

Southwest spirit to better connect people to the cultural foundations of the company. The committee works behind the scenes to foster Southwest's commitment to its core values. Following are examples of events held to reinforce Southwest's cultures.

- *Walk a Mile in My Shoes.* The Walk a Mile in My Shoes program helped Southwest employees gain an appreciation for other people's jobs. Employees were asked to visit a different department on their day off and to spend a minimum of six hours on the "walk." These participants were rewarded not only with transferable round-trip passes, but also with goodwill and increased morale.
- *A Day in the Field.* This activity is practiced throughout the company, all year long. Barri Tucker, then a senior communications representative in the executive office, for example, once joined three flight attendants working a three-day trip. Tucker gained by experiencing the company from a new angle and by hearing directly from customers. She was able to see how important it was for corporate headquarters to support Southwest's front-line employees.
- *Helping Hands.* Southwest sent out volunteers from around the system to lighten the load of employees in the cities where Southwest was in direct competition with United's Shuttle. This not only built momentum and strengthened the troops for the battle with United, it also helped rekindle the fighting spirit of Southwest employees.<sup>62</sup>

Empirical research in the hotel industry demonstrates why it is so important for management to "walk the talk." Judi McLean Park and Tony Simons conducted a study of 6,500 employees at 76 Holiday Inn hotels to determine whether workers perceived that hotel managers showed behavioral integrity, using measures such as "My manager delivers on promises," and "My manager practices what he preaches." These statements were correlated with employee responses to questions such as "I am proud to tell others I am part of this hotel," and "My co-workers go out of the way to accommodate guests' special requests," and then to revenues and profitability.

The results were stunning. They showed that the behavioral integrity of a hotel's manager was highly correlated to employees' trust, commitment, and willingness to go the extra mile. Furthermore, of all manager behaviors measured, it was the single most important factor driving profitability. In fact, a mere one-eighth point increase in a hotel's overall behavioral integrity score on a five-point scale was associated with a 2.5 percent increase in revenue, and a \$250,000 increase in profits per year per hotel.<sup>63</sup>

## CONCLUSION

The quality of a service firm's people—especially those working in customer-facing positions—plays a crucial role in determining market success and financial performance. That's why the *People* element of the 8 Ps is so important. Successful service organizations are committed to effective management of human resources and work closely with marketing and operations managers to balance what might otherwise prove to be conflicting goals. They recognize the value of investing in HR and understand the costs resulting from high levels of turnover. In the long run, offering better wages and benefits may be a more financially viable strategy than paying less to employees who have no loyalty and soon defect.

Best-practice HR strategies start with recognition that in many industries the labor market is highly competitive. Competing for talent by being the preferred employer requires a marketing perspective. Careful selection is important, too, to ensure that new employees fit

both job requirements and the organization's culture. Next come the tasks of painstaking training and creating policies that will empower staff, who will then have the authority and self-confidence to use their own initiative in delivering service excellence. Other tasks for both HR and line managers in marketing and operations include effective use of service delivery teams, and energizing and motivating the front line with a full set of rewards, ranging from pay, satisfying job content, recognition, and feedback to goal accomplishment.

Top and middle managers, including front-line supervisors, need to continuously reinforce a strong culture that emphasizes service excellence and productivity. Once employees understand and support the goals of an organization, a value-driven leadership will inspire and guide these service providers, bring their passion for serving to the full, and give them a fulfilled working life.