LEADERSHIP IN THE HOTEL INDUSTRY: EVIDENCE FROM CANADA

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ABSTRACT

This research explored the relationships between demographic factors of gender, age, education and tenure on leadership competencies of Canadian hotel general managers and the impact of leadership competencies on hotel performance. This timely study captures general managers during times of extreme environmental challenges and used the New Zealand Institute of Management Capability Index to capture leadership competencies. A regression was used to analyze the relationship between demographics and leadership competencies and also between leadership competencies and hotel performance as measured by revenue per available room (RevPAR). Findings indicated that there was a weak relationship between tenure and People Leadership, one of the three leadership competencies. Visionary and Strategic Leadership had a statistically significant positive impact on RevPAR. . This confirms leadership research in the field demonstrating that aspects of transformational leadership lead to improved organizational performance.

INTRODUCTION

The hotel industry falls within the realm of services and as such, carries with it all of the business characteristics of a service in contrast to a product. These differences include perishability, intangibility, variability, and inseparability (Kotler, Bowen & Makens, 2006). A hotel room is perishable as the inventory cannot be stored and a room not sold is revenue lost forever. The service travelers receive at the hotel depends on the front line employees and hotel organizations attempt to differentiate themselves on this feature through training and motivational proponents within their human resource strategies. It is vital in the service industry to have motivated and efficient personnel on the front line to ensure customer satisfaction. Profits are made in the service industry by delivering customer service and great customer service is vital for success in the hotel industry (Ford & Heaton, 2001).

Characteristics of the hotel industry's work environment include long operating hours, a fast pace of activities, a labor intensive diverse work force, growing competition, and dynamic travel patterns which can lead to high levels of stress for those managing in it. It is also very capital intensive with large amounts of money tied up in physical structures, furnishings and equipment. The lodging industry at its best can be difficult to manage. The capabilities required of a hotel general manager are demanding due to the unique characteristics of the industry. This is because hotels typically operate 24 hours per day, seven days a week, and 365 days a year; demand fluctuates significantly by season and/or economic factors; there are high labor costs; and unique management skills are required to motivate a highly diverse complement of staff and team members. Compared to managers in other industries, these job characteristics may exert increased daily management pressures on hotel managers (Rutherford, 2002). Kay and Moncarz (2004) stated that due to the hotel industry's challenges of terrorism, political unrest, economic upheavals, technological advances, and overall travel patterns, there is a need to re-examine the knowledge, skills and abilities required for success. This paper will explore the importance of leadership both in these trying times and in the service industry such as hotels. It will also discuss the findings of an instrument used to assess the capability levels of managers with a special focus on the leadership component of this instrument. The paper will begin by describing today's economic environment and its impact on the hotel industry. It will then review literature on demographic factors such as gender, age, education level, and tenure and their impacts on leadership and leadership and organizational performance

and then describe the methodology of the study and the results, concluding with recommendations for future research.

LITERATURE REVIEW

The unsettled economic conditions in the travel industry in Canada from 2000 to the present have resulted from acts of terrorism, public health concerns such as Severe Acute Respiratory Syndrome (SARS) and H1N1, Bovine Spongiform Encephalopathy (BSE or Mad Cow), forest fires, widespread power outages and severe weather such as hurricanes and snowstorms with the year 2008 heralding the downward slide of the economy. Many challenges were created from this severe revenue loss and uncertainty and the most arduous test of a leader's abilities is during times of extreme stress.

Today's environment involves great changes and is more "dynamic and complex – different than it has ever been before" (Chathoth & Olsen, 2002. p. 7). The economic downturn has created great challenges. The occupancy level in Canadian hotels began to drop in the last quarter of 2008 and reached a new low in the first quarter of 2009. However, in a comparison to the United States (US), Canada's hotel financials dropped less. In occupancy, Canada dropped 6.1% compared to 9.8% in the US, average daily rate (ADR) by 0.6% compared to 7.1% , and revenue per available room (RevPAR) saw a 5.5% drop in comparison to a large 16.3% drop in the US. The downturn had the greatest impact on the luxury hotel market. The impact on the Canadian hotel industry was less as there are only 53 luxury hotels in the Canadian market (Canadian Lodging Outlook, 2009). The travel market continued to struggle with a decline of 13% in international travelers to Canada in August 2009 compared to August 2008, and most notably a decline of 55.1% in Mexican travel due to H1N1 and the new Visa policy (Canada Tourism Commission, 2009).

Other challenges in the hotel industry in Canada included the current labor shortage, the rising price of gasoline, a strong Canadian dollar and large decreases in numbers of visitors. "By 2025, the potential labor shortage for the tourism sector is projected to balloon to nearly 257,000 jobs" (Canadian Tourism Human Resource Council). All of these factors are creating a "perfect storm"; a culmination of factors that may never be experienced with this intensity again and that are creating an alien environment for business leaders. During this time, leaders cannot take halfway measures to guide their organizations. "Leaders need to stay calm, look beyond the negative numbers and despite the near-term pressures plan for the future with a cool head" according to Roeland Vos, President Europe, Middle East and Asia Starwood Hotels and Resorts (Alessie, nd).

Leaders in the hotel industry have been sought and interviewed in attempts to identify solutions to the challenges of global recession. Two themes appear to run through the responses. One, that today's leaders have to rethink the business model and that what worked before may not work again in this different environment. Two, the leader must be visible, communicate, and build a strong committed top team. "It is the people in the company that make the company; they are the most valuable asset in leading any change" says Jean Gabriel Peres, CEO Movenpick Hotels and Resorts (Alessie, nd).

Research (Greger & Peterson, 2000) indicates the future of the hotel industry will include the following elements: (1) Consolidation – there will be only five or six major players or hotel companies left due to mergers, acquisitions, and restructuring; (2) Technological influence – Internet usage will continue to increase and greatly impact how people purchase their travel products; (3) Globalization – hotel companies will continue to expand into new markets such as India and China; (4) Diversity of guests – women will continue to make up 50% of the business traveler and will demand different treatment and amenities; (5) Greater competition – even in this economic crisis, new hotels are being planned and built ; (6) Decreased gap between limited service and middle service and (7) Economic instability. These elements will ensure that effective leadership will become a competitive advantage and good leaders will become valuable. Also, these stressful times will create leaders with better skills and good leadership

acumen may be forged from the turmoil. The timing of this study identifying leadership competencies during a lengthy difficult economic downturn was important in order to measure the cumulative effect.

Leadership

The definition of leadership can be defined as directly or indirectly influencing others, by means of formal authority or personal attributes, to act in accordance with one's intent or a shared purpose (Hillier, 2005). Leadership theories involve a level of control by the manager and the subordinate (Blake & Mouton, 1964; Kouzes & Posner, 2002; McGregor, 1960). When the manager is dominant, this is a directive style of leadership. As the employee becomes more dominant, the style becomes more empowering, giving the employee more control (Clark, Hartline & Jones, 2009). This is more of the transformational type of leadership that Covey (1992) refers to in his research in which a leader transforms the people and the organization with a vision and purpose that then bring about the changes required. See Figure 1 for a diagram of the control continuum in these different types of leadership styles.

Figure 1: Leadership Continuum
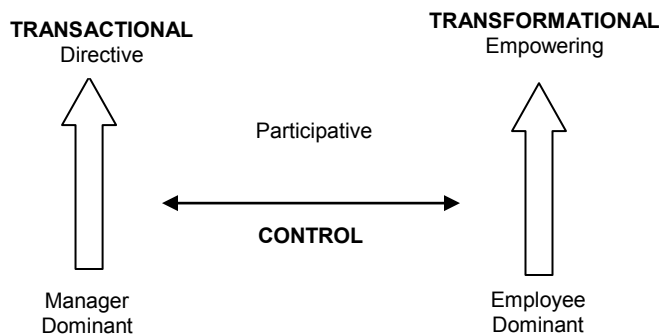
This figure shows the continuum of the directive or transactional style of leadership and the empowering or transformational style

Leadership styles can have a direct impact on the stress levels of employees and transformational leadership can mitigate stress and burnout as opposed to transactional leadership (Gill, Flaschner, & Shachar, 2006; Lyons & Schneider, 2009). Supervisory styles that undermine empowerment include authoritarian (high control), negativism (focus on failures), and failure to explain reasons for actions or consequences (Conger, 1990).

> In every organization, high performance requires high morale. If the conditions outside the workplace do not contribute to the well-being of the employees, then the conditions within the workplace must. One's office, factory or warehouse can be a better place than the environment in which the employee lives; it can be safer and happier, while retaining its identity as a locus of production. Managers can create these conditions without spending a dime; it's not a matter of amenities, but of solicitous leadership. Compassion and communication are imperative during tough times (Carrison, 2009, p.1).

Greger and Peterson (2000) interviewed a number of hotel organizations' CEO's asking what was important about leadership and the key themes running through the answers were the components of vision, the importance of communication and of empowering their people. Maier (2009) used the term 'spirit' to describe requirements for success. "In the hospitality industry, I have found the vitality of the organization lies in the spirit of its members: a spirit grounded in work satisfaction and morale of line-level associates" (p. 111).

As the hotel industry relies greatly on its employees to remain successful, the leadership style thought to be most effective is the empowering style where employees are given a large amount of control over their situations. This creates an environment in which employees can act quickly and efficiently when situations occur that require immediate attention such as a service issue. Major hotel companies such as Ritz Carleton empower their employees by entrusting them with the ability to make decisions that may have a financial impact up to $300.00. The employee can do what is required to satisfy the guest and spend up to a certain amount to make it happen, and management does not question their actions or decisions. Research has found that "The foundations of leadership were summarized as consisting of trust in subordinates, an ability to provide an inspiring vision, communication and perseverance (Whitelaw & Morda, 2004). Also, according to research by Ford and Heaton (2001) on how leaders teach culture,

> "The most important job of a leader may be to frame the culture's beliefs, define its values, reinforce the appropriate norms of behavior, recognize and tell stories about those who personify what the culture should mean for the customer, and find every possible occasion to celebrate when the members make good things happen for their customers"(p. 41.)

These findings are consistent with transformational leadership dimensions and link their importance to the service industry of hospitality. Kouzes and Posner (2002) in their best seller book *The Leadership Challenge,* uncovered five practices common to personal-best leadership experiences. They are (1) Model the way – behavior wins respect. Spend time, work side by side with colleagues, tell stories that make values come alive, be highly visible during times of uncertainty, ask questions; (2) Inspire a shared vision – speak the language of the constituents, use dialogue, know people's dreams and hopes, are enthusiastic; (3) Challenge the process - search for opportunities, recognize good ideas, problems shape leaders; (4) Enable others to act – foster collaboration, teamwork and trust, use of the word "we" and (5) Encourage the heart - use genuine acts of caring, recognition and celebration; ensure people see the benefits.

These five practices appear repeatedly in research on effective leaders in the service industry and they link managers as leaders to staff as followers. Transformational leadership inspires staff to follow the vision of a manager with leadership qualities. "It is about engaging the emotions of individuals in the organization. It is crucial for leading change today" (Dearlove & Coomber, 2009, p.55).

Gender and Leadership

Research on characteristics of women managers as compared to male managers indicates that differences do exist. Females were rated higher on interpersonal behaviors than were males at the middle and executive levels (Bartol, Martin & Kromkowski, 2003) and women were found to be more oriented toward supporting and maintaining relationships than men (Hisrich and Brush, 1994). Soehanovic, Zougaj, Krizoman & Bojanic-Glavica (2000) researched characteristics of women managers in hotels and found in order to be successful they demonstrated knowledge in these areas: (1) organizational knowledge (97.14%), (2) manner with people (91.43%), (3) management knowledge (77.14%), (4) knowledge of the economy (71.43%), (5) financial knowledge (54.29%). Recent research (van Engen & Willemsen, 2004) on gender and leadership found no significant evidence that gender made a difference in leadership.

Age, Educational Level, and Tenure

There is very little research on age or educational level as it relates to leadership or its practices. One study (Barbuto, Fritz, Matkin & Marx (2007) found that "Gender had no significant effects on ratings of transactional and/or transformational leadership behaviors in the present study" (p. 79). This same study did find that age was significant as those 46+ were rated as highest for transformational leadership. Also, the leader's level of education was significant for transformational behaviors. Kearney and Gebert (2009)

found that "transformational leadership moderates the relationship of age, nationality and educational diversity with team performance ….and….age diversity was not significantly associated with team performance when transformational leadership was high" (p. 86). Studies on the impact of age on leadership style has not been found however, it may be thought that age, educational level and tenure with an organization would lead to a manager possessing more skills and knowledge and lead him to use the transformational style of leadership. Scott-Halsell, Blum & Huffman ((2008) found positive significant results between years of experience in the hospitality industry and Emotional Intelligence (EI) and EI is important to the success of businesses, as well as individuals, in their personal and work lives.

Performance

Measuring performance in service industries such as the hotel industry can be onerous due to the many variables that can influence the outcomes. The environment is extremely dynamic and the market demand can fluctuate dramatically. The performance measures themselves may be short term in nature such as evaluating nightly, weekly or monthly occupancy percentages and comparing to last year, or they may be long term in nature such as determining customer loyalty and employee satisfaction levels (Israeli, Barkan and Fleishman, 2006). Research has indicated that organizational performance is influenced by the characteristics of its leaders and top managers. Hambrick and Mason (1984) put forward the upper echelon (UE) perspective and argued that organizational outcomes, such as performance reflect the characteristics of its leaders.

Common financial metrics for hotel performance include occupancy (Occ %), a percentage calculated by dividing the number of rooms sold by the number of rooms available, average daily rate (ADR), calculated by dividing the revenue by the number of rooms sold, and revenue per available room (RevPAR), calculated by dividing the total revenue by the number of rooms available for sale. These are all commonly used statistics and have become benchmark tools for the hotel industry, however, RevPAR is "often considered the most critical measure of operating performance, and by definition, encompasses an element of rate and rooms supply" (Enz, Canina and Walsh, 2001, p. 27). RevPAR was used to assess organizational performance by Namasivayam, Miao and Zhao (2007) in their investigation of the relationship between hotel compensation practices and the hotel's performance.

New Zealand Institute Of Management Capability Index

The New Zealand Institute of Management team developed an index used in this study to measure the competency level of the respondents. Doug Matheson (2004), the founding president, developed the New Zealand Institute of Management Capability Index (NZIMCI) to enable the benchmarking of manager performance. This instrument was based on research started in 1993 when the New Zealand Ministry of Commerce commissioned research into management competencies. The researchers (Page, Wilson & Kolb, 1994 as cited in Page, Wilson and Inkson, 2003) conducted a major literature review. The review included six focus groups to concept-map interviews with very successful managers, and a national survey of managers. The second phase of the research distilled the core set of skills and characteristics that were considered to be critical for effective managers.

Matheson (2004) defines capability as putting the competencies into practice and the instrument focuses on eight major drivers which are weighted: Visionary and Strategic Leadership = 15%; Performance Leadership = 10%; People Leadership = 10%; Financial Management = 10%; Organizational Capability = 5%; Technology and Knowledge = 5%; External Relationships = 5%; and Innovation – Product and Services = 10%. It also contains a performance measurement in which the respondents self rate their business performance from 0% = no results to 100% = excellent performance and is weighted at 30% (Refer to Appendix 1 for the full description). The NZIMCI has been adopted by the American Management Association and more recently, the Indian Institute of Management. Due to the focus of this

paper, the main competencies to be reviewed are the three leadership competencies including Visionary and Strategic Leadership, Performance Leadership and People Leadership. When compared to the Five Practices of Exemplary Leadership as outlined by Kouzes and Posner (2002) these leadership competencies include those practices and align very closely with their theory. It is thought that measuring these three leadership competencies would indicate to what degree these managers are practicing the Five Practices of Exemplary Leadership. The three leadership competencies of the NZIMCI are: Visionary and Strategic Leadership, Performance Leadership and People Leadership, and are further described in Table 1.

Table 1: Leadership Competencies and Their Components

Leadership Competency	Components
Visionary and Strategic Leadership	1. Articulates a clear and inspiring vision, actively fosters and encourages ownership of the vision by staff and ensures the vision is well understood, and motivates the employee to work towards achieving goals 2. The vision and supporting goals underpin and guide decisions and behaviors 3. Contributes effectively, with the board, to establishing strategies, objectives and plans with a view to growing the business, while meeting the needs of shareholders, taking account of employee, supplier, customer and other stakeholder interests 4. Demonstrates an international/global perspective and a good understanding of global markets
Performance Leadership	1. Ensures the organization is strongly goal, performance and achievement focused 2. Balances risk with achievement, not risk avoidance – is not risk adverse 3. The organization consistently meets its performance goals. The organization has a performance track record of growth and or continually improving performance 4. The organization's performance consistently is better than its competitors or other comparable firms
People Leadership	1. Attracts, retains, develops, motivates and leads an effective team capable of achieving company objectives 2. Human resource planning is an integral part of the annual business planning process 3. Provides enhanced leadership – acts as a role model, committed to developing subordinates and leading people 4. Strong on empowerment – allows scope for people to grow 5. Maintains a culture supportive of GEN – X & Y values – not stifled by structure and hierarchy 6. Grows people (Grows their CV). Demonstrates ability to work effectively with, and achieve results through a diverse range of people 7. Creates a stimulating culture

This table shows the three leadership competencies and their components.

These elements are closely related to the dimensions of transformational leadership and are therefore used to measure the transformational leadership competencies of the respondents. If a manager scores high on these competencies, they are said to be using mainly the transformational leadership style, which is accepted to be the most effective style for the hotel industry in its current stressful situation.

DATA AND METHODOLOGY

The intent of this study was to determine if any relationships existed between leadership competency and hotel performance and to explore whether leadership competencies were impacted by demographic variables. The demographic variables included gender, age, education and years in General Manager position. The benefits of this research are to increase the ability to predict organizational outcomes, the better selection and development of top managers, and the increased ability to predict outcomes based on

the managers' level of leadership competency. Based on the previous literature addressing managerial leadership, the following hypotheses were tested, Figure 2 also depicts the research mode :

H1: Visionary and strategic leadership has a significant positive impact on RevPAR.
H2: People leadership has a significant positive impact on RevPAR.
H3: Performance leadership has a significant positive impact on RevPAR.

H4: Gender will have a significant impact on leadership competencies.
     H4a: Gender will have a significant impact on Visionary and Strategic Leadership.
     H4b: Gender will have a significant impact on Performance Leadership.
     H4C: Gender will have a significant impact on People Leadership.

H5: Age will have a significant positive impact on leadership competencies.
     H5a: Age will have a significant positive impact on Visionary and Strategic Leadership
     H5b: Age will have a significant positive impact on Performance Leadership
     H5c: Age will have a significant positive impact on People Leadership

H6: Education will have a significant positive impact on competencies.
     H6a: Education will have a significant positive impact on Visionary and Strategic
          Leadership
     H6b: Education will have a significant positive impact on Performance Leadership
     H6c: Education will have a significant positive impact on People Leadership

H7: Years in management position will have a significant impact on leadership competencies.
     H7a: Years in General Manager position will have a significant impact on Visionary and
          Strategic Leadership
     H7b: Years in General Manager position will have a significant impact on Performance
          Leadership
     H7c: Years in General Manager position will have a significant impact on People
          Leadership.

Figure 2: Research Model

This figure shows the research model of the hypotheses and the relationships between demographics and leadership competencies and between leadership competencies and RevPAR.

A survey was directed to accommodation general managers of Canadian hotel properties with 30 rooms or more using a distribution list compiled from the Hotel Association of Canada membership directory, the provincial hotel associations, membership lists, and corporate hotel groups. The survey included basic demographics, the New Zealand Institute of Management Capability Index (NZIMCI), and hotel

performance measures. The survey was posted on a web page and emails were distributed to the general managers containing a hyperlink to the survey.

The hotel industry in Canada consists of 6,581 lodging establishments (Hotel Association of Canada, 2004) of which 3,464 operate on a year round basis and contain at least 30 rooms. This criterion is used by KPMG LLP, the consulting company that collects statistics on the Canadian hotel industry for the Hotel Association of Canada. This same criterion was used for this research.

RESULTS

The hotel associations and corporate hotel groups that agreed to participate and circulate the survey to their managers involved a total of 952 general managers. The responses totaled 184 completed surveys of which 183 were usable and gave a response rate of 19.2%. The sample consisted of 112 male general managers (61.5%) and 70 female general manager (38.5%). One respondent did not disclose their gender. Most were graduates of a two-year college program (39.7%), or university undergraduate degree (37.2%). Sixteen percent had completed a high school diploma, while 3.8% had postgraduate university degrees. Three percent had other forms of post secondary training. The average age was 43.9 years and they had been in the general manager position for an average of 6.9 years. See Table 2.

Table 2: Summary Statistics

Demographic	Statistics
Gender	Male = 61.5%
	Female = 38.5%
	N (182)
Age	Average = 43.9 years
	Std. Deviation = 9.29
	N (182)
Education	High School = 16%
	College = 39.7%
	University = 37.2%
	Post Grad = 3.8%
	Other = 3%
	N (182)
Years as General Manager (GM)	Average = 6.86 years
	Std. Deviation = 6.66 years
	N (181)

This table shows the summary statistics for the demographic variables.

In the first set of analyses, continuously scaled variables were tested for normality before analysis. Variable transformations used to overcome problems of normality with leadership competencies and RevPAR. Leadership competencies were subjected to squared transformations, while a square root transformation was used for RevPAR. RevPAR was still slightly skewed following transformation. Age was normally distributed and did not require transformation. Years in management was non-normal, but did not respond to any transformations. Therefore, the original variables were maintained for analysis. The transformations and normality tests are shown in Table 3.

The leadership variables were tested for multicollinearity. Variance inflation factors ranged from 1.0 to 1.5 indicating no multicollinearity across the variables. Three regression equations were used to evaluate the relationships between demographic variables and leadership competencies. To facilitate demographic variables, dummy coding was used for gender and education. Age and number of years in General Manager position were measured continuously and did not require dummy coding for regression analysis. To avoid errors due to singularities, levels of dummy coded variables included in the regressions were equal to k-1 (k = number of categories in the non-metric variable). High school and university levels were chosen for the education variable, and male was chosen for the gender variable.

Given that non-normally distributed variables can confound the results of regression analysis, transformation of independent and dependent variables was required. Therefore, regression equations were not used to describe the results because regression equations cannot be literally interpreted following the use of transformed variables. As a result, betas were used to interpret the regressions due to the use of transformed variables in the regression analyses.

The results revealed a marginally significant relationship between years in General manager position and People Leadership. No other demographic variables were statistically significant to People Leadership, and none of the demographic variables were statistically significant in predicting Visionary and Strategic Leadership, or Performance Leadership.

These results reveal that years in leadership has an impact on People Leadership. The impact is weak, but positive, indicating that as general managers spend more time in their General Manager position, their competency in leading others increased. The same cannot be said for Strategic Vision, or Performance Leadership. The results are summarized in Table 2.

Table 3: Transformations and Normality Tests

	Number	Mean	Std. Deviation	Skewness	Kurtosis	Z Values	
						Kurtosis	Skewnes
Squared Visionary & Strategic Leadership	181	5,381.22	2,325.67	-0.03	-0.04	-0.10	-0.16
Squared Performance Leadership	181	6,095.03	2,518.69	-0.14	-0.22	-0.60	-0.80
Squared People Leadership	181	5,719.34	2,817.07	-0.05	-0.65	-1.80	-0.30
Square Root RevPAR	152	8.69	1.58	0.19	0.11	0.27	0.99
Age	182	43.91	9.29	-0.08	-0.48	-1.33	-0.44
Years as GM	181	6.86	6.66	1.22	0.90	2.52***	6.74***
Logarithmic Trans ADR	163	2.03	0.12	.031	0.60	1.59	1.63*

*This table shows the transformations and normality tests of the variables. *** and * indicate significance at the .01 and .10 levels respectively.*

A regression was then performed that revealed that Visionary and Strategic Leadership had a positive effect on RevPAR, confirming the first hypotheses (F = 3.33, df = 151, p = .022). The regression indicated that there was no statistically significant impact on performance caused by People Leadership or Performance Leadership competencies. The betas for the leadership variables ranged from .033 to .213, indicating that Visionary and Strategic Leadership was a much stronger factor impacting RevPAR. The results are summarized in Table 3.

The results reveal that that Visionary and Strategic Leadership styles are the most effective at creating an increased RevPAR, which is a key consideration, especially during a time of economic challenge in the tourism industry. Visionary and Strategic Leadership mirrors the best-practice described by Kouzes and Posner (2002) that involves creating a shared vision, modeling the way, challenging the process, and enabling others to act.

Table 2: Regression Analysis of Demographic Variables on Leadership Competencies

A) Demographics by People Leadership	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	75.29	8.89		8.47	0.00
Age	-0.14	0.22	-0.06	-0.63	0.53
Years as GM	0.87	0.30	0.26	2.88	0.00
High School Education	-4.37	4.96	-0.08	-0.88	0.38
University Education	-3.44	3.86	-0.08	-0.89	0.37
Male	-1.72	3.70	-0.04	-0.46	0.64
R^2	0.24				
F-Ratio (df)	1.91				
	(161)				
Sig.	0.10				
B) Demographics by Performance Leadership	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	74.19	7.56		9.82	0.00
Age	0.08	0.19	0.04	0.40	0.69
Years as GM	0.20	0.26	0.07	0.77	0.44
High School Education	-4.64	4.21	-0.10	-1.10	0.27
University Education	-3.20	3.28	-0.09	-0.98	0.33
Male	-1.25	3.15	-0.03	-0.40	0.69
R^2	0.13				
F-Ratio (df)	0.49				
	(161)				
Sig.	0.78				
C) Demographics by Visionary and Strategic Leadership	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	66.61	7.08		9.41	0.00
Age	-0.01	0.18	-0.01	-0.07	0.95
Years as GM	0.38	0.24	0.15	1.57	0.12
High School Education	1.93	3.95	0.04	0.49	0.63
University Education	0.11	3.07	0.00	0.04	0.97
Male	3.55	2.95	0.10	1.21	0.23
R^2	0.18				
F-Ratio (df)	1.09				
	(161)				
Sig.	0.39				

This table shows the regression analyses results of demographic factors or age, years in management position, level of education And gender on leadership competencies of People Leadership, Performance Leadership and Visionary and Strategic Leadership

Table 3: Regression Results of Leadership Competencies on RevPAR

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
Constant	7.603	.403	-	18.866	.000
Squared Visionary/ Strategic Leadership	.000	.000	.213	2.208	.029
Squared Performance Leadership	.000	.000	.033	.351	.726
Squared People Leadership	.000	.000	.035	.365	.716
R^2	.063				
F-Ratio (df)	3.310 (151)				
Sig.	.022				

This table shows the regression analyses results of leadership competencies on RevPAR.

CONCLUDING COMMENTS

The goal of this paper was to research demographic factors and their impact on leadership competencies and if leadership competencies had an impact on the performance of the hotel as measured by RevPAR.

This is an important area of study as managing organizations has become a challenge in today's business climate as environmental pressures present situations that require creative solutions. Leaders are required to facilitate growth in organizations. For profit-based business models it is important that performance be measured using verifiable, comprehensive and objective methods.

RevPAR is the standard in the hospitality industry that captures profitability across organizations regardless of size or service level. Using RevPAR as the performance standard allowed this research to effectively analyze the extent to which three different leadership capabilities contributed to the financial benchmark in the Canadian hotel industry.

Hypotheses were developed and data was collected using a survey of hotel general managers in Canada. The analysis involved multiple regression of demographics on leadership competencies and leadership competencies on RevPAR. The findings were the demographic of years as General Manager on the leadership competency of People Leadership was statistically significant. The leadership competency of Visionary and Strategic Leadership was found to statistically significant on RevPAR. The only demographic in this research that impacted leadership competencies was Years as General Manager and it impacted the leadership competency of People Leadership. The elements of People Leadership involve team leadership, motivation, role modeling, empowerment and maintaining a supportive culture. This may indicate that the longer the person is in the role of leader, the more they focus on building the team and creating an environment of empowerment and support.

The results of the analysis on leadership competencies and performance confirm the findings of previous studies of leadership that show that transformational leadership styles are the most effective approaches to lead an organization during challenging environmental times. Visionary and Strategic Leadership involves transformational leadership styles, combining them with a focus on goals and strategies, and creative solutions. Managers must communicate their vision for the organization, moving followers to embrace that shared vision in order to obtain buy-in, or ownership, of the vision across the organization. Unlike transactional leadership where goal attainment is facilitated by the sharing of something of value between leaders and followers, or reward contingent on accepted performance ((Dearlove & Coomber, 2009; Erkutlu, 2008), transformational leaders are able to deliver goal achievement by inspiring followers to desire the same vision, and outcomes (Dearlove & Coomber, 2009). There is an emotional connection between leader and follower, between managers and subordinates, that is absent in the transactional leadership environment (Dearlove & Coomber, 2009).

This research demonstrates that People Leadership can be impacted by demographics. However, People Leadership does not impact RevPAR. Therefore, there is no direct way to enhance both leadership and revPAR through manipulation of demographics. In addition, the only demographic that had an impact on leadership was number of years as General Manager indicating that personal demographics do not impact leadership competencies.

This research also showed that two leadership competencies, Performance Leadership and People Leadership, did not have a statistically significant impact on RevPAR. Performance Leadership focuses primarily on goal setting, risk assessment, achievement orientation, and competitive performance. This leadership capability does not involve role modeling or leading the human resource in a meaningful and effective way. The inability of this particular capability to influence RevPAR is particularly relevant because it demonstrates that a focus on goals and financial performance does not result in growth for such performance measures. The notable absence in Performance Leadership is its lack of focus on motivating the human side of the enterprise. It is intriguing that the only leadership measure to deal directly with the organization's goals and overall performance achievement does not significantly impact growth. However, this finding is consistent with research on leadership that has repeatedly demonstrated that followers need to be empowered to accept a vision before they will work hard to achieve it. People

Leadership focuses on attracting, motivating and retaining top-notch talent for the organization. While this is an important leadership capability, it was not statistically significantly related to RevPAR in this research. While this capability did focus on empowering subordinates and creating a stimulating culture, it did not focus on sharing an organizational vision. Possibly, it is the sharing of the vision, a fundamental element in transformational leadership that has the edge in bringing team focus to achieving a goal.

There are limitations to this research. The three leadership variables chosen were from the capabilities identified in the New Zealand Management Capabilities Index. These are single-item questions rated based on the extent to which they are used in the firm. Similar research conducted with more complex leadership scales may result in more descriptive results. Also, the Canada-wide focus provides feedback from one industry, in one nation, when a global study would provide more compelling evidence to further understand the relationships in the data.

This research provides a glimpse into the complex and fascinating relationship between leadership and organizational performance. It provides yet more evidence to enhance our understanding of leadership and outcomes. However, more research is necessary. It would be interesting to have a comparative study between the three leadership competencies addressed in this research and RevPAR in non-Canadian industries. It would also be very useful to approach this topic in a way to further isolate and compare the fundamental differences between the People Leadership variable, and the Visionary and Strategic Leadership variable, and their relative impacts on RevPAR. These investigations are strongly recommended for future research.

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