offered by his restaurant's staff. However, the responses to questions relating to need identification showed there was no differentiation between the "consistent winning group" and the "finalist group" of establishments.

How the success of any training carried out by the restaurants was measured was also covered in the interview. Identified indicators of successful training programs included; visual improvements, pre-set standards being met, the smooth running of daily operations and resultant customer satisfaction being achieved, staff efficiency advancement with positive budget outcomes, improved skill levels, staff and guest feedback, guest questionnaires, and through the restaurant winning awards and becoming well known with very good reviews.

Performance assessment

The methods used to undertake performance assessment in the case study restaurants varied from highly informal and arguably non-assessment "strategies" such as "sink or swim" (Restaurant B) to more formal procedures where an organisation-wide package in the resort restaurants was sent from head office to be completed by different levels of management (Restaurant D).

The most common informal methods for performance assessment were awareness of on the job complaints from both customers and staff, general feedback from customers and training requests from staff, comment cards, letters outlining positive and negative experiences and scheduled meetings with management to improve staff performance.

Restaurants A and D, the two largest of the cases studied, described more formal procedures of performance assessment. One included a multi-level rating system where the staff would rate themselves, then management would rate individual staff members,

and then a meeting would be held between a management representative and individual staff member and the results would be compared and discussed.

The other more formal procedure was carried out by Restaurant F, a medium sized single entity restaurant from the finalists group in the awards, and is particularly inquisitive of, and responsive to, staff experiences. This system used a number of angles in order to not only gain a fairly accurate representation of staff performance but to also evaluate the way in which employees view the way the business is being run, a two way evaluation process. This business was also noteworthy for its encouragement of the development part of training its staff.

The entire performance assessment process occurs by utilising informal ongoing, supervisor feedback. A structured exam type assessment was also used by Restaurant F to analyse specific competencies. Individual staff then met with management to discuss the employee's goals for the short, medium and long term future and management helped the employee to achieve those goals if they were feasible. An evaluation of the way the directors were running the business was also discussed. When an employee left the business they were asked to provide feedback as to why they were leaving so as to help the business improve its service standards and its management. The responses from the performance assessment procedures are used for staff assessment and planning, to encourage high staff retention and "*building bridges with staff by encouraging them to have their say, even if it is about dealing with pet hates*" (Restaurant F).

Once again, there tended to be an association with the size of establishments rather than success in winning RCNSW/ACT awards in regard to the use of formal performance assessment procedures. A number of establishments identified this area as one they felt could be worked on and improved. However each respondent understood the need for performance assessment of some type (even if only ongoing daily feedback) in order to retain quality levels in their operation.

What was highlighted by the study was the number of establishments who had no clear idea about how their training performed in the marketplace against their competitors. There seemed to be little standardised assessment of how successful training was when compared with competitors with very little idea of training outside the immediate internal business environment, although variable customer satisfaction instruments were used to a degree by some of the restaurants studied.

Those establishments which stated they believed their training practices were on par with their competitors reached this view based on "*the standard of the staff they received from other restaurants*" (Restaurant D). Responses from staff to their training methods and reviews with good comments on their service standards were also considered, albeit on a largely ad hoc basis.

One restaurant strongly believed they were far above their competition in their service standards, going as far to state they "*did not even have any direct competitors in the surrounding area*" (Restaurant C). The basis for this belief was not forthcoming from the restaurant manager. The managers of this restaurant however were very aware of the turnover culture that characterises the hospitality industry and the effect on service quality it has;

> *"All the little tiny things are what make us a bit different - remembering names, what they drink etc. When you have a high turnover of staff, you probably don't have that individual attention - you can't have that individual attention because those staff keep falling through". (Restaurant C).*

External training programs

Questions pertaining to the use of external training programs were put to each interviewee. Some businesses identified they already outsourced some components of their training such as first aid, coffee making and wine knowledge. However, there was

also a strong negative reaction to the idea of external training for service quality improvement with many respondents believing the specific "special" nature of the relationship between their particular service procedures and restaurant layout, policies, management objectives and "doing it their way" could not be covered by some external format. It was felt an external organisation could not offer this precise training without extensive knowledge of each particular business and their operations. The restaurants also believed externally provided recognised training had highly prohibitive costs, resulted in staff shortages with having staff away undertaking training and there was also scepticism about the accountability of the external organisation offering the training. Interestingly Restaurant and Catering NSW/ACT ran group training in the region for many members with special low rates for member Restaurants, so this issue could be one of perception, although some formal Government accredited training may be seen as expensive, particularly by smaller operators.

Three of the six organisations interviewed were very positive about utilising some form of formal training if it could be subsidised in some way. Both Restaurant A (large) and Restaurant B (medium) were highly supportive of more training being offered in the regions as courses in Sydney required a minimum of two nights away, the cost of the course and extras, as well as the costs of replacement staff to continue trading making most external capital city based training unfeasible.

The restaurants identified important training components to be included in any training program if the issues pertaining to organisational "uniqueness", as well as the costs associated with training, were to be overcome. These included; elements of good customer service, product knowledge, skills – "the art of food and beverage or front office", new systems in the industry, communication skills, effective stock control, cost controls and personal qualities such as personality, presentation, ability to cope with pressure, and motivation.

If training budgets could be enlarged and training subsidised in some manner, or offered as a contra, or barter, system many of the respondents stated they would be more highly motivated to undertake training offered from an accredited external organisation.

Analysis and Implications

It is apparent that restaurant market position and size is of more importance than prize winning ability when it comes to the adoption of more sophisticated training strategies and policies. Restaurants F and B (See Table 1) are both medium sized stand alone operations, the latter a consistent RCNSW/ACT winner and the former consistently nominated as a finalist. Both are owned and operated by people who are passionate about their cuisine, the quality of the food and the importance of the service and the overall dining experience, these factors were usually picked up favourably in the criteria used by Restaurant and Catering NSW/ACT to judge restaurants.

As a result both have produced more in-depth training regimens aimed at achieving a more sustainable service quality advantage. These two restaurants have stricter training processes; Restaurant F even tests its staff on their knowledge of and practice of their service procedures, than is the case for the larger resort based restaurants. Restaurant E, a small sized finalist restaurant, also maintains high expectations for staff knowledge and uses creative methods such as "trivia nights" to encourage staff to learn about the restaurant service protocols as well as wider industry knowledge. This is somewhat surprising given the larger resources the resort based restaurants have, and the fact that one was part of an internationally recognised resort chain. This appears to contradict earlier findings about small to medium organisations in the industry in Australia and overseas (Becton & Graetz 2001; Price 1994).

However, in spite of some evidence of formalised training schemes across some of the restaurants it is obvious that much of the training given to new and existing restaurant staff is often ad hoc and organisation specific. Very little of it is transferable within the broader hospitality industry or for that matter within the restaurant sector. The strong negative reaction to the idea of external training for service quality improvement that was

identified is something that has been taken up by the House of Representatives Standing Committee (2007) as an issue that is endemic and problematic for the wider tourism and hospitality industry as a whole in Australia. Many of the respondents were emphatic that the "special" nature of the relationship between their particular service procedures and restaurant layout, policies, management objectives and "*doing it their way"* could not be covered by some external format. Whilst training front line staff with skills specific to an organisation is a particularly important part of each training program, there needs to be an awareness of an overall correctness of skills being imparted, according to industry standards, in order to avoid the adoption of incorrect skills and methods.

The, "my business is an island" attitude inherent in these responses is also at the root of a poor industry image as an employer. All employers are part of an industry that is an important contributor to the socio-economic betterment of the nation. If each restaurant sees itself as a largely independent micro-entity then career paths within the broader industry will continue to remain unappealing particularly to young people. Employers who fail to see the "bigger industry picture" was identified as such an issue that it was recommended that the Australian Government "establish an industry leaders forum to take responsibility for the development of a campaign to promote the career choices available and benefits of working in the industry, ensuring that there are pathways available that allow workers to gather credentials across a range of employers" so as to offer a career, albeit a mobile and portable one (House of Representatives, 2007, p.82). In a time of tight skills and labour markets, and when Generation Y in particular expects ongoing training as part of any job (Sheahan, 2005), an agreed industry strategy towards training is crucial. This is obviously going to require a major cultural and mindset change on behalf of the respondents to this study.

Clearly there is scope for Federal and State Governments and industry bodies to develop service quality training modules for the industry, particularly small to medium sized operators so as to help underpin a national quality system.

The current study can also help guide restaurants to develop programs for their managers and staff so as to help them perform their jobs more effectively and to help attain sustainable perceived service quality by adapting and adopting some of the training used by the restaurants who took service standards and its associated training more seriously.

The restaurant sector in Australia is one of the largest employers in the hospitality industry and improving the performance of both its managers and staff, as identified as being crucially important by the House of Representatives Standing Committee on Employment, Workplace Relations and Workforce Participation (2007) should help increase staff retention, service quality and ultimately the overall customer satisfaction in the wider hospitality industry. The benefits of training in this regard have already been established by both international and Australian studies (DiPietro, Murphy, Rivera and Muller, 2007; House of Representatives, 2007; Pollit, 2006; Davies, Taylor and Savery, 2001; Haynes and Fryer, 2000).

The current study is limited in its generalisability but it helps establish a beginning for regional restaurants to become more strategic in regard to training, particularly if Governments and industry bodies are serious about adopting the recommendations of the Standing Committee on Employment, Workplace Relations and Workforce Participation. The study also highlights the influence of training on service quality and its importance, particularly when it comes to recruiting and retaining Generation Y employees (Sheahan, 2005).

Additional variables could be included for future research looking at the links between organisational ownership, structure, managerial span of control and training programs and their influence on achieving and maintaining service quality as a sustainable competitive advantage. The field questionnaire instrument used in this research could also be enhanced to ask more developed questions based on the findings from this study and to survey employee perceptions as well. With restaurants in Australia wanting to appeal to both customers and staff, particularly in a time of tight labour and skill markets, the need to be more strategic about training is vital and Government and industry bodies now need

to coordinate national standards in order to help an important industry attain sustainable high service quality standards.

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Table I. Comparison of training methods

Restaurant	A.	B.	C.	**D.**	**E.**	**F.**
Use of staff manual	None identified	Yes	No	Yes	Yes	Yes
Depth detail of manual	Not Available	Very detailed	Not Available	Basic training	Quite detailed	Very detailed
Other training tools	Barista training - Some staff taken on product knowledge trips - on the job feedback	Wine knowledge; wineries come in and show staff how to marry foods and wines - on the job feedback	On job feedback	On job buddy system, feedback	Restaurant product knowledge questions - on the job feedback	Written exam on manual - on the job buddy system, -external barista training
Level of direct control of interviewee (as observed from interview)	Medium-works through supervisors .	Very controlled, although has FOH manager, owner is usually in the kitchen, high control over systems in place.	Extremely controlled. Restaurant won't open unless both owners are there.	Minimum direct control-resort managers, supervisors, shift leaders.	Medium control, has restaurant manager.	Medium control, 2 directors/ managers and supervisors but 1 manager always on duty.
Size of business [1]	Large	Medium	Small	Large	Small	Medium
Business type	Chain Resort restaurant	Stand alone	Stand alone	Chain Resort restaurant	Stand alone	Stand alone

N.B. The three columns to the right in the table numbered in bold are the three consistent RCNSW/ ACT winners, and the three columns to the left are the three consistent finalists in the same awards.

[1] Business size as classified for this project: Small: less than ten employees
Medium; 10-20 employees
Large; over 20 employees