

# SHAPING THE FUTURE OF HOTEL INDUSTRY: RESILIENCE BUILDING PERSPECTIVE

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#### **ABSTRACT**

Organizational resilience is linked to the processes, routines, and resources of the company. Cross-level resilience includes people, groups, and organizations, and depends on the relationships between several levels. Resilience however is a procedure that is affected by the resources and routine of organization. In a discontinuous, emergent internal and external environment, resilience is a capability. A potential capability of an organization that cannot be seen in its day-to-day operations is its organizational resilience. Organizational resilience can benefit management, nevertheless, when the environment starts to change and become disruptive. Defensive techniques are employed by companies in an effort to avert undesirable outcomes. Organizations with progressive tactics, on the other hand, work to influence favourable occurrences through their actions. The objective of this study is study resilience building perspective of hotel industry. The researchers have collected the data from 200 respondents using survey method with the help of well-structured questionnaire. The researcher identified that descriptive research design and Non probability convenience sampling method is suitable for the research study. The findings of this study will be useful to many companies to sustain in the competitive world.

Keywords: Organizational resilience, Hotel industry, Strategy, Change, Performance etc.

#### Introduction

Businesses must be resilient to respond to disturbances and successfully adapt to difficult circumstances, seizing opportunities and achieving long-term performance improvement. Simply put, senior executives must "insure" against negative events while also adapting and changing before the cost of doing otherwise becomes unaffordable. Finding best practices for organizational resilience presents a difficult task, not the least of which is the conflicting advice that may be found in many information sources. In order to address this problem, BSI collaborated with Cranfield School of Management to compile the most up-to-date research on organizational resilience, explore how it has developed as a concept, and learn more about best practices employed by globally renowned companies.

## **Importance of Organization Resilience**

- Heightened capacity for recognizing and addressing opportunities and risks
- Become adept at identifying and addressing weaknesses before exerting any significant effect
- Combine methods to incorporate management disciplines of the present that support organizational resilience
- Improve your knowledge of the relevant players and dependencies supporting strategic objectives
- Foster a culture of shared objectives and principles

## **Organization Resilience principles**

Leadership

Operational and tactical planning will provide more fruitful outcomes, and leadership skills will improve.

• Organizational performance

Lessened costs associated with disruption, including less insurance payments and less exposure to uninsured losses. An elevated status among shareholders. Improved capacity to recruit quality employees; increased market share

• Be ready to change

Improved awareness of new dangers from the outside. Greater capacity for developing original ideas; - Greater capacity for utilizing calamity for growth and transformation

Any area of enhancing organizational capability can benefit from these traits, and success will be assured if they are encouraged and established within the company. If the company didn't figure out how to handle the minor events that happen every day, they might escalate into a huge incident.



## **Strategies of Organization Resilience**

Seven strategies for fostering organizational resilience are listed below:

• Maintain an Upbeat Attitude

Always maintain a positive attitude and focus on what can you control.

Prioritizing profit

The key to organizational resilience is profitability. A profitable company will have cash flow and reserves that will allow it to weather difficult times and adapt to change.

• Decide on Your Goal

Our actions are driven by a sense of purpose. You can start by stating why you want to launch a small business or why you are a small business.

• Increasing Wellness Resources

Work requirements can occasionally alter gradually and occasionally abruptly. Organizations would be wise to make sure that their most valuable asset their people are empowered holistically as employees adjust to these changes.

• Lead with clarity and receptivity

In times of upheaval, resilient companies have active leadership in place. Organizations that lack effective leadership run the risk of becoming a fractured team.

• Adopt agile methods

Agile project management, which promotes organizational resilience, is based on the fundamental idea that your team can change course and respond to changes as needed.

• Maintain Regular Contact

Stakeholder communication is even more crucial when your organization is undergoing change.

#### **Hotel industry**

Hospitality is term which presents the friendly treatment or acceptance given by one people to another people or stranger or guest. The word "Hospitality" is all about the art of accepting, entertaining or receiving guests, visitors, or strangers. Nowadays peoples are offering hospitality by their own. There are many different theories about how to offer hospitality to their guest. Because are various traditions and cultures in all over globe. Many people offer hospitality to the stranger person who came their home for food, shelter etc. These hospitalities help many people to survive in society specially the person who have outside from their home town.

India is a country which believes "Atithi Devo Bhavah". The meaning of hospitality is "caring of strangers". Many hotels in India were developed before the World War II in the areas which are populated by India's British aristocracy. In this period the development of hotels are comes under Individual India's British entrepreneur. Nowadays in Pune city, there is many good, royal and top-range hotels are available like Hyatt Regency Pune & Pune, Residences, Novotel Pune Nagar Road, Royal Orchid Central Pune, The Orchid Hotel, Lemon Tree Hotel, etc. Below are the top star hotels in Pune city in 2022.

- 1. The Ritz-Carlton, Pune
- 2. Conrad Pune Koregaon Park by Hilton
- 3. JW Marriott Pune
- 4. Marriott Suites Pune
- 5. Vivanta Pune, Hinjawadi
- 6. Hyatt Regency Hotel & Serviced Apartments Pune
- 7. Sheraton Grand Pune Bund Garden Hotel
- 8. DoubleTree By Hilton-Pune Chinchwad
- 9. The Westin Pune Koregaon Park
- 10. Sayaji Hotel Pune

# Organization resilience and Hotel industry

The tourism industry is extremely vulnerable because of its high level of complexity brought on by the participation of various factors, including hotel chains, airlines, tour guides, and travel agencies, among others. Through preparation and ability for adaptation, hotel companies adopt a resilience-oriented approach. It makes sense that hotel workers are really concerned about preserving their employment and getting paid the same as they did before the Covid-19 outbreak given the fragile business environment. Resilient hotel As previously mentioned, strategy and change dimensions play a role in an organization's capacity to handle challenging circumstances and be resilient. But another method of analyzing resilience can be done by looking at the activities or objectives of a resilient organization. The tourism industry has experienced some serious obstacles. This study examines the nine categories of change mentioned in the literature, including those relating to the



economy, regulation, policy, technology, environment, competitors, customers, intermediaries, suppliers, other partners, and/or external agents.

The tourist sector is especially vulnerable, in part because of its high level of complexity and activities' global scope. The effectiveness of tourism agents, including hotels, is affected by a number of developments, both positive and bad. Changes in the tourist industry include crucial events that might affect how well hotels perform, such as those involving competitors and clients, strategic partners, technical advancement, economic crises, political-legal concerns, and environmental factors.

#### Literature Review

In all regional economies, it is crucial to comprehend the financial stability of large firms and the nature of their supply chains. This supports the proportionality principle, which directs interventions at the regional level. Particular businesses and geographical areas are far more vulnerable than others. Therefore, in the context of severe shocks and longer-term disruptive processes, national and regional authorities may need to alter support systems accordingly to assist some organisations survive in the short/medium term. It's significant that the studies in this research have wider implications for sectoral and regional resilience Amir Qamar, Simon Collinson & Anne Green (2022).

In addition to emphasising chances to integrate and build upon existing knowledge, this article examines growing research trends and routes for future research, outlining prospects for more research into resilience in business and management studies Martina K. Linnenluecke (2015).

Resilience and the significance of economic structure in how areas respond to recessions, Regional Studies. The four significant recessions of the past 40 years—1974–1976, 1979–1983; 1990–93; and 2008–2010—are examined in this study to see how employment in the major UK areas has responded. To analyse these responses, the concepts of resistance and recoverability are applied. From one economic cycle to the next, the research shows both considerable shifts and continuities in the regional impact of recession. Additionally, although economic structure is found to have had some impact on the resilience and recoverability of some regions, overall, "region-specific" or "competitiveness" impacts appear to have been at least as important, if not more so Peter sunley (2016).

Resilience is quickly becoming recognised in policy discussions as a notion "whose time has come"; a new imperative of "constructing" or "creating" regional and urban economic resilience is gaining popularity. But it's possible that the haste with which the concept of local and regional economic resilience has been adopted in policy circles has outpaced our comprehension of it. There is still a lot of confusion surrounding the definition of regional economic resilience, how it should be understood and assessed, its causes, and its relationships to long-term regional growth patterns Ron Martin, Peter Sunley (2015). The analysis pinpoints the causes of why some airline businesses recovered after the attacks effectively while others failed. Layoffs following the crisis may have hampered recovery instead of fostering it throughout the course of the four years that followed. However, there was a direct link between layoffs following the crisis and a lack of cash reserves and a workable business plan before the crisis. Further investigation reveals, according to the authors, that the creation and maintenance of relational reserves throughout time were essential to the viability of a company model Jody Hoffer Gittell (2006).

The efficacy of an organization's culture and leadership style are directly correlated, according to Sharma and Kirkman (2015); The nature of the interaction between a leader and follower influences results like commitment (Wang et al., 2010). (Wang et al., 2010). Lower organisational effectiveness could be the outcome of an ineffective leadership style that is inconsistent with the company culture and demotivates employees (Steyrer et al., 2008). Muchhal (2014) discovered that creative and nurturing organisational cultures were linked to employees' commitment, and that effective leadership behaviours might raise that commitment (Haque and Aston, 2016). Liu et al. (2013) assert that workers will exhibit good attitudes and actions when they believe that the hotels are fulfilling their psychological contracts, promises, and commitments to them.

As quality travel preferences change, other forms of travel are replacing mass tourism. However, the pandemic has caused behavioural changes; people are now more concerned about their safety, health, and the environment in addition to being more environmentally conscious and worried about the future (Başer & Ehtiyar, 2021). The ecosystem is changing, growing, and evolving into something different than it was before the global pandemic of (Brouder P 2020). Optimism for environmental rehabilitation can be linked to ecological despair (Crossley É. 2020).



Gretzel et al. (2020) have provided the "six revolutionary e-tourism research pillars" for proactively utilising IT resources for both short- and long-term goals in order to revolutionise the e-tourism industry. Equity refers to the equitable distribution of goods and services, including measures to address the misalignment of social and political norms (Gooden, 2015). Governmental social equity acknowledges the crucial role that institutions and public servants play in preserving democratic equitable principles. However, due to China's system and economy, there is still inequality in the areas of education, social assistance, and other social policies (Zhou & Zhu, 2019).

# Research Methodology

Objectives of the study

- To study the concept of organizational resilience.
- To study the types of attributes and changes in hotel industry

#### Hypothesis of the Study

- H1: There is a significant impact of strategy dimension on hotel resilience.
- H2: There is a significant impact of change dimension on hotel resilience.
- H3: There is a significant impact of hotel resilience on hotel performance.

## Scope of the study

- This study is related to only star hotels.
- Pune city is considered as geographical area for the present study.

Following methodology was designed for the study to collect primary data.

- a. Identify a sample of 200 customers from Pune City, using convenience sampling.
- b. Design and validate questionnaire
- c. Seek responses on a 5-point frequency scale.
- d. Conduct the survey
- e. Summarize the responses
- f. Analyze the results

## Scheme formed for testing of hypotheses

- a. Responses were collected under 2 sections
- b. For each of the sections an average was calculated.
- c. Percentages to questions under a particular section of the questionnaire were averaged to get a single score for that section.
- d. P-values were calculated, and the null hypotheses were checked for rejection or non-rejection.

# Research design

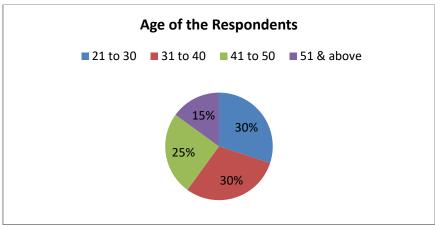
Type of Research Design	Descriptive Research Design
Sampling Technique	Non-Probability Convenience Sampling
Sampling Area	Pune City
Sample Size	200 employees in Hotel industry
Primary Data	Well-structured questionnaire
Secondary Data	Research papers, Articles, Books, Journals etc.
Data Analysis tools	IBM SPSS-20 and Ms Excel-2010

## **Data Analysis**

Age of the Respondents

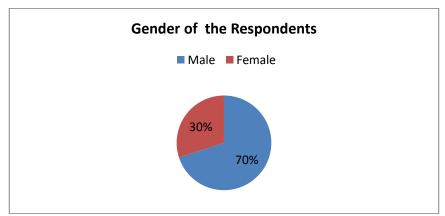
rige of the Respondents						
Age	Frequency	Percentage				
21 to 30	60	30				
31 to 40	60	30				
41 to 50	50	25				
51 & above	30	15				
Total	200	100				





# **Gender of the Respondents**

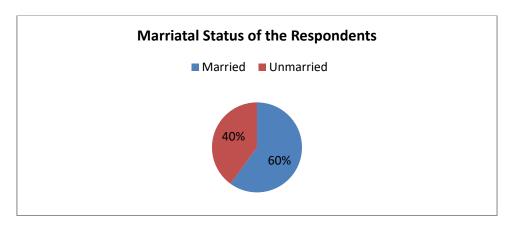
Gender	Frequency	Percentage
Male	140	70
Female	60	30
Total	200	100



Marital status of the Respondents

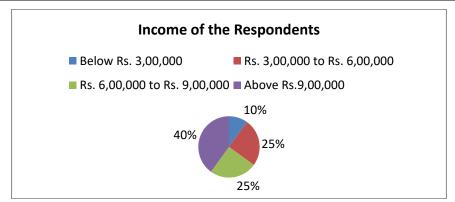
	Frequency	Percentage
Marital Status		
Male	120	60
Female	80	40
Total	200	100





# **Income level of the Respondents**

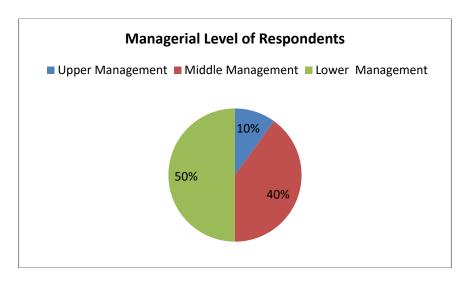
Income	Frequency	Percentage
Below Rs. 3,00,000	20	10
Rs. 3,00,000 to Rs. 6,00,000	50	25
Rs. 6,00,000 to Rs. 9,00,000	80	40
Above Rs.9,00,000	50	25
Total	200	100



Managerial level of the Respondents

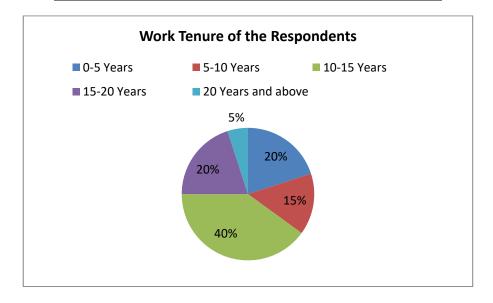
	Frequency	Percentage
Managerial Level		
Upper Management	20	10
Middle Management	80	40
Lower Management	100	50
Total	200	100





Work tenure of the Respondents

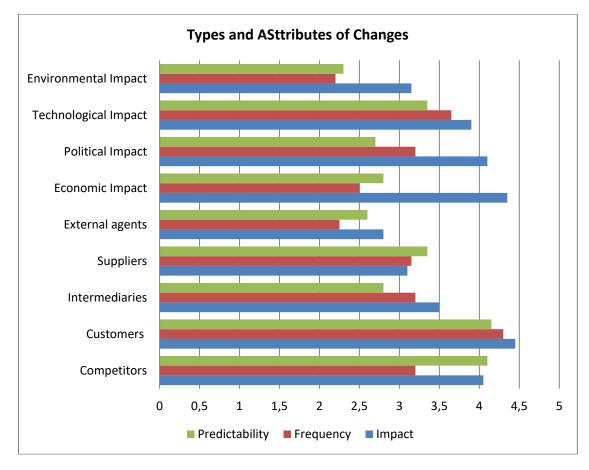
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	Frequency	Percentage				
Work Tenure						
0-5 Years	40	20				
5-10 Years	30	15				
10-15 Years	80	40				
15-20 Years	40	20				
20 Years and above	10	5				
Total	200	100				





**Types and Attributes of Changes** 

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		Attributes	S
Types of Changes	Impact	Frequency	Predictability
Competitors	4.05	3.2	4.1
Customers	4.45	4.3	4.15
Intermediaries	3.5	3.2	2.8
Suppliers	3.1	3.15	3.35
External agents	2.8	2.25	2.6
Economic Impact	4.35	2.5	2.8
Political Impact	4.1	3.2	2.7
Technological Impact	3.9	3.65	3.35
Environmental Impact	3.15	2.2	2.3
Mean	3.72	3.07	3.12





**Evaluation of the measurement model** 

Construct Items				Composite		Cronbach's
	Loadings	t	rho	reliability	AVE	α
Strategy						
Identification of suitable						
strategies	0.82	9.65	0.845	0.89	0.615	0.824
Continuous strategic vision	0.78	17.445				
Updated business strategies	0.84	19.456				
Learning from experiences	0.75	12.56				
Relationship development	0.825	14.15				
Change						
Knowledge development	0.83	12.854	0.954	0.945	0.648	0.886
High quality products and services	0.854	24.946				
Strong commitment towards customers, suppliers, intermediary and employees	0.885	22.294				
Continuous improvement	0.825	18.854				
Promotes creativity	0.845	32.016				
Organizational changes	0.832	19.545				
Hotel resilience						
Adapting to changes in the environment	0.824	21.458	0.845	0.956	0.796	0.878
Recovers and strengthens at a strategic and operational level	0.96	31.225				
Adapts new environmental conditions	0.894	24.454				
Performance						
Average sales growth	0.687	7.145	0.864	0.89	0.635	0.865
Average market share growth	0.798	15.457				
Hotel image and reputation	0.75	8.475				
Customer loyalty	0.842	28.245				

**Hypothesis Testing** 

Relations	β	<i>t</i> -value	R2	Q2	f2	Hypothesis
Strategy → Hotel resilience	0.524	5.14	54.50%	0.412	0.518	Accepted
Change → Hotel resilience	0.328	3.865			0.228	Accepted
Hotel resilience → Performance	0.468	5.98	24.50%	0.135	0.285	Accepted

From the above table we can say that there is a positive impact of strategy on hotel resilience  $(\beta = 0.524, p < 0.001)$  so hypothesis H1 is accepted. Also, there is a positive impact of change on hotel resilience  $(\beta = 0.328, p < 0.001)$  so hypothesis H1 is accepted. It is also observed that hotel resilience has a significant impact on hotel performance  $(\beta = 0.468, p < 0.001)$ , so hypothesis H3 is also accepted.

#### Conclusion

From the present study it is observed that there is a major impact of customers and economical changes in the country on the hotel industry. It is also observed that Strategy and change have significant impact on hotel resilience and hotel resilience have significant impact on hotel performance. This research will be beneficial to



academicians, students and industries. Hotel organizations can design new strategies related to organization resilience with the help of this research study. There is also scope for further research in this study related to organization agility, organization resilience in travels and tourism sector, hospitality sector etc. etc.

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