Issues in Hospitality Management

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# Introduction

Hospitality sector is having diversified opportunities in the competitive market. It is necessary for businesses to have better consideration of internal and external factors properly so that issues can be identified in desired manner. Legislations, economic, social and other norms are needed to be framed properly to accomplish the objectives.

# Task 1

## A) Issues in New Zealand affecting hospitality industry

There are diverse issues that impact the working of New Zealand hospitality sector. Economic issues are being faced by the businesses because the economic conditions are not stable in New Zealand. Inflation rate is high that also creates an issue in terms of income level and domestic tourism activities has been reduced. Also, the exchange rates are also high that impacts the perception of international travelers(Battour & Ismail, 2016). It is necessary to have control on the economic conditions so that hospitality sector working can be promoted in adequate manner. GDP and other growth ratios are also not stable due to international economic conditions. It also creates an issue in terms of expansion activities of hospitality industry.

Social issues are also affecting the business growth of hospitality industry in New Zealand. Recently terrorist attack and security issues are being faced by the New Zealand that affects the perception of travelers in negative manner. It creates issue in terms of social values and impacts the development of hospitality sector(Bradley, Elenis, Hoyer, Martin, & Waller, 2017). Other than this, technological issues are also affecting the hospitality industry. Integrated communication software’s used by business are having high cost. Integrated systems adopted by businesses in sector are not offering better engagement that also impacts the performance of hospitality industry in New Zealand.

## B) Relate the external issues to international hospitality

It has been witnessed that international hospitality businesses are also facing issues in terms of technological changes. It impacts the work process in negative manner and creates issues properly. Application of technological resources and software’s cost is very high that impacts the financial flow of businesses. Along with this, additional training programs are needed to be arranged by HR of international hospitality businesses(Cetin, Demirçiftçi, & Bilgihan, 2016). Training is required to have proper functionality of technological resources and software’s. It also enhances the overall cost of operations that impacts directly on the business entity.

International hospitality sector is also facing social issues that impact the overall working of sector. Customer needs at the global platform are changing in rapid manner. Also, cultural values are also different in all nations that create an issue for international hospitality businesses(Clark, Dimanche, Cotter, & Lee-Rosen, 2017). It is not an easy task for businesses to evaluate the diversified customer that have changes in their needs. It is necessary for businesses to ensure about long term development and resolve social issues. Terrorist attacks at different tourism destinations like India and New Zealand also creates an issue for international hospitality sector. Economic conditions at global scale are also not stable that also impacts the operations of the international hospitality businesses. Interest rates and other values are also not stable that also affects the business firm operations in negative manner(Grobelna, 2015).

## C) Negative impact of issues

Hospitality sector of New Zealand is having a various negative impact that affects the overall development of business. Hospitality business success is highly dependent on the service quality so economic conditions need to be reviewed in accurate manner. Application of standards in terms of economic aspects is necessary to consider resolving the issues. If economic conditions are not stable and the exchange rate is high then it will affect the perception of customers. It might affect the overall development of hospitality sector of New Zealand(Jones, Hillier, & Comfort, 2016). Improper consideration of economic values also affects the expansion activities of business. Decision making regarding expansion must be according to economic situations. Also, hospitality services are not according to economic conditions and income scale. It is due to improper consideration of cost management practice. It affects the overall business in negative manner and creates diverse issues.

Social issues are also affecting the overall development of hospitality sector of New Zealand. It has been witnessed that customer’s needs are having diverse changes in recent years and it is not an easy task for companies to bring services according to customer needs. Another issue that hospitality sector of New Zealand is facing regarding discontinuation of services due to changes in customer needs and expectations(Lugosi & Jameson, 2017). For example, company has introduced new services in terms of accommodation at beach side. However, the customer needs have changed and demand of camping at beach side and additional fun activities has been increased. It will force the company to introduce new services and bring changes in accommodation facilities. It may enhance the costing factor and affect the overall outcome in diverse manner. Terrorist activities and attacks in nation like New Zealand is also influencing the social perception of people in negative manner. It impacts the overall development of hospitality sector of New Zealand in negative way. People and travelers are not feeling safe for visiting the New Zealand that means the ratio of tourism visitors has decreased in recent time. It affects the overall growth of hospitality business in negative manner. Measures in terms of business activities and security need to be advanced so that social issues can be controlled(Ryan, 2017).

Technological developments within hospitality sector of New Zealand are taking placed in aggressive manner but the cost of such developments is very high. It creates financial issues for businesses and lead to failure situations. Training is also need to be provided by the hospitality sector of New Zealand to its employees that also demands an additional cost investment. It indicates that financial situation of businesses is not stable. It creates an issue and affecting the overall development of business in negative manner(Sheresheva & Kopiski, 2016). Integration issues are also being faced by the hospitality sector of New Zealand during technological updates. It has been witnessed that many companies are bringing technological updates in their operations that does not support their operations. Also, improper selection of technological tool and software in the practice is also an issue for businesses. It affects the overall operations in negative manner.

## D) Operational measures to overcome issues

There are diverse measures that can be adopted by businesses of New Zealand hospitality sector. It is necessary for businesses to have proper identification of financial stressors so that accurate planning can be taken into account. It means the management needs to understand the economic and financial factors that create challenges for business. On the basis of identification, the different measures need to be framed properly. It will allow company to have better control on the expenses so that costing factor can be balanced in accurate manner(Willie, et al., 2017). It also significant for hospitality sector of New Zealand to focus on regular basis evaluation of economic conditions. It allows having long term development and making sure that key values are well maintained. Support of external professionals is also necessary to consider so that goals and objectives can be taken into account. It allows accomplishing the objectives in desired manner. Economic issues can also be resolved by having an application of resource allocation practice. It means the resource utilization can improve the economic conditions and control the costing factor. Application of standards in regard to business operations is also necessary to consider so that long term development can be taken into account.

Financial management practice and cash flow management also need to be promoted by having strategic decisions. It allows ensuring that long term development standards are being reviewed in accurate manner. Strategic decision making improves the work sustainability and ensure that economic conditions are being boosted.

In order to have better use of technological factor the business firm needs to consider proper development of standards in accurate manner. It is necessary to identify the needs of business and select the technological tool or equipment’s. On the basis of the business expectations and operations the entity needs to focus on the development of new infrastructure(Lugosi & Jameson, 2017). Proper development of infrastructure values allows improving the work process and leading business firm to impressive level of success. New infrastructure development must be in such manner that it quantifies the operational standards. It is also necessary for businesses to have improved focus on the boosting purchase capacity so that technology implementation can be accurate. Other than this, long term training program need to be introduced by businesses so that cost of multiple short-term training events can be controlled. If company is offering training in single frame then the cost will be decreased.

It is also necessary for business entity of hospitality sector to focus on the collaboration with the real time application. It will also help in improving the technological integration and ensure that long term development is being boosted. Effective research about the technological development is also essential to consider so that objective can be accomplished. Proper research about the tool will also help in selecting the accurate tool that can resolve the issues(Battour & Ismail, 2016). Along with this, business from hospitality sector also need to ensure about the practice in accurate manner so that long term development can be taken into account. Communication software needs to be selected as per need of business so that integration can be improved and issues can be resolved.It will allow making sure that sharing of information within practice is accurate as per standards that might lead to critical success. It helps in improving the performance because issues can also be discussed among members.

In order to deal with the social issues, the business operates in hospitality sector must consider the market research. It is necessary to conduct a market research considering the long-term values in accurate manner. It will provide understanding about the customer perception and expectation. Strategic planning and decision making according to outcome of research need to be taken into account. It allows improving the decision-making regarding services and prices. Application of chanty is also necessary so that communication within team can also be improved. It is necessary for business firm to have effective consideration of real time messaging and ensure that detailed information is being shared properly(Clark, Dimanche, Cotter, & Lee-Rosen, 2017). It allows improving the performance measures in accurate manner and leading business firm to impressive level of success. Identification and gathering of important information need to be reviewed properly so that objective can be accomplished and lead business firm to impressive level of success. Scheduling of technological activities also need to be improved properly so that overall outcome can be taken into account. It helps in proper management of development activities so that technological infrastructure can be developed in desired manner.

Moreover, in order to deal with the technological values properly the business firm need to focus on the task management practice. Feedback process can also be taken into account to resolve the social issues. In this, feedback from customers will allow to improve the hospitality sector key norms and values properly.

# Task 2

## Introduction

Present research study is focused towards analyzing the impact of customer changing demands to hospitality business performance. By having an understanding of changes in customer demand the overall practice standards can be improved.

### Techniques

For better understanding in regard to the impact of customer changing demands to hospitality business performance, application of primary investigation practice has been taken into account. Interview with the managers of hospitality sector has been organized to review the process.

*Interview:*

***1. Does changes in customer demand affect the sales of company?***

* Response 1: Yes, hospitality sector faces the issue regarding decrease in sales of company if changes in customer demand are not reviewed in accurate manner.
* Response 3: Hospitality sector must have consideration of the changes in customer demand. Strategies and other values need to be framed according to changes in demand so that sales can also be reviewed properly.

***2. What kind of issues is faced by hospitality business due to customer changing demands?***

* Response 4: I can state that customer changing demand forces company to bring changes in policies and standards. It sometime increases the cost of operations so management needs to ensure about such values properly. It also impacts the financial performance and profit margin ratio in negative manner. It is a critical issue so that development can be promoted.
* Response 2: According to me, operational issues are faced by the hospitality business due to customer changing demands. If changes in customer demand are not properly reviewed then overall outcome might get affected in negative manner. It is necessary to understand the changes properly so that operational changes can also be implemented properly.

***3. How business firm can deal with the customer changing demands?***

* Response 2: It is necessary for company to have improved focus on the market research properly so that issues in regard to customer demand changes can be resolved. Market research allows understanding the key values and evaluating the standards in accurate manner. It will assist in meeting the objectives and ensure that long term sustainability can be promoted.
* Response 3: Company can focus on effective development of feedback process and bring changes according to outcome. It will allow enhancing the overall practice and leading business firm to impressive level of success. It is also necessary to understand the changes in regard to long term practice through feedback. Practice allows enhancing the measures in accurate manner.

*Secondary study:* As per the view of Battour & Ismail (2016), the changes in customer demand influence the operational values of hospitality business. If operational standards are not transformed then issues in terms of productivity and sustainability might get affected in negative manner. Bradley et al. (2017) has contended that application of standards in terms of feedback can be reviewed by businesses so that change can be evaluated properly. It allows bringing changes in the practice and allowing accomplishing objectives in desired manner. Grobelna, (2015) has argued that changes in demand can also affect the sales of company in negative manner. It is significant for businesses to bring changes according to demand so that overall development can be promoted.

### Limitation

Present study key limitation is that lack of information is available regarding subject that has created an issue in data collection and affected the effectiveness of process. Also, time allocation was not accurate because of lack of time availability.

## Discussion

It has been identified that operational changes within hospitality sector must be accurate as per standards in terms of change. Customer needs identification is accurate so that long term development can be taken into account. Application of values in terms of sales practice is also necessary so that issues can be resolved(Sheresheva & Kopiski, 2016). If changes are not evaluated properly then outcome of primary and secondary study indicates that sales issues might be faced by business. Study from above statement indicates that application of feedback process is necessary to consider properly so that overall outcome can be accomplished. It assists in meeting the standards in accurate manner and lead business to impressive level of success. It is also necessary to understand the changes in regard to long term practice through feedback. Better strategies can be framed on the basis of outcome and standards.

## Recommendation

It is suggested that company can focus on the training program regarding market research activities so that employees can easily evaluate the issues. Identification of customer needs and issues can be improved by having an application of market research practice.It is also recommended that application of business report analysis can be taken into account. In this, different documents like sales, product development, operation cost and other records can be evaluated and analyzed in significant manner. It helps in long term development and ensure that better opportunities for business is being created.

## Conclusion

It can be concluded that overall practice in terms of customer needs identification is necessary for business. Any kind of avoidance may lead business to critical situation that may affect the overall development in negative manner.

# Conclusion

As per above study, it can be concluded that economic, social and technological issues are being faced by business firm. Understanding of such standards is necessary so that corrective measures can be taken into account. Also, customer needs and changes in demand also plays critical role in the success of the hospitality business.

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