

Purpose of Management in Hotel Businesses

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Abstract

It is a theoretical research that attempts to understand the objectives, strategies, program and budgeting in hotel businesses.

This article aims to:

Describe and develop an understanding of the goals of companies in hotel management.

Determine a theoretical reference framework on the purposes, objectives and management of the hotel company.

Provide benchmarks, methods and tools for hotel management to help them develop management systems intended to be responsive, to take control of situations and make sense of them.

Keywords: Management, purpose, objectives, strategy

Introduction:

The development of the hotel business imposes on each of the managers, the adoption of scientific techniques of hotel and tourism management where they will be assured in turn of the diversification of the tourism product, the development of multiple forms of leisure, which can only encourage the spread of the tourist season and avoid failures.

Faced with increased competition between destinations and travel organizations abroad, this competition requires a challenge and a permanent mobilization.

Theoretical basis of research:

1)The mission of the hotel industry:

Peter Drucker used this term to refer to the clear and understandable answer to the question that leaders should ask: "What would be our business? Our business is to render service. "

In this sense, it must be said that the mission or purpose of the hotel business is difficult to analyze because it is based on values, cultures, images and an identity that result from very varied factors: the history, the men, the individual aspirations, the type of society, the will of the creators of the company.

The purpose is of a qualitative nature but it is also of an economic, social or psychological nature.

a-1) Economic purpose:

- The production of services: the hotel industries mission is to offer personalized services by a caring and competent staff that meets the expectations of its distinct clientele.
- Profit maximization is sought by many business leaders and this search for short-term profitability goes beyond that of profitability or the search for long-term profitability.
- Dominance and power are desired by the major international groups, in order to impose themselves on the world markets. It is about reaching a larger size, which secures the life of the group.
- The desire for growth and development is sought after by many hotel companies because it is a way of adopting 'an offense' attitude towards the forces that make up the environment.
- Survival, or the desire to maintain oneself in an overwhelming environment, is the goal of small businesses that do not wish or cannot evolve or modernize, or that offer inadequate services.
- Awareness: it is the power holders who are at the origin of the purpose. The leaders of an international hotel chain will aim for their firms growth and development by multiplying units, power and domination are more sought after than profit in the short term.

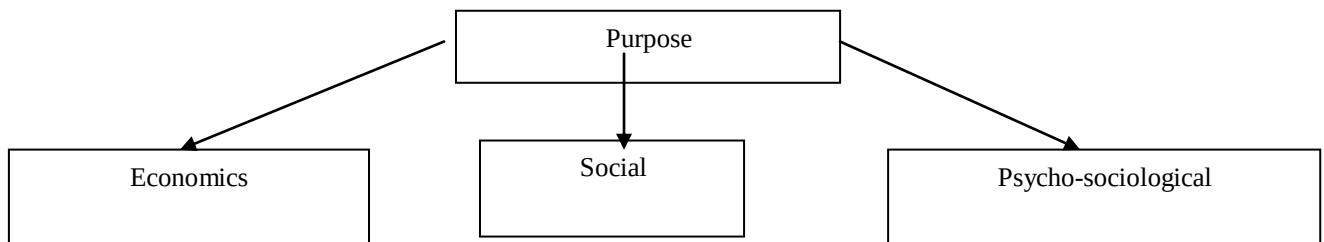
a-2) Social purpose:

The hotel business has a social responsibility:

- Job creation: very important especially in the labor industry framework.
- Participation in the improvement of living conditions: since it creates services and distributes income.
- Employee training: in order to raise their professional and cultural level.
- The satisfaction of the customer's needs: the purpose of the hotel business is to satisfy customers while ensuring the profitability of its activities.

a-3) Purpose of psychosociological order:

Besides the economic and social purpose, the reason for the hotel business' existence can be based on a purpose linked to individual aspirations.



Purpose for the hotel business

In particular we find:

- The pursuit of prestige: building an establishment to "have fun".
 - The search for autonomy which results in the fear of losing one's independence in favor of a bank or a third party.
 - Search for security: consists in taking absolutely no risk, no innovation, refusal to evolve.
 - Willingness to surprise: by practicing very risky operations and devoid of economic rationality.
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2-The objectives of a hotel business:

A company must know where it is going otherwise it may fall into the trap well expressed by this phrase "having lost our goal, we redoubled efforts".

A management goal is a deliberate goal that specifies the scope and direction of a leader's planning efforts. The latter should define in clear and precise terms the target to be reached. One must especially not confuse a goal with a global field of activities of the company where we wish to work.

The objective must be equally precise, because in many cases it is not very explicit. In many hotel companies, there is a poor definition of objectives or even if they exist, they are implicit and contradictory.

However, the choice, selection, definition and orientation of objectives are very complex tasks, but once these tasks are done properly, they provide a foundation for the appropriate strategic plans that must be developed to achieve the goals of the organization.

Inadequate or insufficient objectives can delay the success of management and stifle the functionality of the entire organization. To do this, managers are required to periodically step back and reformulate the objectives sought, and then determine whether the current actions really contribute to the achievement of these objectives.

J. MEYER defines objectives as "an obligation imposed on the business because it is necessary and essential to its existence".

The source of these obligations is twofold, It results from the will of the leaders, but it also results from the problems faced by the company.

□ -Typology of objectives :

It is difficult to determine objectives that truly guide the current and future development of the company. This forces leaders to look at all activities, to report the objectives and resources present to the external environment, and finally to decide what they want to accomplish in the future.

Taken together, the following categories of objectives provide a useful starting point in determining the goals of a particular company.

-The main objectives principally concern a company and not individuals. They can consist of offering a service or a good in a market in order to make profits.

These profits are of great importance to the leaders of a company. In the competitive and long-term system, a company must make a profit in order to offer a reasonable return to its owners in return for the risks assumed and, above all, provide the means to evaluate the overall results of the managers' efforts.

However, many companies claimed that the main goal is to make money. But that proved as futile as saying that the goal of life is to eat. Food is a condition and not an objective of existence. Without food, life stops. Profits are a condition of the business. Without profits, the company stops. To support one's life, a company must produce goods and services that enough people want to buy at decent prices.

The main, if not primary, idea is that the goal of a business is to create and retain a customer base. There can be no business strategy that is in any way, but fundamental, a market-based strategy.

- Secondary objectives help to achieve key objectives and identify targets designed to increase efficiency and minimize the cost of achievements achieved by members of the organization. Their contributions are indirect, insofar as they support main objectives.

- Individual goals, are daily and weekly goals of individuals belonging to the company. These objectives are achieved if they are subordinated to the main or secondary objectives of the enterprise or if the latter

objectives push towards the achievement of individual objectives, which are either economic (money, material needs) or psychological (recognition of a status).

- **The social objectives**, concern the objectives of a company with regard to society, it is to be socially responsible in the city.

They include, but are not limited to, compliance with agency, community, and other obligations related to health, safety, labor regulation, pricing, and environmental pollution.

Most companies in achieving their main goals also make contributions to their communities and nation by creating much needed economic wealth. In the proper functionality of economic policy, the involvement of hotels and the wider tourism sector in Tunisia is only one concrete example.

❑ **-Formulating objectives :**

Formulating effective goals is a more complex and difficult exercise than writing a few understandable sentences. This means that all management objectives are subject to interpretation. Their exact meaning will depend on the personal value systems of leaders and staff. The way in which the recipients understand the objectives gives us a measure of the clarity and intelligibility of their formulation.

Indeed, the objectives must be given as quantitative a formulation as possible, without going into too much detail, because the latter prohibits and hinders any personal initiative and creativity in achieving the objectives.

The following objectives are common to all companies:

- Provide good products and services
- Precede the competitors
- Grow
- Increase profits by increasing sales and reducing costs
- Ensure the well-being and development of employees.
- Maintain a satisfactory functioning and organizational structure
- Being a socially responsible entity in the city
- Develop international trade

However, in every major goal of the business stems from many derived objectives. These are important in the sense that they give the main objectives their full meaning.

Consider, for example, the following derived objectives that derive from the main objectives already mentioned:

- Being the most profitable and largest company
- Pay the best staff
- Ensure that affiliated brokers have the highest profitability
- Being a socially responsible citizen.

Thus, the formulation of meaningful and effective goals is a difficult but indispensable management task in the company.

It should be noted that the company should set the management objectives very carefully, the latter have a better chance of being realized if these recommendations are taken into account:

- ❑ The objectives must be the result of the participation of the people responsible for their application.
 - ❑ All internal corporate objectives should support the overall goals of the company.
 - ❑ The objectives should be within the reach of the performers.
 - ❑ The objectives must be realistic.
 - ❑ Objectives must be up-to-date and innovative.
 - ❑ The number of goals assigned to each leader must be limited.
 - ❑ Objectives should be ranked according to their relative importance.
 - ❑ The objectives must be balanced.
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□ In short, we can say that the objectives are the overall reason that allows the hotel business to live in the long term. These are the targets to which strategic decisions are directed.

Thus, we can define them as the permanent choice whose pursuit legitimizes the existence and action of the enterprise and according to which decisions are made that bind its future.

Michel Gervais said "the objectives look like phases, which in the darkness of the night guide the vessel sailing on the sea of business, towards the security of the port, the illusory or ill-defined objectives can look like tempting mermaids who abuse the vessel that is too confident, and attract it to deadly reefs.

Once the company's goals are set, hotel managers can question the choice of ways and means by which they intend to achieve the goals. The strategy is the answer to this question and is the subject of the next point.

3-Strategies for hotel businesses

After determining the objectives, the general management will develop strategies, or, a means to achieve the objectives set.

The implementation of a strategy avoids "blindness" or "visual control" in front of an increasingly complex environment.

In other words, the objectives assigned to our tourism system must be within the framework of an overall strategic plan. It must be able to answer a certain number of fundamental questions of the type: Is one seeking diversification or specialization? Mass or quality? nationalization or internationalization? tradition or innovation? notoriety or popularity? ... etc.

The strategic planning of Tunisian tourism must therefore help to better orient the hotel sector in the fixed trajectory and towards the assigned objectives.

Moreover, the implementation of a strategic plan starts from a strategic diagnosis, ie from the precise commercial analysis of the area of intervention of the company (example: which products are sold and whose?). But also a question about the life of the products offered from there, several strategies are possible:

□ **Flexibility** or ability to adapt to the most diverse changes.

□ **Investment**: ie the commitment of long-term financial resources to increase the production capacity of services.

□ **Innovation**: which is characterized by the creation of new products aimed at attracting customers, there is thus development of the domain of activity or "business" of the company.

□ **Specialization**: aims to concentrate resources towards an activity in which the company will dominate allowing it to produce better and cheaper.

□ **Strategic differentiation**: consists of distributing many products in a company in such a way that they are perceived as a unique service at the level of a sector. This is the example of the Mediterranean club and its multiple activities leading to the unique image of happiness (M. Porter's definition in his book "strategic choices and competition").

□ **Vertical integration**: the aim of which is to expand upstream or downstream the area of activity, for example, development of upstream purchasing centers, links between the Abu-Naouess chain and Tunis-air.

□ **Diversification**: aims to reduce commercial risks by launching into other areas of activity example: the American firm "international Telegraph and telephone" is engaged in the hotel, telephone and car rental.

□ **Internationalization**: whose interest beyond exporting is to increase the power of a brand and build customer loyalty worldwide.

However, the question is, what priority should be given to these different strategies? and how can we make a more objective, more convincing and more scientific choice?

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