

To what extent are students as middle managers at a training hotel involved in strategic decision making?

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Research has shown that middle managers can exert major upward or downward influence on their organisation's strategy. In the practice department of our hotel school, senior students act as managers to train managerial competences. To analyse if this reflects reality, I have researched whether student managers do have strategic influence. The research indicates that students carry out a substantial number of strategic tasks as part of their practical training. However these tasks do not fit with existing theoretical frameworks regarding middle managers' strategic influence. This might be explained by the fact that putting students in a training situation stimulates non-routinised sensemaking behaviour of student middle managers.

Keywords: managerial competences, middle management, sensemaking, strategic influence

Studenten en strategische besluitvorming

Onderzoek heeft aangetoond dat middenmanagers grote opwaartse of neerwaartse invloed kunnen uitoefenen op de strategie van hun organisatie. Op de praktijkafdeling van onze hotelschool functioneren ouderejaars studenten als managers om zo hun leidinggevende competenties te trainen. Om te analyseren of dit de werkelijkheid goed reflecteert, heb ik onderzocht of studenten in een middenmanagement functie strategische invloed hebben. Het onderzoek wijst uit dat studenten tijdens hun praktijkstage een groot aantal strategische taken uitvoeren. Echter, deze taken passen niet binnen het bestaande theoretische kader wat betreft de strategische invloed van middenmanagers. Dit kan worden verklaard door het feit dat wanneer men studenten binnen deze trainingssituatie plaatst, dit vaak non-routine situaties omvat, wat de 'sensemaking' of 'juiste interpretatie' van de studenten middenmanagers bevordert.

Trefwoorden: middenmanagement, management competenties, strategische invloed, sensemaking

包车在加勒比海与实际应用在南非东开普省的好处 摘要

研究表明，如通用汽车 的中层管理人员能对他们组织的战略产生向上或向下的影响。在酒店管理学院实践部，高年级学生担任经理，培训管理能力。为了分析这是否反映实际情况，我已经展开研究学生作为管理者是否具有对战略管理的影响。研究表明，学生完成大量的战略任务来作为实习训练的一部分。然而，这些任务并不符合现有的理论框架中对于中层管理者的战略影响。这可能被认为把学生置于训练情形中，从而启发学生中层管理者的非再利用决策意识行为。

关键词: 中层管理， 管理能力， 战略影响， 决策意识

Introduction

Many hotel schools value practical training of students and devote substantial resources to this. This practical training should reflect real-life practice as much as possible. For technical competences, such as working in a kitchen or in a front-office position, such a real-life resemblance is easily feasible in a school situation. Training managerial skills, and in particular strategic skills, is harder. This research shows to what extent students can develop strategic management skills in a

hotel school training situation. As it is obvious that students will never be in a position bearing final responsibility, they should be considered as middle managers and hence the relevant theory of middle managers' strategic influence can be used as a theoretical framework. The question I will address in this research paper is to what extent students as middle managers in a practical training situation are involved in strategic decision making similar to middle managers in real-life situations.

Theoretical background

We need to have a closer look at the literature about middle management, before we can answer the question whether students can have a strategic influence in their training situation. Standard management theory assumes that the main role of middle management is implementing decisions made at a higher level. This holds in particular for strategic decisions. However, research has shown that this view is too simple. For example Balogun and Johnson (2004) have shown how, in situations of organisational change, middle managers in a process of sensemaking do create their own interpretation of these changes. Sensemaking is the process by which people give meaning to their experiences, especially in new situations. This is in line with Ireland, Hitt, Bettis and Porras (1987) who showed that managers at different organisational levels do have different perceptions of the strengths and weaknesses of their organisation: strengths and weaknesses that are more related to one's own level, are perceived as more intense or important than those strengths and weaknesses that are more relevant to other managerial levels. However, the differences between managerial levels are more than only interpretations or perceptions. Regnér (2003) has researched differences in strategic decision making at central levels and local levels. Based on a number of case studies, his findings are that strategic decision making at the corporate level can be portrayed as industry and exploitation focused, including a deductive reasoning and an emphasis on the current knowledge structure. Strategic decision making in the periphery, the local level, can be described as externally and exploration oriented, including inductive reasoning or sensemaking and efforts to generate and establish a new organisational knowledge structure. One of the explanations is that local managers are more often confronted with new situations and have to pioneer in unknown circumstances. Interpreting these new situations leads to increased levels of sensemaking compared to more routinised decision making in standard situations. The finding that local managers strategise in a different manner from those at the headquarters shows that these local managers are involved in strategic decision making. Mantere (2008) has also addressed the position and contribution of middle managers to the strategy of organisations. His findings are that individual middle managers can have a substantial contribution to the organisation's strategy. Mantere (2008) has been building on the work of Floyd and Wooldridge who have extensively researched the role of middle managers in strategic decision making.

Floyd and Wooldridge (1992) define a middle manager as a manager between the operational level and the top management level. One of the most important tasks of these middle managers is to connect these managerial levels, as they are familiar with both operational and corporate issues. Floyd and Wooldridge (1992; 1996) use two dimensions to classify the influence or role of a middle manager on the strategic decision making process: integrative versus divergent thinking and an upward versus a downward influence. Integrative thinking refers to the fact that strategy demands coordination and divergent thinking refers to fact that strategy also demands creativity. The upward influence is related to the process of influencing top management and the downward influence is related to influencing operational levels. The four resulting combinations are shown in Figure 1.

	Upward influence	Downward influence
Divergent thinking	Championing alternatives	Facilitating adaptability
Integrative thinking	Synthesising information	Implementing deliberate strategy

Figure 1: Middle managers contribution to strategic decision making

Championing alternatives means that middle managers develop new ideas and get permission from top management to implement them. According to Floyd and Wooldridge (1992; 1996), on many occasions, the idea may even come from the operational level, but the middle manager gets the credit for bringing the idea to top management. Synthesising information describes collecting information and bringing it to the attention of top management. Facilitating adaptability is the fostering of flexible organisational arrangements so that organisations are prepared for change. The last combination, implementing a deliberate strategy, is defined as the managerial interventions to implement a strategic decision. The research of Floyd and Wooldridge (1992) has shown that implementation is the most important role of middle managers, closely followed by championing alternatives and synthesising information. Hence they showed how middle managers also have a strong upward influence in the strategic decision making process.

Although Floyd and Wooldridge (1992) did not pay particular attention to the hospitality industry, individual middle managers in this industry also play an important role in the strategic decision making process in their organisations. Therefore, it is important to prepare students for that role and this makes it interesting to test their perception of strategic influence in their training situation. The specific aims of this paper are to explore whether students do participate in strategic tasks and to test whether the four strategic roles can be identified in this practical training situation.

Research design

The research replicated the research done by Floyd and Wooldridge (1992), but applied to student managers in a training department of a hotel school. One of the main reasons for choosing a replication was to be able to benchmark the outcomes with previously obtained results. I will first describe this training department and the position of the student managers as an introduction to the research design.

The research was conducted in the Stenden University Hotel (SUH). SUH is a hotel where students of IHM (International Hospitality Management), hotel school Leeuwarden, receive their practical training. SUH has 28 rooms, three restaurants, and a conference centre. Other departments, including front office, accounting, and so on, are also part of SUH, and the hotel is operated like any regular commercial hotel. In order to train students in an effective and efficient manner, their training programme has been organised in three phases. In their first year, students have to undergo practical training in all major departments of the hotel to become familiar with all sorts of tasks in a hotel operation. The second-year students choose a department they are interested in and work some time as department head in this department. The goal is to

become more familiar with one particular department. The third-year students act as management teams of the hotel during a certain period. Although each student is responsible for a specific task, one of the major goals of this third year practice period is to gain managerial experience. Although the students operate the hotel by themselves, there are a number of practical supervisors who monitor this process and who intervene when necessary.

The focus of the research is on the third-year students. Examples of the positions they fill are restaurant manager, HR manager, revenue manager or housekeeping manager. In many hotels, the managers in these positions are member of the executive committee in a hotel. Every week, the third-year student managers have a meeting with the board in which they are asked to give account of their performance. One could say that these third-year student managers are acting as middle managers because on one hand they have access to top management, and on the other hand they are overseeing daily operations. The question then is: To what extent does this reflect reality? In particular, To what extent do these students contribute to the strategy of the hotel?

The research focuses on the middle managers and what their perception is of their role in the strategic decision making process. Approaching it from the perspective of the (student) middle manager is an added benefit as this also reveals how students experience their education. The goal of the research is to obtain a score for how students recognise elements of the four strategic roles in their training period. As summarised in Table 1, these four roles are: championing alternatives, facilitating adaptability, synthesising information, and implementing deliberate strategies. The research is based on a questionnaire-based survey (to be found in the appendix), consisting of 20 items that have to be scored on a five-point Likert scale. For each role, there are five items and each item presents a particular activity relating to one of these four roles. The respondents had to rate how frequently they performed each activity. This resulted in an overview of respondents' perception of the extent to which these roles were part of their task.

Results and discussion

The survey was conducted on the last day of the semester where all student managers were participating in a closing conference. A total of 99 out of the 120 distributed questionnaires were returned, resulting in a satisfying response rate of 83 per cent. The results were analysed using ANOVA and a factor analysis.

Table 1 summarises the main results, giving the average scores and the standard deviation of each role in the survey. The results of Floyd and Wooldridge (1992) are presented for comparison.

The absolute level of the average scores in the SUH research differs substantially from the earlier results of Floyd and Wooldridge (1992) but this is not really interesting. Differences between respondent groups make a comparison of absolute scores unreliable. More interesting are the relative scores. The first question is whether the means of the four scores in our SUH research are significantly different. Using ANOVA, the hypothesis that the four means are equal is rejected at a significance level of 0,001. This means that the four roles are not all equally present in students' tasks.

When we compare the results in more detail, it is clear

Table 1: Average scores on four strategic roles: SUH research benchmarked to Floyd and Wooldridge's (1992) results

Role	Results of SUH research (2010)		Results of Floyd and Wooldridge study (1992)	
	mean	std. dev.	mean	std. dev.
Championing alternatives	3.22	0.63	2.36	0.46
Facilitating adaptability	3.31	0.59	1.74	0.45
Synthesising information	3.10	0.53	2.35	0.85
Implementing strategies	3.45	0.66	2.50	0.34

that in both the SUH research and the Floyd and Wooldridge (1992) research, the respondents indicate that implementing a strategy is their single most important strategic task. In both studies, championing alternatives, i.e. the presentation of ideas to senior management, is found as well. The interesting difference between the two sets of findings is the high score for facilitating adaptability in the SUH research. Facilitating adaptability is related to making the organisation prepared for change. A possible explanation for the relative high score is that SUH is a training environment. Therefore, the third-year students continuously train the new first- and second-year students. When looking at the results, the overall conclusion is that students do feel that they have a contribution to the strategic process in SUH.

Each of the 20 items on the questionnaire (see the appendix) is based on one of the four roles. It is reasonable to assume that these four underlying roles act as latent factors, causing the scores on the associated items. Therefore, it is appropriate to conduct a factor analysis to investigate if these relations also hold in SUH. However, we have to keep in mind that 99 respondents is a small sample for a factor analysis.

First, the factorability of the items was examined. In the correlation matrix, all items correlated with at least 0.3 with at least four other items. This suggests a reasonable factorability. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.823, well above the minimum recommended value of 0.6. Bartlett's test of sphericity was significant ($p < 0.001$). In the anti-image correlation matrix, all the diagonals were above 0.5 (the lowest diagonal being 0.664) and all communalities were above 0.3 (the lowest communality was 0.34, the others were all greater than 0.5). All these tests indicate that all items share some variance with other items and that underlying factors are likely to be present.

A factor analysis was carried out in SPSS 17.0, using principal component analysis with varimax rotation. In a first round, five factors with eigen values above 1.0 were found and 59.9 per cent of variation was explained. This first factor structure was not satisfying for two reasons. First, there was one factor which was related to only one item (number 12), leading to the removal of this item. Second, a number of other factors showed high (> 0.4) cross-loadings and had to be removed in a number of steps. Ultimately, this resulted in removing the items 4, 5, 6, 9, 12, 15, 16, 18 and 20 from the analysis in order to find a satisfying factor structure. Together with the theoretical strategic roles, the results are shown in Table 2.

Based on the covariance structure of the variables, it is possible to identify a number of underlying factors. However,

Table 2: Factor loadings and theoretical roles

Item	Component			Theoretical role
	1	2	3	
1 Monitor and assess the impact of changes in the organisation's external environment	0.826			Synthesising
3 Integrate information	0.843			Synthesising
2 Implement action plans	0.733			Implementing
10 Communicate and sell top management initiatives		0.773		Implementing
7 Provide a safe place for experimental programmes		0.765		Facilitating
17 Translate organisational goals into departmental action plans		0.518		Implementing
8 Communicate the business-level implication of new information to higher-level managers		0.514		Synthesising
11 Define and justify the role of new programmes or processes to upper-level managers		0.467		Championing
14 Monitor and communicate to higher-level managers the activities of outside organisations			0.770	Synthesising
13 Proactively seek information about your business from customers, etc.			0.749	Synthesising
19 Propose new programmes or projects to higher-level managers			0.641	Championing
Variance (%) (Cumulative 58.0%)	21.1	19.4	17.5	

for a number of reasons, it is also clear that this factor structure is not in accordance with the earlier findings of Floyd and Wooldridge (1992) or with theoretical insights. Firstly, a total of nine out of 20 items had to be removed to arrive at an acceptable factor structure. The necessity of removing almost half of the original items shows that the results are not in accordance with the theoretical structure. Secondly, this is confirmed by the structure of the underlying factors. Only three instead of four factors can be identified and these remaining factors do not resemble the four strategic roles. In Table 2, the original roles are also shown. The first factor, related to items 1, 3 and 2, relates to the synthesising and implementing roles. The second factor, related to items 10, 7, 17, 8 and 11, relates to all four roles and the third factor, related to items 14, 13 and 19, relates to the synthesising and championing roles. These results show that the factor structure is not consistent with the theoretical roles.

The necessity to remove nine items, the identification of only three factors and the absence of a clear relationship between the remaining factors, and the theoretical roles, make it clear that, although statistically we do have an acceptable factor structure, the results do not match the theory.

Conclusion

The theory regarding middle managers' strategic influence suggests that middle managers do have a substantial strategic role in their organisations. Researching this in the training situation of a hotel school is relevant to test whether students will be adequately prepared for their future jobs and responsibilities. The results show that the students do perform a large number of strategic tasks. However, these tasks do not fit with the theoretical framework that is based on four different roles. It appears that a training situation stimulates students to engage frequently in strategic tasks and activities, but that the structure of this engagement differs from real-life settings. It seems reasonable to assume that the training character of the

hotel is responsible for this difference. In a training situation like this, many tasks and settings are new to students. Training first- and second-year students explains the high level of attention paid to the factors implementing strategies and facilitating adaptability. It is also realistic to assume that people who operate in new and uncertain situations, rely less on standard routines and are more open to sensemaking in their situation (Regnér, 2003; Balogun & Johnson, 2004). This explains why the students perceive a high level of strategic tasks while at the same moment the structure regarding the strategic roles is more ambiguous.

Overall it can be concluded that students in a training situation do participate substantially in the strategic decision making process, but the structure of their contribution is perceived in a far more ambiguous manner than in real-life situations.

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Appendix: questionnaire

The questionnaire used in the research was adapted from Floyd and Wooldridge (1996) to specify the functions in use at SUH.

Instruction: In your experience as a departmental manager in a learning hotel how frequently have you performed the following activities? Circle a number for each item. The answers run from 1 to 5. An answer of 1 means that you almost never carry out this task or activity, while an answer of 5 means that you carry out this task or activity on a very frequent basis.

1. Monitor and assess the impact of changes in the organisation's external environment (opportunities and threats: events, competition, trends, new ideas).
2. Implement action plans designed to meet top management (RD, F&B, Reg. Catering managers, Practical Instructors) objectives.
3. Integrate information from a variety of sources to communicate its strategic significance.
4. Evaluate the merits, value of new proposals.
5. Evaluate the merits of proposals generated in my unit, encouraging some, discouraging others.
6. Translate organisational goals into objectives for individuals.
7. Provide a safe place for experimental programmes.
8. Assess and communicate the business-level implication of new information to higher-level managers (RD, F&B, Reg. Catering managers).
9. Search for new opportunities and bring them to the attention of higher-level managers (RD, F&B, Reg. Catering managers, Practical Instructors).
10. Communicate and sell top-management initiatives to subordinates (supervisors).
11. Define and justify the role of new programmes or processes to upper-level managers (RD, F&B, Reg. Catering managers).
12. Encourage multidisciplinary problem-solving teams.
13. Proactively seek information about your business from customers, suppliers, competitors, business publications and so on.
14. Monitor and communicate to higher-level managers the activities of competitors, suppliers, and other outside organisations.
15. Justify to higher-level managers (RD, F&B, Reg. Catering managers, Practical Instructors) programmes that have already been established.
16. Provide resources and develop objectives or strategies for unofficial projects.
17. Translate organisational goals into departmental action plans.
18. Relax regulations and procedures in order to get new projects started.
19. Propose new programmes or projects to higher-level managers (RD, F&B, Reg. Catering managers).
20. Monitor activities within your unit to ensure that they support top management objectives.

Questions 4, 9, 11, 15 and 19 were used to measure championing activities.

Questions 5, 7, 12, 16 and 18 were used to measure facilitating adaptability.

Questions 1, 3, 8, 13 and 14 were used to measure synthesising information.

Questions 2, 6, 10, 17 and 20 were used to measure implementing strategies.
