

## NEW DETERMINANT FACTORS OF CHANGE MANAGEMENT IN THE HOSPITALITY INDUSTRY

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### **Abstract**

*The factors that we took into account the following important elements: for goods and capital (brand promotion, reliable predictions against risk factors, knowledge capital, intangible values for hotels), for health and safety (the easily with which diseases can cross oceans and borders and multiplying rows of old and new infections, some impossible to treat, strict control of food and non-food products entering in the hotel), for new management (planning education and training process in hospitality industry, demographic problem, New trends in the workplace). One of the most dramatic changes in this industry is the way to sold products and services for public hotels. New technology, development of hospitality industry and social problems are very important, also in this process of change management to hotels.*

**Key words:** capital, change, factors, hotels, management, new

### **INTRODUCTION**

Inside the hospitality industry, "financial engineering" of the past 20 years - mergers and acquisitions, corporations that invest in real estate, estate liquidations and long-term management contracts - provides little indication of how companies will produce future value in the context changes in the industry. The industry needs to show more foresight and a more complete joint financial management and strategic.[3]

Regarding globalization and long-term economic trends, there are six factors that govern globalization, economic dynamism and growth, namely political pressures to increase living standards, improved macroeconomic policies, deregulation/liberalization of international trade, increased trade and investment, the spread of information technology and private sectors more and more dynamic.[2]

The focus on adding value set remodels leadership skills that prevailed for so long, while technology changes the nature of the business skills needed to compete, learning, nature of work and the worker - all requiring a

new type of managers and new types of management in world hotels.

Using assembly technologies and data retention hotels will give you the opportunity to store and use information about consumers to determine their customers' enduring values, sacred loyalty and increase its market. Therefore, the model "segment-of- one" or relationship marketing, a personalized approach, will replace the old mass marketing.[1]

While information technology is high -level management, the importance of responsible with information or technology will inevitably increase, although it remains to be seen whether it will influence key decisions on competitive strategy. [1]

### **MATERIALS AND METHODS**

This paper analyzed the factors that determine the change management in the hotel industry worldwide. The studies concluded that the most important factors who are involved in change management are: goods and capital, health and safety, new management, marketing, distribution and control capacity, technology, development, social problems.

## RESULTS AND DISCUSSIONS

We found 7 factors who are implicated in change management in the hospitality industry worldwide. These factors are:

- a) Goods and capital;
- b) Health and safety;
- c) New management;
- d) Marketing, distribution and control capacity;
- e) Technology;
- f) Development of hospitality industry;
- g) Social problems.

### a) Goods and capital

Global capital flows execute to global level, enormous pressure on managers to increase the value of them. Investors who are not satisfied with the profits will send money to more profitable alternatives. Their assessment will be based more and more on the earning potential of companies.

In other words, firms will be judged on their ability to generate cash flow in the future. This means that hotel managers will need more skilled in anticipating future functioning and reliable forecasting in an environment where there are more and more risk factors.

In contrast to the traditional view that markets do not understand - and therefore underestimate - the hotel industry, the industry analysts argue that the industry did not understand how markets appreciate the value and make a number of observations support this view.

Brand promotion is a competitive method widely known - is increasingly judged on power to generate future capital flows. Given the increasingly standardized offerings of products and services of major brands, financial markets using different standard based on measuring the value. For example, the "knowledge capital" group of employees, who gathered at the skill, experience and their preparation, plays a strong differentiating factor.

Reservation systems and loyalty programs and marketing gaining traditionally praised hotel companies as essential elements of the mark are weak now distribution channels on the Internet.

Other manufacturers of operating systems, which after using the opportunities offered by technology faster than the industry, now competes with her capital investment.

In an era in which new models of price fixing Internet influenced reduce physical attributes of a state hotel products and customers are more interested in " experience " than charging for room and pleasant conditions , industry is forced to invest more in services and experiences called " intangible assets " . In turn, this situation of multiple challenge for the industry, first of all the need to:

- To ensure investors that these "intangible assets" are able to generate significant capital flows due to competitive methods very efficient company;
- Assess the profit that they will also make investments in intangible values , to estimate their lifetime and possible variations in the flow of capital brought by each;
- To recruit, retain and remunerate staff with the necessary skills required to provide superior customer service, especially in a difficult labor market;
- To invest in technology systems to optimize service.[10]

### b) Health and safety

Increasing concern to society on matters of health and safety can be attributed to several global trends, including:

- The difference between poor and rich in the economic and information that motivate those disenfranchised them to handle problems;
- Increased incidence of food due to their transportation once on the place of origin, especially when infrastructure is inadequate (water and sanitation);
- Risk exposure they bring, extreme sports and adventure tourism;

The implications of these trends in the hospitality industry will be felt in the form of increased pressure from various categories of clients:

- Pressure to provide a safe environment for customers;[9]
- Insurance company attempts to minimize the risk to protect the payment for liability;
- Consumer pressure on hotels to provide accurate information on the intended crime

and the prevention and precautionary advise potential visitors.

In turn, this may require new forms of cooperation with the police and news agencies and extend even to gather information in areas where the government's anti-terrorism measures are ineffective.[5]

If the industry does not act on this threat preventive potential hotel provider may lose control of the sizeable supply of products and services.

Overcoming them will require investment in training customers and employees, managing tighter food supply and encourage cooperation with external agencies.[7]

#### c) New management

Across the industry, two challenges are likely to monopolize the attention of hotel managers in the future:

- Labor shortage , due in part to competition from other segments that offer attractive working conditions , plus , in the developed world , the demographic (large number of those who reach retirement) and in developing countries , in addition to training at an inappropriate level;

- Funding and planning education and training process - especially the transition from the old model, the leadership has now been educated to a student-centered approach.[9]

The problems workforce become more complex in the age of information, with the features, on the one hand, a customer with knowledge of technology and the Internet that is more informed and more demanding, and on the other hand, a new type of worker and intellectual skills lead to higher claims.

The new type of worker will not tolerate driving style based on command and control in the industry today. He claims to be treated as a free agent in relation to the employer, to be valued and rewarded for their knowledge and skills to be given ongoing opportunities to learn and grow and be conducted with integrity and fairness.

New trends in the workplace can be summarized as follows:

- A growing shortage of skilled labor, especially "with knowledge workers "and

demanding higher levels of technological skills of all employees;

- Less strict hierarchy in which managers develop their style of "first among equals "and management positions is based on competence , not seniority;

- Increased pressure on all members of the firm to add value generated by the capital markets;

- Application of technology in all aspects of human resource management - recruiting, training, record keeping, compensation and performance evaluation;

- Training tools using multimedia components to help employees acquire multiple skills. These tools will not only be available but will be required of members of the workforce.[11] Technology will accelerate change much due to education and training, both in form and in content, that:

- Development of a new body of knowledge based on relevance and need;

- Emergence of virtual universities will compete with traditional schools;

- Adapting education to individual student needs;

- A group of students with clearly defined tastes, seeking, as buyers achieve their own goals of self-development;

- The emergence of a "super class" of academics sell their expert knowledge in many forms from individuals, schools and companies around the world;

- A move from a curriculum based heavily on skills, with strong operational content, towards a general management focus, with added value in its core;[12]

#### d)Marketing, distribution and capacity control

Electronic distribution, especially the expansion of electronic commerce is revolutionizing the way consumers learn about, evaluate and pay accommodations and services. In the field of marketing, this trend is characterized by:

- Transparency, which gives customers more power, less choice in evaluating the price and value;

- A switch from brand-based marketing based on the destination;

- Marketing one-to-one, in the transition from broad segments of consumers for personalized interaction with the assembly and retention;
- The notion of "enduring value to the customer";
- New channels of marketing (cell phones), associated phenomena, as "Permission marketing";
- "Zero tolerance level" marketing messages that fail to meet the high standards of integrity and honesty of customers - and denouncing the Internet;
- Multiplying government agencies and consumer groups to enforce standards;
- Multiplication of distribution channels and smart personal software agents acting as a filter between the buyer and the merchant;
- Intensifying the challenge of fixing the price as hotel service providers are required to generate cash flow by "intangible assets".[4]

Although some companies have successfully formed a portfolio of intangible assets for competitive advantage (Disney hotels, Ritz Carlton and For Seasons, Peninsula), the use of these assets gives rise to the following problems:

- Objective assessment of these investments, since they tend to have a short life, are easily copied and linked to customer perceptions;

For marketing function, this requires:

- Rethinking identification, analysis and evaluation of the client;
- Efficient market research and estimating the duration of the customer in an online world where customers use personal agents acting as a filter;
- Replacing the present corpus of knowledge and how it is transmitted professionals of tomorrow in the field of marketing;
- Managing multiple distribution channels that force managers to focus on managing distribution costs;
- Establishing a business model for marketing function, in the choice of marketing activities.

For this you will need more precise estimates of revenues and costs associated with intangible assets in today's hospitality offer a better risk analysis and more objective in evaluating all options for marketing.

- Thoughtful alliances in an environment characterized by multiplication of distribution channels, suppliers and intermediaries.

#### e) Technology

As long as advancements in technology continue to accelerate as a result of convergence estimates, communications and software, this force will continue to have a major influence on the future of the hotel industry. The following factors will play a role:

- Availability of non-stop, real-time is needed with regard to access to information and transactions. Consumers demand everything to be at hand and be able to take action immediately in anytime, anywhere and under the conditions fixed by them.

- Firms will invest more than a multimedia approach to transactions with customers, leaving " legacy systems " and seeking to combine distribution system , marketing and management functions and operations phenomenon Internet / Intranet / Extranet in a single architecture that will improve the management, profitability and customer relations . No doubt it will cost more, not only money but also time and labor required for conversion of systems and training.[4]

#### f) The development of hospitality industry

This is new in the family forces IH & RA identified in the first White Paper. World Tourism Organization, the World Bank and some other international organizations have set this as a priority and governments around the world have urged stronger efforts in this area.

The following key points should be considered the leading hotels in the administration of next dimensions:

- Government influence is most strongly felt through the planning and development regulations, laws etc funding. Ironically, government regulations tend to be the poorest in developing areas of the world where fragile environments are most threatened.

Lack of media hardness is, however, included in long-term interest of the hotels;[3]

- The companies should be aware of its responsibility towards the possible development to maintain the hotel industry and tourism in general. Besides justification

that using limited resources (land, water) must be integrated into the principles of operation and design;

- Green business strategies should at first, to define and communicate ecological way of thinking within and across the organization.

-Economic and monetary supporting ecological characteristics and possible development support should be clearly communicated maintained and understood all over the sector.[10]

#### g) Social problems

Since the hospitality industry as part of the travel and tourism is one of the largest industries in the world in terms of contribution to gross global output and employment generation receives more attention to leadership issues in social responsibility. Given this impact on economic development, including job creation, it is anticipated that the industry will be called upon to deal with the difference between the so-called people "money" and "no money".

The need to deal with macro issues is a unique challenge for a fragmented sector characterized mainly by small and medium enterprises mainly concerned to remain profitable enough to remain in business. Key elements include:

- Issues related to urbanization and the creation of "megacities".

## CONCLUSIONS

A.Heads of corporations will support prevention programs and crisis management to employee training regarding the procedures that warning and client protection.

B.A major challenge for the industry will be the emergence of alternative sources of information about their safety - for example, national companies that make independent assessments and recommendations.

C.Emphasis on thinking skills, decision-making capacity, creativity and the way in which hotels use technology to compete.

D.Maintaining constancy necessary for all intangible assets, primarily because they depend on the level of services that require

skills that are not easily available in markets where labor is restricted;

E.Issuing a credible and consistent marketing message to customers in an increasingly transparent where there is a second chance;

F.Fixing the price of these assets in order that market researchers will have to develop a valid and reliable means a network of one- to-one marketing.

G.While e-commerce is growing exponentially, rules of conduct, principles guidelines, laws and tax issues are only beginning to receive attention government, consumer interest groups and technology companies around the world in an effort to impose a regulation of cyberspace.

H.In the competition for capital, management will realize that adding value to assess the size of the investment in technology is among the most complex challenges and that it will add the need to ensure high levels of technological skills a market where labor is reduced.

I.Regulation by governments and international organizations is increasingly influenced by the communities and local groups directly involved in building policy. If it feels that the local environment is adversely affected, hotels and restaurants can expect and other challenges this level.

J. Hotel or hotel company 's role in the wider community and individual concern for issues of public and private space that can mobilize public opinion against corporations that do not comply with evolving social protocols ;

K.Adding that media problems where no smoking, education about alcohol and how the industry uses its supply chain.

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