

Employee Empowerment

Transforming Your Club's Service



Ed Rehkopf



Employee Empowerment – Transforming Your Club’s Service

Employee empowerment became a corporate buzzword in the Nineties and the consensus in the business press was that it was a good thing. Many companies claim to empower their employees but claiming to do so and doing it are two very different matters.

So, what are empowered employees and how can they help your club operation meet the expectations of your membership? In the simplest terms, empowered employees are viewed as full-fledged partners in your quest for high standards of quality and service. They are encouraged to think, act, and make decisions on their own based on guidelines defined by the club’s leadership.

Instead of the traditional view that employees are easily replaceable elements in an organization, people who must be trained to do narrow, well-defined tasks and who must be closely watched and supervised, the concept of empowerment says that today’s more educated and sometimes more sophisticated employees need and want to contribute more to their employer and workplace. Yet many businesses marginalize their employees by refusing to listen to them and by failing to let them contribute to the enterprise in any meaningful way.

A few companies have truly embraced the concept of empowerment and have discovered the immense power and synergy that can be unleashed when employees participate more fully in their operations. Any employee at a Ritz-Carlton hotel can spend up to \$2,000 a day per guest to solve problems and not just to satisfy their guests, but to wow them with outside-the-box service (see *Insights and Ideas – Service the Ritz Carlton Way*).

Yet it takes more than telling employees they can spend money to solve problems, to reap the benefits of employee empowerment. Like any complex and detail-intensive issue, establishing a culture of empowerment for employees requires leadership, careful planning, policies, and training to implement effectively.

Leaders must understand that empowerment is not something bestowed on employees like some magical gift from management. The leader’s role is to establish an organizational culture where employees feel their empowerment and are emboldened to make decisions, knowing they have the support and backing of their leaders.

The major role that leaders make in empowering their employees is to create a culture where employees are valued and recognized as vital resources of the club. They must also understand that to be successful with employee empowerment, employees must fully sense the club’s commitment to such empowerment. Simply saying that employees are empowered, does not make it so. Leaders at all levels must do more than talk the talk.

Benefits of Employee Empowerment

In reviewing club operations, there are three principal areas where empowered employees can contribute significantly to improved performance.

1. **Resolving Service Issues for Member.** Line employees who deal most directly with members on a day-to-day basis are in the best position to resolve service issues and complaints in a timely fashion and before they escalate into larger issues. Unfortunately, in some hospitality operations front line employees are the first line of defense in saying



“no” to customers. Only when the patron gets sufficiently angry and demands to see the manager, can the problem be solved. Yet this approach sends two very wrong messages – one to the customer that says we don’t trust you and we don’t mind wasting more of your time as you explain the problem again to a manager; while the other to employees that says while we won’t let you say “yes,” we, the managers, often will, thereby contradicting you and making you look bad.

Since the bottom line in all our dealings with club members is to say “yes,” there is no reason to put either the member or the employee in the situation described above. A far better solution is to provide useful guidance to employees and give them both the responsibility and the resources to solve service issues. A good start would be to allow employees to decide on their own how to resolve any issue by “spending” up to a certain amount to fix the problem – either by “comping” a meal, sending a token of apology, or doing something special for the member.

Without a doubt, the cost is insignificant compared to the loss of goodwill and damage to member relations; and is a small price to pay if a lesson can be learned or a work process improved. Herein is the important point: every time employees use their authority to compensate a member to resolve an issue, they must fill out a Service Issue Resolution, PCPM Form 180, explaining in detail what went wrong and what could be done differently to avoid similar situations in the future (copies of PCPM Forms are available at the PCPM Marketplace store).

As employees gain more confidence in their abilities to resolve issues and management continually improves work processes based upon reports of problems, a culture of quality service will gain momentum. Employees will feed off each other’s successes and take the initiative to solve a host of minor service issues while taking more pride in their work and their contribution to the overall effort.

2. **Helping Improve Work Processes.** Part of every club’s culture should be a commitment to Continual Process Improvement in all aspects of the operation (see *Insights and Ideas – Continual Process Improvement*). This means you review systems,
3. standards, policies, procedures, programming, training, and work processes to continually improve the way you do business and provide service. While managers typically have broad industry experience and the big picture of what is necessary to succeed, it is the line employee who is most closely connected with members and the details of service. Who, then, would be in a better position to recommend improved work processes than those who work most closely with service and service delivery?

In our business the devil is in the detail. When you make a commitment to involve your employees in designing and improving work processes, they become energized by the involvement and look for more and more ways to contribute. The more involved they become in contributing to the success of the organization, the more responsibility they will assume for ensuring that success.

4. **Taking on Delegated Functions.** As empowered employees take on more responsibility, managers can select individuals who show the motivation and ability to take on some of the management functions of the organization. An excellent example is provided again by the Ritz-Carlton Company. They select and train individuals to



conduct initial screening interviews with prospective employees. These empowered employees relish the task and see themselves as the gatekeepers in keeping the company's hiring standards as high as possible. These employees get paid slightly more for their additional duty and derive prestige in being given this important task.

Service-Based Leadership and Employee Empowerment

It has been said that leadership is situational and that there is an optimum style of leadership for every profession – from politician, to general, to doctor, to professor, to hospitality manager. The skills and abilities that make a person successful in one setting do not necessarily translate well to another. The hard-charging, tough-as-nails, cigar-chomping leadership persona of a charismatic military leader will not work well in the mixed gender, multi-ethnic, and often transient workforce of the service industry. Unlike a soldier, if a club worker isn't comfortable with her boss's leadership, she'll just go somewhere else.

The very term "service industry" gives hint to the necessary Service-Based Leadership style for club managers where the people- and detail-intensive work environment requires open and thorough communication and training, as well as high levels of motivation and morale. Certainly, one cannot expect employees to consistently provide service to members if they are not consistently served by the leadership and example of their bosses.

To be sure everyone understands what we mean by "Service-Based Leadership" here is the description:

"With Service-Based Leadership, the attitude and primary motivation of the leader is service to one's constituencies – the board, members, and employees. This approach to leadership naturally creates relationships – the deep and abiding bonds that sustain the efforts of the club. This outward focus of the leader sets up a dynamic where:

- Employees are continually recognized.
- There is an open flow of ideas, opinions, and information, top to bottom and bottom to top.
- Initiative and risk are highly regarded.
- Problem discovery and solution is a focus while placing blame is unimportant.
- Every employee feels energized and part of the team and is valued for his or her contribution.
- Prestige is derived from performance and contribution, not title or position.
- Members are treated well because employees are treated well.
- The energy and initiative of all employees is focused on the common effort.

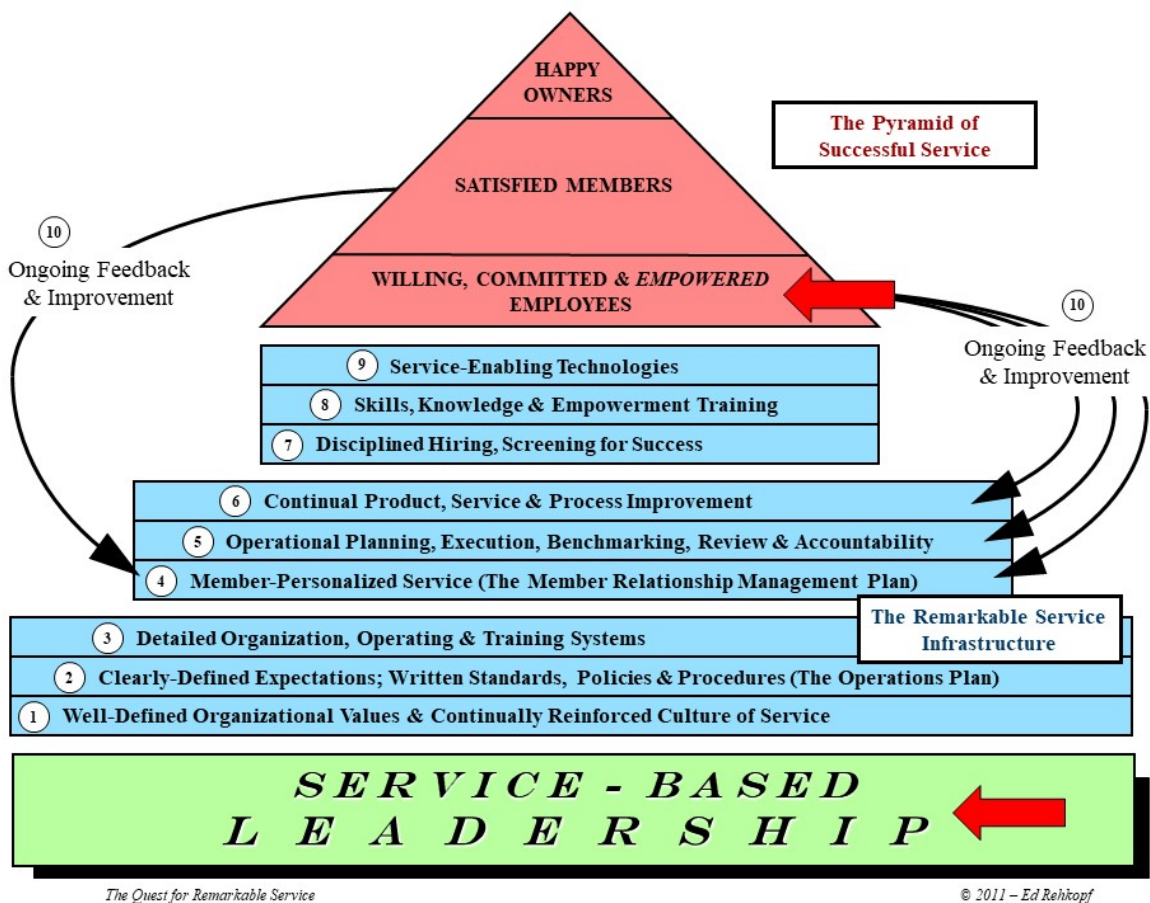
"The key to serving the needs of your constituencies lies in ensuring that you build strong relationships with individuals. Relationships depend upon how you view yourself in relation to others. If you see yourself as separate and apart from your constituencies, if you view others as the means to your ends, if your vision and goals lack a broader purpose than your own needs and ambitions, establishing meaningful relationships will be impossible. On the other hand,



when you see yourself as part of a team with a shared mission, then a sense of service will be an intrinsic part of your service team relationships.”

With Service-based Leadership employee empowerment comes naturally, but only if the full management team fully supports and practices this powerful style of leadership (for more information, see *Insights and Ideas - Service Based Leadership*).

Empowering employees is a requirement in any effort to provide remarkable service (see the Remarkable Service Infrastructure diagram below). Busy leaders cannot do it all and need the help of their willing, committed, and **empowered** employees. But as Service-Based Leaders, they must take the time and make the effort to establish a culture of empowerment and provide the necessary support to empower their employees. The resulting improvement in operations, efficiency, and service levels makes it well worth the effort (see *PCPM Insights & Inspiration – Organizational Values and Culture of Service*).



(See *Insights and Ideas - Remarkable Service Infrastructure - An Overarching Plan for Club Excellence* for more information)



Necessities for Employee Empowerment

What is necessary for a club operation to empower its employees?

First and foremost, strong leadership is an absolute necessity. Leaders must:

- Embrace the principles of Service-Based Leadership.
- Be open with their employees.
- Be trusting and trusted.
- Be secure in themselves, their position, and their knowledge; not threatened by knowledgeable employees or those who show initiative.
- Be willing to share praise and shoulder blame.
- Be good communicators.
- Intrinsically understand and value the important role of line employees in the organization.
- Place a positive emphasis on problem discovery and solution.
- Allow their employees to demonstrate initiative and innovation, while giving them the leeway to make informed judgment calls without negative consequences.

Secondly, the necessary disciplines and systems must be established to continually review work processes while involving employees.

Next, the club must be committed to and deliver extensive, ongoing training to its employees. Untrained employees cause confusion, and the resulting chaos will drive good employees away.

Employees must also be recognized for their accomplishments and contributions. This recognition will further cement the partnership.

There must be opportunities for employees to grow personally and professionally. When employees know that the club is also committed to their advancement, they will more willingly participate in making it successful.

Lastly, employees must respect their leaders and willingly follow them. They will only do this when they see their leaders' passion for excellence and personal commitment to success. There can be no substitute for this example.

Providing Guidelines for Empowered Behavior

Having developed the necessary environment for empowerment with Service-Based Leadership, the leader's next step is to establish the framework for empowered action.

Recognizing that most service employees have never experienced working in an empowered organization, the leader must plant the seeds of empowerment by describing ways in which employees can act in empowered ways:

- **Develop a list of most frequent service complaints or issues.** By enlisting your employees' help in identifying problem areas or issues, you send a strong message that



you value their opinions and input. This is the first step in helping them realize that they can be empowered to solve the problems.

- **Brainstorm empowerment opportunities.** Once your team has identified problem areas, brainstorm with them how these problems might be properly resolved. In the give and take discussion while brainstorming, your team will gain deeper insights of how and why problems should be resolved in particular ways and what might be the best resolution of an issue.
- **Establish standards or limits of empowerment.** As the leader, you should guide the discussion to the appropriate solutions. Ultimately, while employees may make decisions and take empowered action, it is up to you to ensure that they take the appropriate action and understand the limits of their authority. In other words, you're responsible for establishing the standards and boundaries of their empowerment.
- **Challenge your team to work on one or two of the identified problem areas.** Select the most pressing of the identified problem areas or those that represent easy-to-fix issues; then challenge your team to make decisions on their own and take action to resolve them. Make sure they understand that they will not be punished for inappropriate decisions and that any errors will be used only as learning opportunities for everyone involved.
- **Set up a schedule of ongoing meetings.** Pre-shift or periodic ongoing meetings are opportunities to review how the team is doing, what problems they've encountered, how they might resolve such problems, and to encourage the team toward further empowerment.

Providing Frequent Feedback

Like a sailor continually monitoring the sea and wind while trimming sails and adjusting the rudder to efficiently sail a course, the leader must monitor the team's efforts and tell them what they are doing right and what they might improve upon. This frequent feedback accomplishes two important things:

1. It validates and reinforces what the team is doing right, and
2. It modifies and enhances those things that could be improved.

The bottom line is that your ongoing feedback will give them confidence in what they are doing, and this confidence will promote even more empowered behaviors.

Sample Empowerment Guidelines for Food Service Staff

Here is an example of empowerment guidelines for a club's food service staff:

Goal: Member satisfaction with all products and service.

Guidelines:

1. *Consult with host(ess) to adjust table assignments for reserved parties to meet seating requests. While making changes may not always be possible, make every effort to do*



so. When requested tables are unavailable, offer alternative solutions to meet member requests.

- 2. Offer complimentary “quick bite” snacks to help pacify any toddlers in parties.*
- 3. Consult with Chef or Sous Chef regarding any special requests or to offer alternative preparations for food allergies or dietetic needs.*
- 4. Order and serve complimentary “amuse” or appetizers if kitchen prep is slow.*
- 5. Immediately and cheerfully return, replace, or correct without charge any served item that is not to a member’s liking.*
- 6. Use “Service Recovery – The Seven Step Process” to respond to any member complaint or dissatisfaction with food items, beverages, or service (see PCPM Articles – Service Recovery).*
- 7. You are authorized to compensate members for our failing to meet their expectations. The purpose of this authority is not to give money away, but to ensure that members are completely satisfied with their dining experience and the value they’ve received.*

Any time you exercise this authority, you must fill out a Service Issue Resolution, PCPM Form 180, so that the team can learn from any service issues and avoid future problems by correcting them (see Sample PCPM Form 180 in the appendix below).

Compensation can be in the form of a “comped” course or meal, a complimentary round of drinks or dessert, or any other “token” of our apology for less than satisfactory service. In extreme cases and with management’s approval, it may be flowers sent to the member’s home the following day with a note of apology. Team members are encouraged to be creative in exercising their authority for maximum impact.

All expenses incurred under the compensation authority will be charged to a “Make It Right” key on the point-of-sale system or coded to the “Service Adjustment Account.”

- 8. The team will devote time at each pre-shift meeting to briefly review Service Issue Resolution forms and will discuss them more thoroughly at regular team meetings.*

The Many Ways to Destroy Employee Empowerment

There are many ways to destroy employee empowerment; and none of them are caused by employees. If your employees do not feel empowered, look no further than your leadership and the way you interact with your people. In searching for reasons empowerment isn’t working, focus on the following:

- 1. You are only paying lip service to empowerment.** Without your sincere commitment to your employees and their success, they will recognize your empowerment as a sham and will become more cynical and disaffected the more you try to encourage their empowerment.
- 2. You don’t really understand what empowerment is.** If you fail to realize that empowerment begins and ends with your leadership, if you think that empowerment is



something your employees must create, expecting your employees to act in empowered ways is a waste of time and energy.

3. **You haven't provided the big picture context of what your organization is trying to achieve.** Your employees need to understand how their contribution furthers the basic aims of the club.
4. **You've failed to give your employees the information and training they need to** understand the context and scope of their empowerment. When you ask them to take on additional responsibilities as empowered employees, they need to understand why and what the benefits are to them as well as to you and the operation. Further, they will need examples of what empowered behavior is. They also need to know that they will not be blamed or punished for making mistakes.

To feel confident in taking empowered action, employees must understand the limits of their authority to act. Ensuring they understand these limits is critical to success. You may have to explain, reiterate, and clarify these limits a few times before your employees truly feel comfortable with the new behaviors you are asking of them.

5. **You second guess the decisions you've authorized your employees to make.** After giving them guidelines to make empowered decisions, you criticize every decision they make. Put yourself in their shoes; how long would you put up with this before throwing in the towel on employee empowerment?
6. **You have failed to give feedback on how your empowered employees are doing.** Feedback, particularly in the early period of empowerment, is critical so that employees understand by constant discussion and explanation what they are doing right and what can be improved on. Once they achieve a critical mass of understanding, they will feel more and more confident of their actions, will need less guidance, and will be looking for more ways to contribute.
7. **Once you've given employees the authority to act, you fail to take further responsibility for their actions.** The idea of empowerment is not to give your employees your duties and responsibilities and then wash your hands of them. You can delegate authority, but not responsibility. You are still responsible for their performance. You must stay engaged and take full responsibility for any errors your empowered employees make and problems they create. When this happens, you must not blame them; rather you must accept responsibility yourself. There is always more you could have done to ensure that they understood and correctly applied their empowered behaviors.
8. **You fail to remove barriers to their empowerment.** Telling employees that they are empowered, but not giving them the tools, training, and support they need to be empowered, will quickly end your experiment in empowerment. Telling employees that they can compensate members to resolve service problems is all well and good, but you also must work with the accounting office to devise an efficient process to do this.
9. **You have failed to recognize and show appreciation for your employees' empowered actions.** Employee empowerment means you have asked your employees to take on additional responsibilities. Ultimately, empowered employees will make your



job easier and allow you to focus on other issues. For this reason alone, you should be grateful to your employees and show your appreciation for what they are doing.

10. **You have failed to value your employees.** Without the most basic sense that they are valued and recognized as partners in your efforts to provide quality and service to members, they will recognize that your program of empowerment is just a way to manipulate them. People who think they are being manipulated are resentful and will be unresponsive to your continued exhortations to be empowered.

The Distinction between Empowerment and Discretion

In discussing the need for written standards, policies, and procedures, (see *Insights and Ideas – Beyond Oral History*) we quoted Harvard Professor Theodore Levitt who said that “Discretion is the enemy of order, standardization, and quality.” We have also talked about empowered employees being encouraged to think, act, and make decisions on their own based on guidance provided by the club. We offer the following to clarify what might seem a contradiction.

An important distinction to make for employees is that there is a hierarchy of rules to guide their empowered actions.

1. Legal and liability issues take precedence in that no employee may violate the law. This applies to employment and labor laws such as Equal Employment Opportunity, the Fair Labor Standards Act, the Family Medical Leave Act, the Americans with Disabilities Act, the Occupational Safety and Health Act, and others.
2. The policies based on the by-laws, club rules, or on tax status. Once again, no employee is authorized to modify or violate these rules which constitute the organizational or tax foundation of the club.
3. Beyond these are the organizational values that define the club’s culture of service and standards of behavior. These may not be altered at the employee’s “discretion.”
4. Next are the club’s operational policies relating to its operating systems, such as human resources, accounting and financial management, and departmental operations.
5. Last are the procedures that describe the club’s routine operational processes.

Since it’s impossible to foresee every contingency, employees are authorized to alter procedures, even operational policies, when common sense and necessity dictate so long as their actions are in alignment with the law, club or non-profit rules, and the club’s values. When they do this, they should alert their leaders of their decisions and actions. It may well be that the employee’s on-the-spot decision will point the way to improved performance. This is what makes employee empowerment so powerful. The people who do the work and interface directly with the members can influence and improve the club’s policies and procedures.

If a leader feels that an employee’s action was inappropriate, this should be communicated in a supportive and non-critical way to the work team, as well as to the individual employee, so that all can learn from the experience.



Get Your Employees to Think Like the General Manager

Imagine a club operation where all the employees think like the general manager. Imagine what the operation would be like when 100% of the staff is focused on the details of the operation. Imagine the impact on the bottom line if the entire management and service team are dedicated to maximizing revenues and controlling costs.

Most managers would scoff and say that such an operation is as unlikely as peace in the Mideast. Yet the path to that dream is based on one simple premise – getting all employees to view their operation through the eyes of the general manager – that is to think and act like the general manager in all they do.

Since the “dream” is to get employees to think and act like the general manager, they must be consistently and intensively trained to understand the full dimensions of their jobs, including the techniques of their position, as well as the nuances of service. They must understand how their daily functioning impacts and impresses members; that they must think outside the limits of their job descriptions to recognize that service entails an all-encompassing responsibility regardless of position or function. They must know that they can take the initiative to solve problems knowing that they’ll have the support of their leaders.

The military has long recognized the importance of soldiers taking the initiative to exploit battlefield opportunities. In the flux of combat, commanders know that their initial orders cannot cover all possibilities. To overcome this deficiency and to imbue their fighters with the confidence to act as the situation dictates, the military includes a statement of “the commander’s intent” in its field orders.

Professor Milan Vego of the U.S. Naval War College says, “The main purpose of the intent is to provide a framework for freedom to act.” He goes on to say, “The intent should allow the subordinate ... to exercise the highest degree of initiative in case the original order no longer applies, or unexpected opportunities arise.”

In the highly fluid world of club operations, managers can take a lesson from the military and ensure that their employees fully understand their “intent” – the desired outcome in all service situations. The way to do it is to empower your employees. Willing, committed, and empowered employees will make a world of difference in delivering remarkable service levels to your members.

The dream of employees thinking and acting like the general manager is one that can be realized, but only through a commitment to employee empowerment and all that it entails. When employees understand their “manager’s intent” in all situations and know that the exercise of initiative will be consistently valued and supported, the dream can become a reality.

As John Tschohl, president of the Service Quality Institute says, “Without empowerment, an organization will never be a service leader. Empowerment is the most critical skill an employee can master, and a company can drive in order to lure and keep customers.”



Appendix: Service Issue Resolution Form

Private Club Performance Management		Service Issue Resolution	
Name:	Jennifer Hansen	Department:	Food and Beverage
Job Title:	Server		
Date/Time of Issue or Incident:	Sat, 8/16, 6:20 p.m.	Location:	Main Dining Room
<small>The Service Issue Resolution form is to be used to learn lessons from service issues involving customers. The form must be filled out anytime an employee uses his authorization to spend money to resolve an issue, whether by "comping" a meal or service, providing a token or apology, or doing something special for a customer. It may also be used anytime an employee witnesses a potential service problem or has an idea to improve service or service delivery.</small>			
Name(s) of Customer(s): Mr. and Mrs. Robert Jones and two children			
Describe Service Issue or Incident:			
Mr. Jones ordered his NY Strip Steak rare. When Mr. Jones cut into his steak, it was cooked medium. In checking with the kitchen I discovered that John Thompson picked up the wrong plate and served Mr. Jones' steak to one of his tables. It took the kitchen ten minutes to prepare another steak. Mr. Jones was not happy since they were on their way to the movies.			
Continue on back if necessary			
Contributing Factors to Issue or Incident:			
As busy as we were Saturday night, we did not have an expeditor. At the time I picked up my order there must have been six other orders in the window. An expeditor may have prevented the problem.			
Resolution of Issue or Incident:			
I "comped" Mr. Jones' meal and brought complimentary desserts for his children while he was finishing his dinner. I overheard Mr. Jones tell his wife that this was the second time in the past month that his steak had not been prepared as he ordered it.			
Recommend Follow-up Phone Call: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No by whom: <input checked="" type="checkbox"/> GM <input type="checkbox"/> Dining Room Manager			
Suggested Process Improvement to Avoid Future Issues:			
In addition to an expeditor on all busy nights, why don't we order some plastic markers to put into the steaks to indicate the degree of doneness? It might preclude servers picking up the wrong orders.			
Employee's Signature: Jennifer Hansen		Date: 8/16/18	
Supervisor's Signature: Michael Rienzi		Date: 8/17/18	

About the Author

Ed Rehkopf is a graduate of the U.S. Military Academy and received a Master of Professional Studies degree in Hospitality Management from Cornell's School of Hotel Administration. During his long and varied career, he has managed two historic hotels, managed at a four-star desert resort, directed operations for a regional hotel chain, opened two golf and country clubs, worked in golf course development, and launched a portal web site for the club industry.