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General Managers in Mid-scale Hotels: Are they Plateaued?

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Abstract

This research investigated the career-plateau patterns of general managers (GMs) in mid-scale hotels. In regard to plateau categories, by far the largest number of GMs reported that they were in the productively plateaued category. The hotel industry can use this research to view the career satisfaction and productivity of GMs in light of the plateau pattern into which they are classified.

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This research investigated the career-plateau patterns of general managers (GMs) in mid-scale hotels. In regard to plateau categories, by far the largest number of GMs reported that they were in the productively plateaued category. The hotel industry can use this research to view the career satisfaction and productivity of GMs in light of the plateau pattern into which they are classified.

According to the American Hotel and Lodging Association (2008a), the United States has over 47,000 hotels and motels. Almost half of these hotels can be classified as smaller mid-scale or limited-service properties. In these properties, an individual's ascent to GM generally takes a shorter time. However, once in the GM position, where will the career path lead? Some managers may become district or area managers supervising a few hotels. Others may move up to other corporate positions. Still others might make the leap to larger or full-service hotels. The majority will have reached what is referred to as a *structural plateau*. A *career plateau* has been commonly defined as that point in a career when future hierarchical mobility seems unlikely (Ference, Stoner, & Warren, 1977). There is little chance of avoiding structural plateauing at some point in any career, at least for the majority who do not reach the top (Kaye, 1989). The pyramidal structure of organizations dictates that less than 1% of an organization's employees reach the highest levels, making career plateaus inevitable for most employees (Bardwick, 1986). Managers at various levels may pursue opportunities for career advancement; however, opportunities may become increasingly limited due to structural changes within an industry or company, or to a slowdown in business activities in the economic sector (Tremblay, Roger, & Toulouse, 1995).

Although the phenomenon of career plateauing is not new, it has received increased attention in recent years. A study carried out among human resources directors showed that almost half of all firms considered career plateauing a serious concern (Rosen & Jerdee, 1990). It is therefore not surprising that there has been an increase in research concerning this issue. Research concerning managers who found themselves stalled in this situation showed they experienced feelings of resentment, disillusionment, and frustration, not only with their organizations, but also with themselves. They often saw themselves as being partially responsible for their plight (Marshall & Cooper, 1979).

On the other hand, plateauing does not necessarily carry a negative connotation. Although some plateaued employees are unproductive, many are not. Ferrence et al. have suggested that while some plateaued managers may decline, others continue to perform at a high level.

In either case, the career-plateau phenomenon has the potential to impact the majority of GMs in the hotel industry, and the largest number of those GMs work in mid-scale hotels. In these hotels there are costs associated at both the personal and corporate level. The companies that GMs work for have invested much time and money in their careers and must be concerned about their managers' productivity and career satisfaction.

CAREER-PLATEAU PATTERNS

Career plateaus have been viewed by distinguishing between two sources: organizational and personal (Ference et al.). Organizational plateauing refers to the lack of opportunities in an organization; personal plateauing refers to the employees' lack of ability or motivation for further promotion. Veiga considered that a career plateau existed because of the total absence of either vertical or horizontal mobility (1981). Another way of viewing career plateaus is to categorize them into objective and subjective plateaus (Tremblay et al.). An objective career plateau could

be measured by the number of years in the same position, or years since the last promotion. People with more than five years in the same position and location could be considered plateaued. Subjective career plateaus could be measured as the expected period of time before the next promotion or movement, or the perceived probability of getting a promotion in the future.

TYPES OF CAREER PLATEAUS

Kaye expanded the definition of career plateau into four quadrants based on two axes of organizational and individual activities. Figure 1 shows four typical career-plateau patterns that would apply to GMs. The lowest area (*the passively plateaued pattern*) is defined by low organizational activity and low individual activity. These people have given up on themselves, and so has the organization. They are trapped in a state of personal inaction with the consent and collusion of their organization and may be seen as deadwood. Very often, they are counting the time until their retirement. The highest area (*the productively plateaued pattern*) is defined by high employee activity and high organizational activity. Even though a promotion may be possible, people who fall into this group manage their own resources for enthusiasm about their work. The middle two categories consist of pleasantly plateaued employees and partially plateaued employees. The *pleasantly plateaud pattern* is defined by low employee activity but high organizational activity. An employee in this category is more likely to work for an organization that cares about maximizing human resource contributions. However, the individual might not be so interested in training and job enrichment programs. The *partially plateaued* employee is defined by high employee activity but low organizational activity. This group has its own reasons for keeping the job appealing, even though the organization does not put much effort into job-enrichment programs or training.

Figure 1

Four Plateau Patterns

		Employee Activities	
		High	Low
Organizational Activities	High	Productively Plateaued	Pleasantly Plateaued
	Low	Partially Plateaued	Passively Plateaued

CAREER STAGES OF GENERAL MANAGERS

The stage of career plateau has a great deal to do with the stage of a person's career. According to career theorists, individuals normally experience four career stages: exploration, establishment, maintenance, and disengagement (Cron & Slocum, 1986a). A brief description of the stages follows:

Exploration: In this stage individuals (typically in their twenties) are concerned with finding an occupation in which they can feel comfortable and succeed. The fundamental question addressed during this period is: "What do I want to do for the rest of my life?" Personal commitment to an occupation is low, and several changes in occupation are likely.

Establishment: Individuals from their late twenties to early thirties seek to attain stabilization within an occupation and to secure a place in the working world. Concern focuses on adding structure and stability to one's career, often at the same time that other important life commitments are being made (e.g., getting married, buying a home, establishing roots in a community, etc.) (Levinson, Darrow, Klein, Levinson, & McKee, 1978). Achieving professional success is of utmost importance and frequently involves a desire for promotion.

Maintenance: This stage normally begins in a person's late thirties to mid-forties. Concern during this stage is with retaining one's present position, status, and performance level, which are likely to be relatively high (Cron & Slocum, 1986a). Desire and opportunity for future organizational and job movement diminishes. Career commitment to an organization is likely because people in this stage may be less prone to switch organizations (Cron & Slocum, 1986b). However, individuals in this stage must adapt to changes, keep current with new developments, and acquire knowledge and skills to improve performance.

Disengagement: In the early development of career-stage theories, disengagement was associated with preparation for imminent retirement and sometimes loss of self identity. However, recent research suggests that some people become frustrated long before retirement age and might psychologically disengage themselves from their work rather than search for a new job or occupation. Lower performance is often associated with this career stage.

CONSEQUENCES OF CAREER PLATEAUING

A number of researchers have examined the consequences associated with becoming plateaued in one's career. Although not all studies found negative outcomes, there is considerable evidence indicating that career plateaus are related to unfavorable job attitudes and behaviors. Typical effects of plateauing highlighted in the research include stress, intent to quit, hostility to the organization, lowered aspirations, withdrawal, goal displacement, higher absenteeism, less satisfaction with supervisors, and more health problems (Patterson, Sutton, & Schuttenberg, 1987; Gerpott & Dorsch, 1987; Stout, Slocum, & Cron, 1988).

Tremblay et al. studied the work attitude of *plateaued* and *non-plateaued* managers. They found that each group responded differently to the work environment. One positive finding indicated that satisfaction with work itself is strongly related with feelings of being plateaued. Thus some plateaued people are likely to be highly productive and happy with their present situation. Plateaued employees might be redirecting their personal focus to family and other personal issues that give them even greater satisfaction than work-related tasks. However, Near (1985) and Evans and Gilbert (1984) observed no significant difference in satisfaction levels between respondents who have attained a career plateau and those who have not.

STUDYING MID-SCALE HOTEL GENERAL MANAGERS

The largest number of GMs in the United States work in the mid-scale segment of hotels. It is important to study these GMs because they have a tremendous influence on the success of the U.S. lodging industry. The hotel industry can use the results of this study to better view GMs' career satisfaction and productivity in light of the plateau patterns in which they are classified. No data indicate that GMs are leaving the industry in high numbers. However, the hotel industry can use the information in this research to implement professional development programs that keep GMs' skill levels and productivity high. A hotel company could also develop an approach to prevent GMs from becoming passively plateaued, as that could lead to extreme loss of productivity for hotel companies.

The major purpose of this research, based upon the four plateau categories proposed by Kaye, was to identify how GMs of mid-scale hotels viewed themselves as related to plateau characteristics. Specific objectives were:

1. To identify demographic profiles of GMs within each of the four career-plateau categories
2. To identify GMs' future job intentions within each of the four career-plateau categories
3. To examine whether a GM's career-plateau pattern differs by the amount of job and managerial experience
4. To identify whether the management or ownership pattern of the GM's hotel affects plateauing.

HOW THE GENERAL MANAGERS WERE STUDIED

We decided to limit this research to hotels with between 100 and 200 rooms since these constitute the largest number of properties in the country. We further decided to limit the study to hotel chains because the majority of hotels in this segment are under the umbrella of a chain (American Hotel and Lodging Association, 2008b). Six hotel chains (Courtyard by Marriott, Hampton Inn, Quality Inn, Ramada, Four Points by Sheraton, and Holiday Inn) were chosen because they represented the mid-scale segment of the lodging industry.

The six hotel chains had a total of 3,983 properties. A nationwide, stratified random sample of 1,000 hotels was selected. Stratified sampling was used to assure that the six hotel chains were fairly represented in the research. Approximately 25% of the properties in each chain were surveyed. In order to properly address the surveys to the properties, we contacted each hotel by telephone to ascertain the name of the GM.

Hotel GMs were sent a three-part questionnaire. The first part was concerned with demographic data, such as gender, educational level, years of experience in the hotel business, years in current position, and total years of experience as a GM. The literature indicates that the minimum number of years that it usually takes for an individual to reach any kind of plateau is five or seven years (Stout et al.; Gerpott & Dorsch). A question was also asked about the type of ownership and management patterns at the property where the respondent was employed. Part two of the questionnaire, based on a scale designed by Kaye, contained 41 questions on a five-point Likert Scale. These questions were designed to measure GMs' career-plateau patterns (Table 1). Plateau literature has identified specific behaviors associated with each of the four plateau patterns. Questions 1-11 related to the productively plateaud pattern. Questions 12-20 measured the partially plateaud pattern. Questions 21-29 measured the pleasantly plateaud pattern. Questions 30-41 measured the passively plateaud pattern. Part Three of the questionnaire asked questions about future job intentions. All surveyed individuals received a personalized cover letter that explained the purpose of the study and insured confidentiality. Table 2 shows the characteristics within each category. This instrument has been tested by Kaye and Associates for content validity and has proven reliable with numerous companies.

<div align="center">**Table 1.**</div>

<div align="center">**Characteristics Relating to the Four Career-Plateau Patterns**</div>

Plateau patterns	Characteristics
Productively	- A job that's familiar but valued by peers and supervisors - An organization that rewards and recognizes task accomplishments--even by employees who perform routine work. - An organization that offers employees positive learning and development programs - A willingness to participate in professional and organizational opportunities - A sense of balance between aspiration and achievement - A willingness to take some risks - A desire to do a familiar job more effectively - A sense of loyalty to the company - A reputation as a team player - A feeling that a higher-level job might have some negative aspects, such as longer hours or increased pressure - A feeling that my job is vital to the organization's success
Partially	- Routine work interspersed with one small niche or pet project that's personally exciting - Recognition from others (often outside the organization) who value work in that niche - Professional associations and outside contacts contribute a major sense of prestige - A majority of work assignments that offer little excitement, even boredom although they're accomplished well - An organization is one that respects the work being done but sees little need to put additional energy into the individual contributor - A sense of contribution to the organization's goals but a lack of opportunity to pursue personal goals - A good relationship with immediate supervisors who provide feedback without giving any real hope of further advancement - Open networks to their part of the organization
Pleasantly	- An organization that cares enough about human resources to encourage use of developmental programs - An individual sense of comfort in my organization - A satisfying life outside of work - A reluctance to change - Organizational efforts at individual development are caring but also a bother - A lack of motivation even though promoted - A desire for minimal stress - A desire to remain with the current employer for the foreseeable future - Adequate task achievement in this position
Passively	- In the same job and doing the same activities for at least 5 years - Low job interest and involvement - Low organizational interest in individual development - A sense of inertia about job change or risk-taking - Little interest in skill development or job enrichment - Low perceived marketability - A sense of being above the present job - A lack of company support for professional development - Special skills: Narrowly defined work - Little visibility within the company - A sense of being tied to or trapped by the company for the foreseeable future - Performance ratings have been unrealistically favorable considering the level of work accomplished

WHAT THE GENERAL MANAGERS REPORTED

Demographic Data

From the initial mailing of 1,000 questionnaires, 174 were returned. Three weeks later, 200 more questionnaires were faxed to randomly selected non-respondents. An additional 15 questionnaires were returned. In total 189 GMs returned questionnaires, for a 19% response rate. Table 2 shows the number of hotels surveyed and response rates within each chain. Three respondents intentionally erased survey codes. Courtyard, Four Points, Ramada, Hampton Inn, and Holiday Inn had a 20% response rate. However, Ramada Inn and Quality Inn had response rates of 16% and 13%, respectively. Among the 189 returned questionnaires, four were deleted because they were incomplete. Thirty-six of them were eliminated because the respondents had less than two years of experience as a GM. The final sample size was 149.

Table 2.

Response Rate of Hotels in the Survey

Hotel chains	Number of hotels in chain	Number surveyed	Number of responses	Percent of response
Courtyard	433	134	31	22%
Four Points	89	19	4	21%
Hampton Inn	1,063	261	53	20%
Holiday Inn	990	238	49	21%
Quality Inn	416	104	17	16%
Ramada	976	244	32	13%
Untracked			3	
Total	3,967	1,000	189	19%

Table 3 contains the GMs' basic demographic profile. The majority of them were males between the ages of 31 and 50. The average age of responding GMs was 41. Seventy-two percent of the respondents were married, and 58% held a college degree. Nineteen different degree fields were identified, with hospitality degrees accounting for 41% and business degrees accounting for 28.5%.

Table 3.

Demographic Data of General Managers

Demographic Characteristics	N	% of all respondents
Gender		
Male	103	69%
Female	46	31%
Age		
<=30	11	7%
31-40 years	58	39%
41-50 years	56	38%
>=51 years	24	16%
Marital Status		
Single	42	28%
Married	107	72%
Educational level		
High school diploma	49	33%
College degree	86	58%
Graduate degree	14	9%

The average number of years a GM had worked in the hotel industry was 16.2 years, with a standard deviation (SD) of 8.7 . They had been in their present position an average of 3.3 years, with a SD of 3.0, and had spent an average of 8.3 years overall as a GM, with a SD of 7.1.

The majority of GMs (51%) worked for franchised properties that were independently operated; 42% worked for franchised properties operated by management companies; (6%) worked for corporate-owned properties; and 1% worked at other types of property that did not fit those categories.

This research explored GMs' future job intentions. Table 4 shows that 50% of GMs wanted to stay in the same position at the same hotel. Twenty-six percent wanted to stay with the same company but move up to a higher position. The others indicated they wanted to leave.

Table 4.

Future Job Intentions (N=149)

Future Job Intention	Frequency (N)	% of all respondents
Stay in the current position and current company	74	50%
Stay with the same company but move towards a higher position	38	26%
Change companies but stay in the same position	22	15%
Leave the company and industry	14	9%

Frequency Missing = 1

In regard to plateau categories, by far the largest number of GMs, 82%, reported that they were in the productively plateaued category. The other three categories accounted for the remaining 18%. Table 5 lists the various categories by gender.

Table 5.

Gender & Career-Plateau Patterns

Gender	Passively	Partially	Pleasantly	Productively
Male	5	7	7	83
	3.38%	4.73%	4.73%	56.08%
Female	2	3	4	37
	1.35%	2.03%	2.7%	25%

Generalized Results of General Managers Within Each Plateau Category

Productively Plateaued Category. The data showed that the kind of person more likely to fall into this category has 20-30 years' experience in the hotel industry, wants to stay in the same company, but seeks a higher position. Therefore, years of experience in the hotel industry, years of experience as a GM, and future job intention are three important factors that determine whether a GM falls into the productively plateaued category.

Partially Plateaued Category. The results showed that males and managers of property run by corporations are more likely to fall into this category. In addition, a person who wishes to stay with the same company but seek a higher position is more likely to be partially plateaued. Therefore, gender, types of property, and future job intentions are three important factors that determine the partially plateaued category.

Pleasantly Plateaued Category. The results indicated that it is more likely that a married person with 10-20 years' experience in the hotel industry, and a person who intends to stay with the same company will fall into this category. Therefore marital status, years of experience in the hotel industry, and future job intentions are important factors that determine whether a person falls into this category.

Passively Plateaud Category. The data relating to this category indicate that it is more likely that a male with a higher educational level (master's degree or above) and a person with more than 30 years of experience in the hotel industry will fall into this category. Therefore, variables such as gender, educational level, and years in the industry are important factors that determine whether a person falls into this category.

Discussion

Plateauing has the potential to cause discontent among managers and dysfunction in organizations (Nicholson, 1993). This research was designed to study plateau charateristrics of GMs in mid-scale hotels, and thereby to better understand career decisions.

Super (1980) proposed that age is related to plateaued and non-plateaued performance. This research found that ages differ in relation to career-plateau patterns. Most of the GMs who fell into the passively plateaued pattern (31%) were between 31 and 40 years old. Most -who fell into the partially plateaued pattern were also between 31 and 40 years old. An interesting finding of this study was that the longer the GM had spent in the hotel industry, the more likely that individual was to be in the productively plateaued category. In the study, every GM with over thirty years of experience fell into this category. In addition, every GM with less than 10 years of experience in the hotel industry was in the passively plateaud pattern. Some studies have defined

people as being plateaued by length of time on the job (Slocum & Cron, 1985). That is, the longer the job tenure, the more likely the individual is to be plateaued.

The results show that even though GMs with longer job tenure are more likely to be plateaued, they are actually more likely to fall into the category of productively plateaued. The nature of the hotel industry could be one of the factors that explain this. It is possible that someone who decides to work in the hotel industry for such a long time may have a stronger initial and continuing career enthusiasm.

Tremblay et al. indicated that plateaued individuals within each of these categories showed different levels of performance, satisfaction, and intention to quit. The results in our study revealed future job intentions to be related to plateau patterns. The study showed that in the passively plateaued pattern, the GM intended to change a company or leave the company or industry altogether. That is, individuals who were less committed to their jobs were more likely to fall into the passively plateaued category. In the productively plateaued pattern, the respondents intended to stay in the same position in their current hotel or stay with the same company but move up to a higher position. That is, individuals who were more committed to their jobs were more likely to fall into the productively plateaued pattern.

Human resources specialists can identify various target groups that fall into each category and design a career-development strategy that might help managers remain engaged not only in their own career development but also in their employees' development. Organizational interventions would help managers refocus career expectations (Reibstein, 1986). Hotel companies can help GMs avoid becoming passively plateaued, a factor which could lead to an extreme loss of productivity for hotel companies.

Conclusion

Traditional promotion channels in organizational hierarchies may be blocked for many younger or middle-aged managers. Various economic or political realities, such as mergers and acquisitions or the sale of property, may cause a manager to stagnate. So, too, might the individual's own unrealistic expectations (Driver, 1985). The age structure of some U.S. businesses may prevent many younger individuals from rising through the ranks as their older colleagues have done. This may suggest that career strategies and choices made with long-term objectives in mind may fail to materialize. Thus it is important for a hotel company not to make career-promotion promises that cannot be kept. Moreover, an effort to hire older, experienced employees may be a benefit to hotel companies because these individuals have a stronger career commitment and enthusiasm. When plateauing inevitably happens, older, experienced employees are more likely to fall into the productively plateaued pattern.

Limitations

As in similar research of this type, the results are self-reported. Therefore, managers may have answered only how they perceived themselves or how they thought others perceived them. This research looked only at GMs in mid-scale hotels; situations in other types of hotels may vary. Lastly, the response rate was only 19%, with 149 usable responses. Therefore in the future a larger survey might be conducted to produce more generalizable results.

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