Four Seasons Goes To Paris

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Summary of Case
This case is about how to manage the differences between country culture and organizational culture. Four Seasons hotels are luxury hotels and specialize in creating a local image yet with worldwide customer service practices. Some of those common service culture standards include these: (1) acting friendly toward and smiling at guests, (2) making eye contact with passers-by to acknowledge their presence, (3) creating a sense of recognition with guests by using their first names naturally but discreetly, (4) using a clear and unpretentious voice, (5) being well informed about the hotel, their products and services, and taking ownership to help guests solve their problems, (6) always appearing well groomed, clean, and well fitted, and finally (7) always and everywhere showing their concern for the guests. These individual standards are to reinforce the primary value of giving exceptional, personal service to guests with the golden rule of treating others as you would like to be treated as the underpinning principle.

Four Seasons contracted with the new owner of George V, a palatial and reputed hotel in Paris, to be the managers. In the process, George V had to undergo both physical and cultural changes in order to adhere to the Four Seasons global standards and local values and regulations. A couple examples of local adaptation the Four Seasons had to make include making sure that trash and food were transported in different corridors and elevators, giving the workers in the basement the right to work in a shop upstairs also in order to adhere to the French regulation that employees have the right to work near a
window for a certain number of hours each day. A more intangible adaptation, and in the reverse direction, related to French employees learning to solve problems at their own level instead of referring them to a higher level. Similarly, the typical custom of the hotel manager being given preferential treatment over guests (such as being seated at a table to dine while guests who had been waiting continued to wait) were not consistent with the Four Seasons ethos of exceptional and personal service to the guests. This had to be changed.

The single, most important strategy to making these adaptations in both directions was hiring the general manager, Le Calvez, a Frenchman who had spent 25 years with Four Seasons outside of France but who remained very French at the same time. He had both understood and practiced Four Seasons culture as well as knowing and understanding French culture. As a signal to the French and the powerful French union that Four Seasons respected local culture, Four Seasons adhered to the 35-hour work week in France. Employee-of-the-month and Employee-of-the-year programs and annual evaluations were adopted, even though these are not entirely consistent with French culture. To get the French employees to adopt them, Le Calvez was very careful about how he introduced them.

To ensure that Four Seasons hired the right personnel who could adapt and understand the corporate culture, each prospective employee went through four interviews, the last with the general manager, Le Calvez. The interviews were extensive and aimed to discern the employees’ attitude to service in particular.

In summary, the approach that Four Seasons took in managing the Four Seasons culture
with the French culture included attention to cultural differences, being consistent yet flexible.

**Teaching Perspective**

Because this case is about managing the differences between a corporate culture and a country culture, the instructor can focus on this and the related issues it raises. For example, it raises the question of which aspects of corporate culture are essential to maintain and which country culture values and practices are essential to respect. The instructor can also raise the question of *how* to introduce and maintain those values where the corporate culture conflicts with the country culture. Is there a culturally sensitive way to do it?

The case also raises the all-important issue about the importance of personnel selection—selecting those from the foreign country who have the competencies and attitudes to remain indigenous yet adapt to the corporate practices that are inconsistent with indigenous culture.

It is also important to help the students understand the value of a consistent corporate culture. This is important within the company as well as outside the company. It communicates a common standard across units, thereby facilitating personnel transfers. It also guides the company about which values are enduring, which in turn reinforces certain behaviors, attitudes and practices. In terms of the value to outsiders, it communicates predictability, which is essential to gaining value for clients or guests.

**Ideas and Questions to Stimulate Discussion**
1. Why do you think Four Seasons decided on the common standards of smiling, eye contact, and recognition of guests by using first names? What potential problems do these standards pose for certain cultures?

These standards reflect Western practices and values in particular. Specifically, they reflect North American standards. North Americans value individualism and are more low power distant than most other cultures. Smiling connotes a familiarity or closeness to the person, as does using the guest’s first name. Eye contact usually communicates equality between people.

These can pose problems for guests who are from high power distant and collective or high context cultures. In these cultures, distance can often be communicated by the lack of eye contact and by the use of formal titles and family names. Smiling can seem offensive in cultures that reserve the smile for friends and family members.

2. What standards and practices do you think should be standardized and which should be localized? What difference is there between the common standards referred to in #1 and those in Appendix 1 (how to handle reservations, hotel arrivals and departures, wake-up calls, etc.)?

Students might generate different answers to the first question. The important thing is that they have a cultural and business rationale behind their answers. For example, if they say that employees at George V should use last names instead of first names, this is a logical answer in view of the more formal culture in France and the importance of not breaching personal “space.”
The common standards in #1 are almost all “culture free.” That is, they are things that nearly all cultures would expect, particularly in a high-class hotel. Yet certain things, such as leaving the coffee on the table for availability, were seen as a lack of service-orientation in France and so that particular practice was changed to be more “French.”

3. What kind of profile do you think Four Seasons should create with which to select their employees in France in order to adopt the global standards but maintain a sense of the local culture?

Ideally, such employees would be flexible, perhaps with some experience in dealing with foreign cultures, very service- and team-oriented. For example, in Four Seasons culture, a restaurant manager might clean off a table if it needed to be done given the circumstances. Although this might be more easily tolerated in low power distant cultures, such as in Scandinavia and most Anglo cultures, it would not normally be well tolerated in a higher power distant culture like France. In essence, recruitment and selection would have to filter individuals who hold to traditional French values and are unable to adapt to a different corporate culture.

Other Ideas for Discussion

1. You could create a fictitious corporate culture (related to specific industry expectations) that has some specific contrasts to U.S. culture or whatever culture is indigenous to yours, and ask the students which aspects of the country culture they think would be essential to keep and which aspects of the corporate culture should be maintained, and why.