Z

by X Y

ORGANIZING FOR HOSPITALITY

THERE IS A WIDE LEVEL OF CONTEMPORARY ISSUES

FACING BY OPERATORS AND MANAGERS IN THE

HOSPITALITY SECTOR

Introduction

The hotel industry is now dealing with a number of issues, making it challenging for operators and managers to handle. It is crucial for these experts to stay up to date with new trends as well as best practices in order to react to the continuously transforming business environment. Technological improvements, sustainability, shifting consumer preferences, worker attrition, and the COVID-19 pandemic's effects are among of the most urgent issues facing the hospitality sector. This assignment's goal is to undertake an in-depth analysis of the current difficulties executives and managers in the hospitality industry are facing. This assignment will examine the reasons behind and impacts of these problems and offer tips on how managers and operators could successfully deal with them to keep their operations profitable and successful. The assignment will be organized as follows: initially, we'll give a general assessment of the hospitality sector and its status right now. Second, we'll explore the current concerns that operators and managers must deal with, such as the COVID-19 pandemic's effects, technology enhancements, sustainability, shifting consumer tastes, and workforce retention. Thirdly, the assignment will analyze these issue's causes and implications and talk about how managers and operators could deal with them. The assignment will close by providing some last observations and strategies for the upcoming period.

Analysis

Level of contemporary issues

There are numerous current issues which the hospitality sector is dealing with which have an effect on managers and operators everywhere (Horng *et al*. 2022). Technology improvements are one of the most important contemporary challenges. From mobile apps to internet booking platforms, technology is quickly altering how the hospitality sector functions. The emergence of social media sites has completely changed how people engage with, book, and review hospitality services. To stay competitive and satisfy client expectations, operators and managers must adopt new technology and platforms. Failure to do so could lead to fewer reservations, less money earned, and unhappy customers. Sustainability is a current topic that the hospitality sector must deal with (Romero and Tejada, 2020). The sector's concern for environmental sustainability is developing because it contributes significantly to trash output and greenhouse gas emissions. Operators and managers must adopt sustainable practices to lessen their environmental impact and improve the reputation of their brands as consumers become more ecologically aware. This could entail taking steps to use less plastic, develop

energy-efficient technologies, and obtain ingredients locally. Adopting sustainable practices can enhance consumer loyalty as well as financial performance in addition to reducing environmental effects. Another modern problem the hospitality sector is dealing with is shifting client tastes (Ghani *et al*. 2022). The interests and expectations of clients are continuously changing, and hospitality companies need to adjust. Customers are enhancingly looking for individualised service, nutritious eating options, and real local experiences. Operators and managers should be aware of these preferences and adjust their products accordingly. If they do not they risk losing customers, getting bad press, and seeing their revenue drop. Another vital current issue the hotel company is dealing with is employee retention. High turnover rates, poor pay, and few prospects for career progression are commonplace in the sector. Operators and managers must provide competitive pay, opportunities for training and development, and professional advancement tracks in order to recruit and keep skilled people. If this is not done, there might be a shortage of trained staff, which would lower production and decrease client happiness. The hospitality sector has been significantly impacted by the COVID-19 pandemic, to finish. Operators as well as managers have been forced to change their service models, put new safety procedures into place, and deal with shifting travel regulations. Apart from that, the epidemic has emphasized the necessity for managers and operators to be adaptable, resilient, and ready for unforeseen toughness. If this is not done, there could be fewer reservations made, less money made, and more reputational danger.

Contemporary issues

Issue of technology: The modern problem of technology improvement has significantly affected the hotel sector globally (revfine, 2023). The hospitality sector, which has seen a tremendous upheaval in recent years as a result of the rapid growth of technology, is one sector where the effect is particularly noticeable. The luxury hotel industry in the US is one particular area of hospitality that has been touched by technological advancement. In the US, technology is now a vital part of the visitor experience in the luxury hotel sector. To improve the visitor experience and satisfy evolving customer expectations, luxury hotels have made significant investments in technology, such as smartphone registration, keyless entrance, as well as mobile concierge services (Harris, 1995). As an illustration, the Ritz Carlton hotel brand has a mobile app that lets visitors check in, choose their room, order food and beverages, and even regulate the temperature of their room from their phone. The development of technology has posed toughness for managers and operators of upscale hotels. The high cost of developing and maintaining technological systems is one major obstacle. To stay competitive, luxury hotels

need to make significant technology investments, which can put a strain on their finances. Technology systems also need regular updates and upkeep, which can raise the daily expenses of luxury hotels. Finding the right balance between technology and personalization is another toughness. Technology can improve the guest experience but it can also put a barrier between visitors and workers. To make sure that visitors feel valued and appreciated, luxury hotels must strike the proper mix between technology and individualised service. The risk of hacking and data breaches has also increased as a result of technology advancement. Sensitive information, including credit card numbers and personal information, is kept on file by luxury hotels about its visitors in large quantities (David *et al*. 1996). A data leak could harm the hotel's brand and have serious financial and legal repercussions. In conclusion, the luxury hotel industry in the US has been significantly impacted by technological advancement. Although it has opened up possibilities for improving the visitor experience, it has also brought with it difficulties including high expenses, the need to strike a balance between technology and personalization, and the danger of cyberattacks and data breaches. In order to stay competitive and satisfy shifting client expectations, luxury hotels must overcome several obstacles.

Issue of sustainability: The modern issue of sustainability has drawn considerable interest in the hospitality business globally, especially in the high-end hotel sector. In the US, where environmental issues have developed into a serious social and political issue, sustainability issues have become a crucial problem for luxury hotels. In the US, the luxury hotel industry faces a number of difficult sustainability challenges, including the need to cut energy use and carbon emissions. Luxury hotels are resource-intensive structures that use a lot of water, electricity, and other resources. Luxury hotels have employed a variety of techniques to address this issue, including building energy-efficient HVAC and lighting systems, utilising renewable energy sources like solar and wind, and introducing water-saving programmes (Jayawardena *et al*. 2013). For instance, the St. Regis Aspen Resort has put in place a thorough sustainability programme which makes utilization of renewable energy sources, water saving techniques, and a zero-waste initiative. The need to boost recycling and decrease trash is another sustainability issue that high-end hotels in the US are confronting. Large volumes of waste, like food scraps, garbage made of plastic, and other materials, are produced by luxury hotels. Luxury hotels have put in place a number of steps to solve this problem, like composting programmes, recycling programmes, and efforts to use less plastic. For instance, the hotel chain Mandarin Oriental has banned the utilization of plastic straws and instituted a plastic-free policy at each of its places. Finally, the ethical as well as societal effects of the luxury hotel industry's operations in the US is a challenge. It is the duty of luxury hotels to ensure that their activities do not hurt the

4

community or the environment. This entails finding ethical and sustainable products, promoting organic and regional foods, and helping out the community where you live. For instance, the Fairmont Orchid hotel in Hawaii has put in place a sustainability programme that encourages sustainable fishing methods and supports regional farmers (Barber *et al*. 2011). In conclusion, the luxury hotel industry in the US is facing serious sustainability issues. The industry is tackling these issues by putting in place a number of programmes, containing lowering energy usage and waste, promoting ethical and sustainable behaviour, and aiding local communities. As sustainability becomes more and more essential to travellers, luxury hotels need to continue to take on these issues to stay competitive and fulfil evolving client expectations.

Issue of employee retention: For upscale hotels in the US, employee retention has recently emerged as a vital issue. Because of the intense competition in the luxury hotel industry, it is vital to keep talented and qualified staff if you want to continue providing the high standard of service consumers expect. The substantial turnover in the sector is one of the vital issues confronting luxury hotels in the US. Numerous reasons, including poor pay, lengthy work hours, a dearth of prospects for career advancement, and a stressful workplace environment, contribute to the high turnover rate (Vasquez, 2014). Multiple strategies have been utilized by luxury hotels to address this issue and increase worker retention rates. These strategies include providing competitive pay and benefits, chances for career advancement, and fostering a healthy workplace culture. Luxury hotels use attractive salaries and perks as one of their retention strategies. A variety of benefits are offered, including paid leave, retirement plans, and health insurance. For instance, Four Seasons Resorts and Hotels provide a complete benefit package that includes employee discounts in addition to medical, dentistry, vision, and retirement programmes (Tews *et al*. 2013). Providing possibilities for job advancement, like mentorship, training as well as enhancement programmes, and promotions, is another tactic employed by upscale hotels to keep its workers. For instance, the Ritz-Carlton Hotel Company effectively provides its staff members several chances for training and development, such as leadership development programmes, technical skill development, and language instruction. Flexible working hours, safe as well as comfortable working situations, and recognition programmes are just a few of the strategies employed by luxury hotels to create a positive work environment, which is essential for retaining personnel in the luxury hotel sector.

For instance, the Waldorf Astoria hotel in Beverly Hills has introduced a number of initiatives to foster a happy work atmosphere, such as employee appreciation programmes, staff health programmes, and flexible scheduling. In conclusion, the luxury hotel industry in the US is currently grappling with a serious problem with employee retention. Luxury hotels are using a variety of tactics to increase employee retention rates, including competitive pay and benefits packages, possibilities for career advancement, and fostering a happy work atmosphere. These tactics are crucial for retaining skilled and talented workers, upholding high standards of service, and preserving sector competition.

Concepts and theories: applying and critically assessing hospitality management theories and concepts is vital to support discussion and argument on modern concerns like employee retention, technology enhancement, as well as sustainability in the hospitality sector. Customer relationship management is one concept which applies to all 3 issues. According to the CRM philosophy, establishing trusting relationships with clients is crucial for corporate success (Mayrhofer *et al*. 2019). Customers are the main source of income in the hospitality industry, thus keeping repeat business is essential for long-term success. Hospitality businesses can use a number of methods, including personalisation, loyalty programmes, and guest feedback systems, to increase client retention rates. The HRM theory is pertinent to employee retention. The HRM theory places a strong emphasis on developing a strategy approach to managing personnel, which includes recruiting, choosing, onboarding, and keeping qualified workers (Cheng and Hackett, 2021). Hospitality companies can invest in their staff by offering career enhancement possibilities, good work environments, and training and development programmes to increase employee retention rates. The innovation theory is pertinent in relation to technology advancement. According to the innovation idea, organisations must constantly adapt and innovate in order to compete in their sector. Technology is becoming more and more vital in the hospitality industry for improving guest experiences, enhancing service effectiveness, and cutting costs. Hospitality companies need to embrace innovation as well as be willing to make investments in new technologies if they want to effectively use technology. The sustainability theory also has application to the problem of sustainability problems. According to sustainability theory, it is critical to develop a business strategy that takes into account factors related to the economy, society, and the environment. Customers are demanding more environmentally and socially conscious practices, therefore sustainability has grown into a crucial concern in the hotel industry. Hospitality businesses can use a number of measures, including energy-saving technologies, waste-reduction initiatives, and sustainable sourcing methods, to address sustainability concerns. Apart from that, each of the three

6

difficulties is relevant to the service quality idea. According to the service quality principle, outstanding customer service is crucial for retaining clientele and boosting revenue. Hospitality businesses must put a lot of effort into things like employee development, service recovery, as well as guest review mechanisms if they are to provide great service (Jones *et al*. 2016). The discussion and argument on the current concerns of staff retention, technology advancement, as well as sustainability in this sector can be justified by utilizing and carefully analyzing hospitality management principles and theories. Relevant theories that can be used to address these problems include the CRM theory, HRM theory, the theory of innovation, sustainability theory, as well as service quality theory. By putting these ideas into practice, hospitality businesses can increase customer and employee retention rates, operational effectiveness, financial performance, and social and environmental concerns (Papargyropoulou *et al*. 2016). Examples of such strategies include offering personalised experiences, putting money into employee training and enhancement, accepting new aspects of technology, adopting sustainable practices, and providing exceptional service.

Conclusion

In conclusion, there are numerous current difficulties that the hospitality sector is dealing with that need for strategic answers. Three major contemporary issues—employee retention, technology advancement, and environmental issues—that the US luxury hotel industry is currently grappling with have been recognized and examined in this paper. This research has provided insights into manners hospitality companies can handle these issues and enhance their company performance by implementing and carefully assessing hospitality management theories and concepts. The hospitality industry has highlighted employee retention as a major concern. According to the HRM theory, it's critical to develop a strategic approach to managing personnel, which includes finding, hiring, developing, and keeping skilled workers. By giving training and development programmes, fostering a healthy work environment, and providing possibilities for career advancement, hospitality businesses may invest in their staff and increase employee retention rates. Another contemporary concern that the hotel sector is dealing with is technology advancement. According to the innovation idea, organisations must constantly adapt and innovate in order to compete in their sector. Technology can be used by hospitality businesses to improve customer service, boost productivity, and cut expenses. They need to be open to investing in new technology and have an innovative culture. The hotel sector faces considerable sustainability difficulties as well, as clients expect more environmentally and socially conscious procedures. According to sustainability theory, it's critical to develop a

7

business strategy that takes into account factors related to the economy, society, and the environment. By applying diverse tactics, like energy-effective technology, waste reduction programmes, and sustainable sourcing techniques, hospitality organizations could fulfill sustainability concerns. To effectively address these modern concerns, hospitality organizations need to take a strategic and all-encompassing approach. Customer relationship management, human resource management, creativity, ecological responsibility, and service quality are just a few of the concepts and theories that may be applied to the hospitality industry to help businesses perform better, improve customer experiences, and solve social and environmental issues. To guarantee long-period success in the dynamism and competition of the hotel industry, it is critical for organizations in the hospitality sector to identify these modern concerns and put forth practical answers.

Reference list

Barber, N., Deale, C. and Goodman, R., 2011. Environmental sustainability in the hospitality management curriculum: Perspectives from three groups of stakeholders. Journal of Hospitality & Tourism Education, 23(1), pp.6-17.

Cheng, M.M. and Hackett, R.D., 2021. A critical review of algorithms in HRM: Definition, theory, and practice. Human Resource Management Review, 31(1), p.100698.

David, J.S., Grabski, S. and Kasavana, M., 1996. The productivity paradox of hotel-industry technology. Cornell Hotel and Restaurant Administration Quarterly, 37(2), pp.64-70.

Ghani, B., Zada, M., Memon, K.R., Ullah, R., Khattak, A., Han, H., Ariza-Montes, A. and Araya-Castillo, L., 2022. Challenges and strategies for employee retention in the hospitality industry: A review. Sustainability, 14(5), p.2885.

Harris, K.J., 1995. Training technology in the hospitality industry: a matter of effectiveness and efficiency. International Journal of Contemporary Hospitality Management, 7(6), pp.24-29.

Horng, J.S., Liu, C.H., Chou, S.F., Yu, T.Y. and Hu, D.C., 2022. Marketing management in the hotel industry: a systematic literature review by using text mining. Sustainability, 14(4), p.2344.

Jayawardena, C.C., Pollard, A., Chort, V., Choi, C. and Kibicho, W., 2013. Trends and sustainability in the Canadian tourism and hospitality industry. Worldwide Hospitality and Tourism Themes.

Jones, P., Hillier, D. and Comfort, D., 2016. Sustainability in the hospitality industry: Some personal reflections on corporate challenges and research agendas. International Journal of Contemporary Hospitality Management.

Mayrhofer, W., Gooderham, P.N. and Brewster, C., 2019. Context and HRM: Theory, evidence, and proposals. International Studies of Management & Organization, 49(4), pp.355-371.

Papargyropoulou, E., Wright, N., Lozano, R., Steinberger, J., Padfield, R. and Ujang, Z., 2016. Conceptual framework for the study of food waste generation and prevention in the hospitality sector. Waste management, 49, pp.326-336.

revfine (2023) The latest technology trends in the hospitality industry in 2023, Revfine.com. Available at: https://www.revfine.com/technology-trends-hospitality-industry/ (Accessed: April 15, 2023).

Romero, I. and Tejada, P., 2020. Tourism intermediaries and innovation in the hotel industry. Current Issues in Tourism, 23(5), pp.641-653.

Tews, M.J., Michel, J.W. and Ellingson, J.E., 2013. The impact of coworker support on employee turnover in the hospitality industry. Group & Organization Management, 38(5), pp.630-653.

Vasquez, D., 2014. Employee retention for economic stabilization: A qualitative phenomenological study in the hospitality sector. International Journal of Management, Economics and Social Sciences, 3(1), pp.1-17.

z