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Change management and the managers' constraints and challenges during change processes: An exploratory study of some chain hotels in Stavanger

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Abstract

Change management is an organizational necessity in the hotel industry, especially in Stavanger as one of the important cities in Norway which has experienced difficult time due to the dramatic drop in oil prices. This paper concentrates on the constraints of the managers who work in different departments in some of the chain hotels in Stavanger. According to the market situations, the hotel managers have to perform a lot of corrections, adaptations based on their strengths, weaknesses, opportunities and the threats in the market in order to control the situation. Although they encounter with many internal and external challenges in this regard. It is investigated that some items such as competitors, communicational problems and other issues could make some challenges for the managers.

The data collection was gathered through semi-structured interviews with 10 managers of different chain hotels in Stavanger. The theoretical framework of the paper is designed based on the theory of Kotter (1996) and Porter's model (1985). It reflects more practical view of the change processes and restraints of the managers in this regard. In the end, the findings, research and managerial implications and limitations of the study are discussed.

Key words: change management, constraints of the managers, drop in oil prices, internal and external challenges, Stavanger

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Chapter 1

1. Introduction

The hotel industry has developed in the last decades thanks to the new technology and innovation on the field. It is seen that the hoteliers has gotten more skills and the speed of offering the services to the hotel guests has increased. In modern society, the hotel industry is investigated as the global industry which attracts many guests in the destination.

Accommodation is a basic need for travelers who want to spend time in the destination, but there are different types of accommodation which are differentiated based on the grade, size, quality and according to the customers' demands, some hotels are known as luxury ones that not only they should offer the best quality of services and facilities to the customers, but also the creativity should be observed in the products and services in order to maintain their positions in the competitive market.

In this study, some of the chain hotels were considered as the sample. These hotels are selected from Stavanger as one of the largest cities in Norway which it is known as the oil capital of this country. Stavanger has tourism potential to attract different types of tourists in different seasons. Illustrate to the hiking in summer season for adventurous tourists or oil exhibitions (ONS) for business tourists. Accordingly, tourism industry has direct effects on the hotel industry and it makes a competition for the hotels of the region. In this regard, hotels are considered as a main factor of the travelling. This study came into research as long as hotel and hospitality is an industry which could be so effective in the economy of the area as well.

In recent years, the ports of Stavanger have become the most popular ports for the cruise ships; however, dramatic drop in oil prices has had direct negative impacts on the hotel industry. Some chain hotels in Stavanger such as Clarion, Quality, Comfort and other ones have done many efforts to pass the economic crises. In this regard, major changes must have been done at the hotels during that time.

The most important objectives of the hoteliers is attracting the guests into the hotel and following that, they must maintain or develop the position of the hotel in the competitive market. The main aim of the paper is to find out the reasons of change management in the

hotel industry and how to manage the changes in different situations. Also, it is endeavored to understand to what extent the constraints of managers could be seen during the change processes in the hotels and how they encounter the internal and external challenges.

According to the size of different hotels, the managers are responsible to control the situation and make some necessary changes in the organization. There are some effective factors in making differentiation among hotels which could refer to some factors such as location, quality, reputation, services, facilities and number of rooms at the hotel which directly affect on the price value. This is why the competition among hotels is one of the key points which has major effect on the reputation of the hotel.

The hotel managers experience different situations during the time. Change management is considered as one of the most interesting topics in the field of organizational management. Okumus and Hemmington (1998) defined change management as a necessity for the current and future situations of each organization such as hotel companies. Successful hotels in the world make the serious efforts to implement change management as the basis of the organizational plans because the demands and needs are changing every day and basically, the organizations should be updated regularly.

The changes which are done in the hotels, should be in the regard of the standards. Upon this, change management is investigated by some items such as the facilities, tourism potential of the region, influences of other industries on tourism and hotel industries, perception of people from tourism and their desire to attract the tourists, economic situation and other items which will be discussed in the paper.

The result of this research will give the readers an overall picture of the importance of change management at the hotels and the role of the managers in the change processes. Following that, it will be found out that the managers sometimes have different constraints in order to lead the organization during the difficult times and these limitations are sometimes derived from the external side of the organization, while they are sometimes ascribed to the internal reasons. Also, it is concentrated on the plans which should be implemented during change management in order to obtain the efficiency and organizational objectives.

The findings of this paper will be useful and practical for the managers and leaders of hotels in different departments. Furthermore, it could be practical for companies such as travel agencies or other suppliers who cooperate with the hotels directly or indirectly and generally

it can be mentioned that they have the main role in the stability of the hotels. In addition, it might be interesting reading for the employees to know more about the change processes in the hotel and the challenges that managers face in their work. It helps them to cooperate better with their leaders and they will be aware about the limitations and challenges and then, their expectations could be modified.

It could be seen that the hoteliers make some attempts to improve their positions in the market. The hotel managers try to look for the most effective factors in the regard of change management, while they encounter with several challenges which could potentially make some barriers in the change processes. Apart from this, the main office which is responsible to control the situation of the entire chain hotel, sometimes makes some barriers for the general manager. These barriers do not allow the general managers to implement their plans in the regard of changes at the hotel.

According to the challenges, the leaders should evaluate the current situation of the hotel and based on this, they investigate the weaknesses and strengths of the organization as internal factors and afterward, the opportunities and threats should be considered which are known as the external factors of the organization.

The next step is identification of goals and future changes at the hotel and accordingly, the required strategies are made by the managers in order to implement the plans.

In board term, this research could be used for each hotel which needs to make some changes for development or sometimes it is necessary to have change management in the hotel in order to survive in the market.

In a nutshell, the objectives of this paper refer to:

- *To identify change management and organizational plans in this regard in the hotel industry
- *To analyze the current situation at the hotels which need to make some changes
- *To investigate the constraints of the hotel managers in different departments during the change processes
- * To consider the necessity of changes for the future of the organization

This paper begins with an analysis of the literature review in order to provide a clear perspective of the change management, and also constraints and challenges of the mangers

and leaders during change processes in the different chain hotels. Also, it is considered that how they can manage the changes at the hotels based on the situation. Following that, the research methodology and research findings will be described through the data collection methods and the research questions which were used for the interviews with the managers.

Chapter 2

2. Literature Review

According to Quinn and Cameron (1983), each company experiences different stages which starts from birth, then it goes through the growth and maturity and at last it is the reduction of revitalization stage which happens in the organization. The mentioned life cycle is so similar to the tourism life cycle based on the Butler's model (1980). It could be observed that the revitalization stage usually involves some changes and the necessity of change management is filled in this level. For each stage, particular processes should be done which include different demands based on the target market. In this regard, many constraints and barriers are made for the managers in different ways.

As Yukl (2006) stated, changes are defined in different forms. In first group, managers make the changes based on a specific plan for the company in order to solve a problem or provide the facilities and services and response the demands and needs; according to this, the managers should be innovative and the environment is formed base on the organization. But in the second group the changes are not planned before and the managers have to make some changes in the structures as soon as possible. In this situation, the company is affected by the environment.

In addition, Okumus and Hemmington (1998) believed that the huge amounts of changes could happen in different situations and the effects of the changes involve the whole system of the hotel such as strategic plans, structure of the hotel, missions, behaviors, functions of the employees and so on. In another words, the changes will have influences on the activities and strategies of each department.

Hotel industry is a very fragile industry which could be affected by other industries such as oil and gas industry. Kandampully and Suhartanto (2000) mentioned that unexpected fluctuation in prices has strong impacts on the hotel industry and its negative impacts have direct influences on the national income; especially in some regions that are so dependent on some industries. For instance, Stavanger is well known as Oil Capital of Norway and the national and largest oil company is located in this city. 21.5 percent of Norway's GDP was allocated for the petroleum sector in 2015 (O'Leary & Gitmark, 2016, 18.04). Oil and gas

sector is very important for the Norwegian economy. A large number of Norwegian companies are dependent on this industry and this situation is more highlighted in southwest of Norway. In 2015, falling the oil prices brought many disadvantages for Stavanger. This city became the epicenter of the rise in unemployment in Western Europe due to the situation of oil market. Many people lost their jobs in this region and surrounds (Financial Times, 2017). The unemployment rate increased while before the oil prices dropped, Stavanger had the lowest unemployment rate in the country; following that, housing prices declined and the Norwegian currency became weak and it made many companies to compete from abroad as the competitors (O'Leary & Gitmark, 2016, 18.04). Although the situation has improved, but many people of this region still suffer from joblessness. This situation has strengthened the pressure and stress of people because they have felt unsafe living without any job position (Berglund, 2017, 09.06).

Apart from this, the oil price has striking descent, its feedback could be observed in the reduction of the guests in the hotels of Stavanger as well. Poon (1996) believed that any economic changes could influence on the interaction of demand and supply in the labor market which could be identified as the human resource challenges. Therefore, it could be mentioned that other industries could have direct or indirect impacts on the hotel industry. The integration is always observed among hotels and different companies in many ways. These companies could collaborate with hotels by implementation of the relevant activities, while it could be observed that some other companies cooperate with the hotels indirectly in order to provide the hotels' needs. For instance, it could refer to the transportation companies that not only they do their own activities and business but also they could have the agreement with the hotels in order to give the hotels some services. So if this company has some problems in offering the services to the hotel industry, many challenges are made for hotels and based on this, the hotel managers get in trouble. Subsequently, hotel managers should consider and monitor the internal situation of the hotel and also they should pay attention to the external communication and cooperation of the hotel with other companies, otherwise the leaders will have weak functions.

Porter (1987) mentioned that the integration among companies makes some competitive advantages which could help to supply the high standard services and products to the customers. In this study, it is endeavored to highlight some points of Porter's five Forces

(1985) which are related to this paper. This model involves 5 undeniable items which have main role in shaping each market. These items are known as:

- 1. Competition in the market
- 2. Potential of new entrants into an industry
- 3. Power of suppliers
- 4. Power of customers
- 5. Threat of substitutes

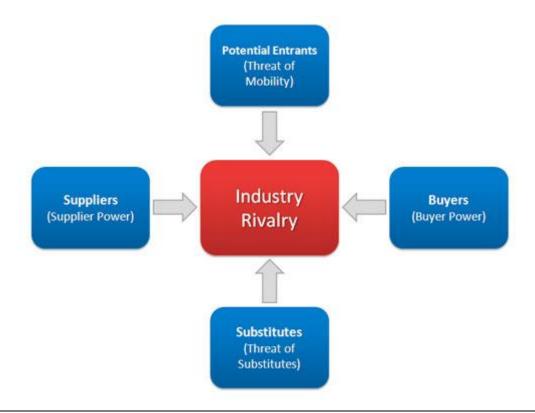


Figure 1: Porter's five Forces (1985), Retrieved from

 $\underline{/http://www.notesdesk.com/notes/strategy/porters-five-forces-model-porters-model}$

According to this model, it is possible to know the role of new and current competitors in the market. It analyzes the structure of the industry. Also, it suggests some strategies in this regard. The relationship between Porter's five Forces model and this study could be found out in the competition segment. A hotel is affected by the power of new competitors in the market. The hotel needs more budget in order to compete with strong competitors. In the

current situation, the market offers the same situation to every hotel but the hotels compete with each other based on their strengths and opportunities and the opportunity of one hotel could be the threat for the other hotel. Some of them penetrate into the market thanks to their power. Hence, they could influence on the market with their decisions and plans.

As Yukl (2006) expressed, some major changes sometimes happen in the hotel and if there is lack of qualified managers for development, the feedbacks will be completely negative and the hotel is not able to compete with other companies in the competitive market; especially when the competitors are very powerful in offering the high standard services and facilities in the shortest time. Following that, it goes without saying that it is required to make some changes in the management.

This study aims to investigate and find out the limitations and challenges of the managers at the workplace which are derived mainly from internal and external factors in different situations. Accordingly, it is essential to make some changes in the organization, while it is observed that the managers and leaders encounter many challenges during implementation of changes and many constraints are made in this regard. They must control the situation of the hotel during the change processes based on appropriate plans and strategies. These plans are sometimes implemented in turbulent times in order to prevent the crisis or some unexpected problems, while some of them are done so as to develop the organization. McGinley et al. (2017) stated that the competition is one of the most important issue which is the result of the market's development and it is clearly observed in the hotel industry by making the difference among hotels.

The reason of making changes in the hotels is mainly derived from new demands, market situation and developing in the competitive market. As Kotter (1996) noticed to the 8 steps of leading change, the change management is experienced by following processes:



Figure 2: Kotter's 8-step model (1996) Retrieved from https://www.scrumalliance.org/community/articles/2014/march/change-management-models

- 1. Create urgency: if any competition is observed in the organization, the urgency should be on the priority for the manager. Based on SWOT model, the strengths, weaknesses, opportunities and threats of the organizations should be identified. According to this, it is possible to analyze the current situation and the managers could concentrate on minimizing the weaknesses, developing the strengths and taking the advantages of the opportunities. The first step is very important and effective; so it should allocate time to concentrate in this level and get the best result of it.
- 2. Form the powerful coalition: the manager tries to convince people that the company needs some changes. In this regard, there are some employees as resistors to the changes. The leadership should act strongly and protect the employees; while major changes could not happen without supporting the activities by head managers. It could be mentioned that both leadership and management have important role in this level. Coalition improves the future image of the organization. Accordingly, the head managers organize a team work in order to develop the commitment by information, expertise, reputation and relationship.

- 3. Create a vision for change: the vision should be clear in order to obtain the success as soon as possible. The values should be identified and some strategies must be created. The managers should consider the changes which describe the vision.
- 4. Communicate the vision: in the direction of the vision, it should be discussed about the chances and also if it is necessary the managers could make decisions and solve the challenges and problems.
- 5. Remove obstacles: in the change process, the managers check the vision in order to achieve the benefits and also they consider the existent barriers and they remove them for implementing the vision.
- 6. Create short-term wins: a short time frame could be created which illustrates a part of the main task and the staff could achieve the success in the short time. This action helps the managers to think about positive points of the project which involve some progress. In other words, it could be mentioned that the managers divide the main goal into some short-term targets.
- 7. Build on the change: use of the new system or new product is very practical for improvement and success of the organization and each success makes the opportunity.
- 8. Anchor the changes in corporate culture: the change should be fixed as the core of the organization and in this step as the final level, it could be observed that the managers try to support the changes in the organization.

Also it could emphasize on the important role of investors who support the managers in the change process (Freeman & Perez, 1988). As Kanter (1991) mentioned, the improvement process should be continuously. Bringing the new product or service into the market needs to be protected all the time.

Reputation of the organization is one of the main factors which could attract the customers to the hotel and it also helps to improve the financial aspects in the organization. As Coombs (2007) expressed, it could be seen that the life of the company depends on its reputation. It is very important that how the managers and leaders evaluate the situation of the organization and its ability. According to this, on one hand they could predict the threats or opportunities and on the other hand they could concentrate on the reputation management (Coombs, 2007). In the hotel, if the responsibilities and duties are not done in the best ways by managers and

the employees, the structure of the company will be destroyed and it affects on the reputation as well. Accordingly, the stakeholders will stop protecting the company. The organization which has no power to face the challenges, the weaknesses are completely illustrated by wrong decisions (Coombs, 2007).

The hoteliers must develop and implement the plans and competitive strategies. Hotel industry is undergoing radical transformation. Hence, competitive strategies are very effective for the survival and competition in the market (Poon, 1996). Cost leadership, differentiation and focus are some strategies which could be used in the market (Porter, 1987). It should be mentioned that presenting the innovative and new products and services to the target market has main role in success of the hotel (Poon, 1996).

Hotel leaders and managers should follow some rules in order to compete in the market and could achieve the success. These points could refer to the priority of the customers or in other words, put the customers first. Next one is that the leaders and managers should pay attention to the quality of the services, products and facilities. Following that, developing the radical innovations is other point which is discussed. Eventually, the hotel managers must strengthen the strategic position of the hotel within the value chain of the hotel industry (Poon, 1996).

It is increasingly accepted that the hotel managers have main role in the changes and they sometimes encounter with many challenges in different cases and accordingly there are many internal and external constraints as barriers in order to solve the problems and handle the situation (Wong, 2004). Organizational culture, bureaucratic procedures, standards, time pressure and organizational communication are some examples which could make internal constraints in the company and sometimes, it is so difficult to overcome. While the external constraints could be observed in some issues such as technology, product changes, environmental regulations, pricing, budget funding, personnel, supplies, support services, availability of the resources (human, financial and so on) and political limitations.

Organizations need the management and communication with external stakeholders such as investors and suppliers in order to provide the facilities and resources because they have enough power to control the conditions and affect on the target market from outside; particularly when the company is so dependent on specific single source but sometimes they have the main role to make some external constraints for the company. Also the external

constraints could be seen in cooperating of other companies with the hotel in order to providing the services and required facilities in the hotels (Yukl, 2006).

In each hotel, these constraints are experienced by the managers and employers. Internal constraints could refer to the lack of human resources with adequate skills which makes problems for the organization in offering the high standard services and facilities to the guests.

Also, it is sometimes observed that the hotels have limitations in availability and variation in order to provide the supplies for the guests and the reason could come from lack of cooperation with other companies which is counted as external constraints of the managers. Accordingly, it has negative impacts on the customers and they will be attracted to the other companies in the competitive market.

There are some relevant factors which could refer to the food and beverages, number of rooms, correct use of the spaces, sales, revenues, cooperation with other companies, the process of employing the staffs and the role of gross domestic products on it and so on (Wong, 2004).

One of the dimensions which could be important for the hotel managers is attention to the human resources; the members who have relevant skills and experiences. It could be mentioned that the quality of the organization depends on the human resources. The employees should understand their responsibilities and each department must cooperate with other ones and make the appropriate organizational communication. It is the responsibility of the managers to monitor the situation and concentrate on the human resources. Besides, the managers should give the motivations to the employees in the different situations because the people could not achieve the success in the regard of the main objectives of the organization without any motivation and enough skills or knowledge (Yukl, 2006). The leaders make attempts to organize some training courses in order to obtain successful performance by the employees and also it helps to improve the level of skills (Yukl, 2006).

It is emphasized that the experienced people are good options to replace for the people who leave (Yukl, 2006). Leaders could have influences by improving the performances. Change-oriented behaviors help the organization to adapt to the external environment. Some of behaviors are more practical in the special situations and the function of these behaviors are different for each leader. For instance, a leader could implement one program which involves

some limitations and basically it makes some problems for the leader. While this program could be very useful in other situation (Yukl, 2006).

A five-stage model of the change processes are investigated which illustrates the influences of change management in the hotel; although any special regular formula could not be seen for the change management. The effects of some changes are so clear while the other ones are not very tangible. The mentioned model refers to (Okumus & Hemmington, 1998):

- 1. Identification
- 2. Consultation
- 3. Planning
- 4. Implementation
- 5. Monitoring

As it is mentioned, monitoring the internal and external environment is one of the most activities that should be done by the managers of the hotel. By monitoring, weaknesses, strengths, threats and opportunities of the organization could be identified. The managers must be so sensitive to the impacts of the events (Yukl, 2006). The feedbacks of implementing the strategic plans and decisions illustrate the weaknesses and strengths of the hotel and according to this, the hotel managers try to modify the plans or goals. But at the same time, they should be so careful about the external environment. It is essential to consider the actions of other competitors in the market. Also, other dimensions which need to concentrate on could be identified as availability of the suppliers, economic conditions, policies market trend and technological development that each of them are known as the threats and could make some constraints for the managers in the market or these items could be as opportunities which help the hotel managers to get many advantages in the competitive market (Yukl, 2006). Based on monitoring, the managers get information for strategic planning and if some changes should be implemented in the regard of the hotel's objectives, they make some visions in order to achieve the organizational goals. Although the managers encounter with some constraints which make some problems such as budget and financial problem, limitation of making spaces for more activities in the hotel which could make more advantages, lack of cooperation, global labor shortage, turnover rates, lack of integration among different organizations, lack of interaction of the employees and so on (Yukl, 2006).

In spite of these issues, the manager should make an appropriate decision which helps to lead the company from the current situation to the ideal one, otherwise it cannot survive among many competitors in the competitive market; the competitors who put the customers as the priority and make attempts to achieve the customer's satisfaction by marketing and developing the facilities and services. Besides, they concentrate on the quality of the leadership and resources in the hotel. In this case, they use creativity and technology in order to have improvement. Also, development of the radical innovations is one of the main issues that they work on it. As it is clear, the managers of the hotel focus on the learning, making the new opinions and creating more capacity for the innovations. The next step for experienced managers is improvement of the strategic position and penetrating to the competitive market (Poon, 1996). It should be mentioned that all these issues encounter with many constraints in different cases.

There are some questions that should be investigated in this paper such as: What are the strengths and weaknesses of the hotel? How could the opportunities and threats influence on the company in the competitive market? Do the managers of different departments consider the changes as necessary fact which should be done at the hotel? How does the managerial system work during change processes? What are the main tasks of the managers in the regard of change management at the hotel? Have the managers ever done any changes at the hotel before? If yes, have they achieved the success in this regard? To which degree the changes have been done at the hotel? (For developing purposes or declining the negative impacts of crisis) / How can the organizational culture and organizational structure be explained at the hotel? And could these items make some constraints for the managers at the hotel? To which degree the high turnover becomes constraints for the managers? Do the managers protect the employees during change processes? What are the restraints of the managers in different departments at the hotel? Is there any communication problem between main office and the chain hotel? Does the main office support the managers? Is there any cooperation among the staffs of different departments at the hotel? Is there any integration among the chain hotels and other organizations and suppliers? What are the challenges of the company in the regard of current and new competitors in the market? What are the plans of the organization for the future changes? Could the operational problems be known as one of the challenges of the managers in offering the high quality services and facilities to the guests at the hotel?

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These questions are some reasons to discuss about the chosen topic and all dimensions of this case should be considered such as the factors which affect on the development process of hotels in Norway and also there are some barriers that make limitations for managers and leaders of the hotels in implementation of their activities and plans.

Chapter 3

3. Methodology

3.1. Research design

In the empirical work, the constraints of the managers during change processes at the hotels is the main objective of this research in order to consider different dimensions of this issue in the implementation. The paper contains qualitative methods of study and the crystal clear fact as it is, the qualitative study requires interviews in order to consider the research questions (Ritchie & Lewis, 2003). For instance, to which degree the high turnover becomes constraint in this important? So given this issue that the paper does not include quantitative study, hypothesis are not investigated.

According to the categories of design, this paper is formed based on the explorative design. Eugene and Lynn (2017) stated that the exploratory design could be related to the research problems when there are not any earlier studies about the discussion topic. They mentioned that the problems and the challenges could not be known before the research but after doing the research, the details will be recognized. Also Eugene and Lynn (2017) added that the flexibility could be seen in the explorative studies and it is possible to make a definite conclusion based on the data and ideas which are used in the research study.

The unit of analysis are some managers in different departments of the hotels such as general managers, food and beverage managers or housekeeping managers. Another issue to touch on is that according to the explorative design of the paper, it is not required to have random sample because the interview should be done with some managers at the hotels as conscious choice. The norms and standards could be seen in internal and external dimensions of the hotel and the managers have the most responsibilities in managing and coordinating these issues in the organization. Accordingly, they are more attentive about the obstacles and challenges than others. The direct interviews should be done individually by some relevant questions about the necessity of the change management in the organization and the constraints of the managers during change process at the hotel.

As it is mentioned, the constraints of the managers are considered as the main point in this case which is so effective in change management and subsequently, the causes and effects of this issue will be discussed in the structure of the organization.

According to the fieldwork, it is expected that the findings will be practical for the managers, the staff members who are working in hotel and tourism industries. It is desirable that it will contribute to the future managers to have some backgrounds about the challenges and limitations of the management. Apart from this, it could address the relevant companies and suppliers which cooperate with the hotels directly or indirectly because they could have effective roles at the hotel with different forms of cooperation. Furthermore, it could be mentioned that the findings and results of the paper should not be generalized to the other hotels in other countries because it focuses on the market situation in Stavanger and the landscape of the constraints are completely different; despite the fact that the situation in other regions and countries are different, there might be some similarities as well. Each hotel could have some special challenges based on the situation of the society and they usually have to make appropriate changes in order to control the situation in the best way while the hotels in other societies might suffer from different problems and limitations. Due to the drop in oil prices, many industries such as the hotel industry have experienced the negative consequences from it and they have become too fragile. However, the experiences of the managers in the interviews about their constraints during change implementation and their challenges at the hotel could be positive points of view for the other managers in some similar cases. These changes could happen in difficult situations or sometimes for development of the organization and having progress at the hotel in order to make it vastly superior to compete in the competitive market.

The relevant models and theories will be discussed in the paper which could be observed in the real world in order to prove the effects of the change management in the hotels of Norway. Following that, the constraints of the managers in different departments of the hotels are considered in different dimensions. The design of the paper is based on the models and theories of the management which could refer to some of them such as Kotter (1996), Porter (1985, 1987) and Poon (1996).

Analyzing the adequate data should be done in order to obtain the efficiency. It is observed that there are many international chain hotels in Norway, so it is necessary to make limitation

for the sample. Thanks to the cooperation of some managers, this study was done by the interviews in the field of change management and constraints of the leaders during change processes. Also it should be considered if the changes which have been done in the organization could be very efficient or they were just some opinions which resulted wasting the financial and human resources and sometimes not only are not the changes beneficial, but also these issues lead the organization to deterioration. Also, other relevant organizations such as travel agencies have main roles in promoting the hotels. Therefore, the data which are collected by the interviews will be analyzed and generally the results of qualitative part of study is supported by the mentioned models and theories. It is illustrated that change management is a necessity for each organization, particularly in the hotel industry and a closer look reveals that the managers encounter serious constraints and limitations during change processes.

Besides, it is essential to consider SWOT model in order to identify and investigate the strengths, weaknesses, opportunities and threats of the organization according to the different dimensions. This model helps to know more about the existent situation of the hotel. By analyzing this, some plans could be formed during restructuring the strategic decisions so as to boost the situation of the hotel in the competitive market.

3.2. Sample description

The interviews were done from 2nd April to 1st May. This time is considered as the beginning of high-season in Stavanger when the managers always endeavor to make the plans or implement their programs for summer in order to attract the guests to the hotel by highlighting the advantages of the hotel. The data was provided by 8 interviews with 10 different managers. These managers are in charge of different departments. The interviews have been done in order to collect data for the purpose of this study. As it is mentioned before, it was endeavored to concentrate on the constraints of the managers in the chain hotels. 4 chain hotels were chosen in Stavanger and generally the data was collected from 7 hotels which included 1 small size, 3 medium size and 2 big size hotels.

The interviewees were in charge to handle different departments of the hotels. Although some of the managers were foreigners, but they spoke Norwegian fluently. The managers included 3 reception managers, 1 Food and Beverage manager, 1 hotel manager and 5 general managers.

3.3. Design of the interview

According to Ritchie and Lewis (2003), the qualitative method is considered as the reasons and opinions for developing the ideas in the better way. The qualitative studies include the interviews and in qualitative data collection methods, different techniques could be used such as structured, semi-structured and unstructured interviews (Wyse, 2011). Based on Ritchie and Lewis (2003) and Gillham (2000), the interview is the verbal exchange which is managed by interviewer and it is an efficient tool for different issues. The interview is one of the option in measurement part of studies which could be formed in different ways. The interviews are sometimes done as individual, group, direct (the issues about the interviewee) or indirect (the issues about others). In this explorative study, it is focused on the individual and direct interviews because the interviewees are the managers of the hotels and the questions were directly related to their activities. However, two of the interviews were conducted with two managers (as group interviews). Furthermore, the interview might be provided in different forms such as structured, semi-structured and unstructured. The research questions are designed based on semi-structured form which should investigate intended issues during the interviews. Semi-structured interview is placed between unstructured and structured ones. Cohen et al. (2007) concentrated on the variety of interview models in methodology literature. They stated that this kind interview makes the situation easy for the interviewees in order to respond the questions. Also, Zorn (2010) believed that semi-structured interview usually use in the qualitative research. The questions are open- ended and it is a balance between the flexibility of an open interview and the structured one. Besides, Doyle (2017) stated that this kind of interview makes two-way communication between the interviewer and the interviewee. It is not necessary to follow a formalized list of questions. The unstructured design focuses on the observation and seek for answers through the less formal conversation. The research questions are not well formed by the interviewer. However, it could be observed that the structured design has some limitations as well. Illustrate to the research questions

which do not allow the interviewee to explain more about the discussion topic. Hence, the semi-structured design is considered for this paper in order that the managers should be able to add more opinions and ideas to the discussion. Fairclough (1995) believed that in terms of conversational analysis, the flexibility of the interview could be described as a positive point. Although some researchers believe that this type of interview might move the interview away from data collection and objective of the interview but the point is that the interviewer can lead the conversation in to the best direction in order to achieve more information.

In this study, at first it is endeavored to make research questions according to the topic of the master thesis. Following that, the emails were sent to some chosen managers of different departments at the hotels in order to get the appointment for the interviews. Some of the managers asked to have the discussion topic before the interview day. Therefore, the interview guide was sent to them. It is so helpful for them to attend with some backgrounds and information about the topic of discussion. The interviews were done anonymously and in this regard, the managers were informed about this issue at the beginning of each interview. According to this, the names of the managers and hotels' names are not identified in this paper in order to keep them confidential. So, the hotels are categorized based on the size in the text. The interviews were done as easy talk with the managers in the lobby or restaurant of the hotels. At the beginning, they introduced themselves and their position at the hotel. All the interviews were recorded; so it was helpful in order to have the eye contact with the managers during the interviews and make the comfortable situation and attract the managers' attention. The minimum time for the interviews was 16 minutes and the longest interview lasted approximately for 1 hour and 2 minutes. Also based on semi-structured design of the interview, the managers were able to expand the discussion.

Chapter 4

4. Analysis

Chain hotels of Stavanger were the main focus of this study for consideration. The chosen people for interviews were the managers of different departments in different hotels who could help to collect some data about change management and existent constraints during change processes. These managers included hotel managers, general managers, reception and floor managers and food and beverage managers. They were asked about the necessity of the change management in the hotel and its causes, some changes which were done before, cooperation among the departments of the hotel, the integration among the hotel and the suppliers, the existent challenges in the regard of competition with the competitors in the market, communication problems with the main office, the constraints of the managers during change processes and the challenges with the resistors of the changes at the hotel.

According to Davis, Lockwood and Stone (1998), SWOT is a form of analyzing the organization. It is usually used for the planning processes. This model involves the both internal and external aspects of the operation. SWOT model as one of the management tools considers all the existent aspects of the hotel in different levels. Hence, the managers were asked about the strengths, weaknesses, opportunities and threats of the hotel which could help the managers to clarify the purpose of the changes in the organization and know the situation from all the aspects.

As it is mentioned before, the main focus of this paper is the change management and the existent constraints of the managers during change processes. Then, it should be concentrated on the managers, their functions and challenges. The crystal clear fact as it is, the managers are responsible to handle different tasks at the same time. From one hand, monitoring the situation and the staffs at their own departments and from other hand, they must be responsive to the expectations and desires of the main office and make the best decisions for the improvement of the organization and if the expectations of the main office are non-realizable, the managers must find the best solutions in order to convince them. Apart from this, they sometimes have problems with the guests as well which could be added to their challenges.

Also, another fact is that the hotel must compete with other strong competitors in the high competitive market and this issue makes a challenging situation for the company. Hence, as Henry and Mayle (2004) suggested, it is a reasonable opinion to consider the organizational development by the high efficiency in their functions.

Based on the interviews, the challenges are sometimes clear for the managers and they know the source of the problems, while other issues could sometimes make the barriers for them. According to Henry and Mayle's (2004) explanations, one of the main point which could be so effective on the change management is creativity. Creative ideas in change processes make differentiation among the organizations. Although the creative opinions and new change processes could be very helpful for the company but it should be known that the managers confront with time pressure, speed and stress on fulfilling their goal and implementation of their plans.

4.1. Theoretical framework

Before the interviews, the first version of the research model was made based on the mentioned theories such as Kotter's 8-step model (1996), Porter's 5 forces model (1985) and some previous studies, but after the interviews some new items were added to the model which are illustrated as blue items as the new version of it.

The constraints of the managers in different departments are demonstrated based on a categorization of internal and external restraints in order to understand the clear perspective of this matter. According to the model, it is endeavored to explain each item based on the interviews with the managers.

Following that, the strengths, weaknesses, opportunities and threats (SWOT) of the hotels will be listed in order to refer the overall positive and negative points of the hotels in the current situation.

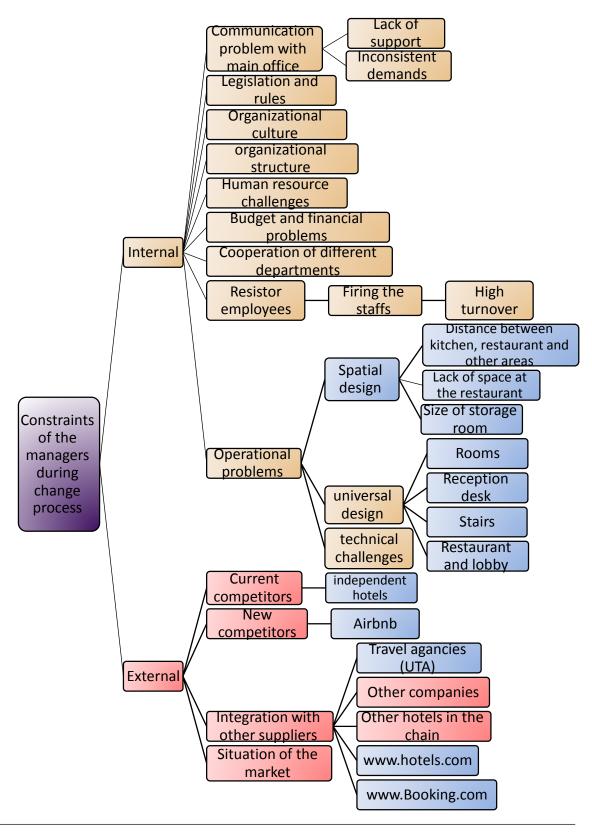


Figure 3. New version of the theoretical framework (Blue items as the new items which are added after the interviews) (Own, 2017)

4.2. Findings

4.2.1. Internal

4.2.1.1. Communication problems with the main office

Based on the interviews, there is good collaboration between most of the chain hotels in Stavanger and their main offices which are located in Oslo and are handled by the head managers for each chain hotel. They have regular meetings and the managers could be able to contact the main offices whenever they need their help. Most of the time, the main offices support the chain hotels if the managers want to have some changes at the hotel. In fact, the implementation of the major changes is not possible unless the head managers from main office become the active supporters of the managers at the hotel. But it really depends on the market situation; especially, when the hotels are in large size and new, the costs will increase so much. In addition, the managers are not the owners of the hotels, so they must pay the rent of the building as well and it makes difficult situation for them when the market is low and they have a lot of pressure from the main office in order to deliver the right percentage of the costs. In other words, it could be expressed that the pressure from the main office depends on the situations of the market and what the managers earn as the income. For instance, when the oil price dropped dramatically, the pressure from main offices became double in order to handle the situation of market and the managers could not spend too much money for making some changes at the hotels. The main office always has high expectation of general managers and the managers should know the market very good and do not miss any point in this case.

Most of hotel managers believed that if they want to make some major changes at the hotel, the main office asks them about the reasons, expectations and objectives of the plans. One of the most important issues could be the experiences of the managers. If they have more experiences, the head managers of the main office trust them easily. They allow the managers to make some changes in the organization based on the objectives of the main office and accordingly, the main office support them because the managers know all aspects of the hotel better than the leaders in the main offices. Also, the head managers who work in the main office, try to help and educate the new hotel managers in order to receive appropriate results.

4.2.1.2. Legislation and rules

All the hotels in the chain are managed by the main office and the head managers of the main office expect to have same experience in each hotel. According to this, they create the rules and guidelines in order to make integration among the hotels in the chain. The managers and staff members have to follow the guidelines which come from the main office. It is usually hard to follow the guidelines and rules. For instance, the Food & Beverage manager expressed that: "they must use the certain ecological products and sustainable food which is an obligatory issue." Moreover, the guidelines become strict when the situation of the market is challenging and the managers have to modify their strategies especially about the financial issues.

4.2.1.3. Organizational culture

There are many staff members who have different cultures, nationalities, backgrounds and religions. The differences among the employees are completely clear based on their culture. The opinions about the issues such as making decisions and implementation of the plans are different. For instance, in some of the countries the general manager is the only person who has right to make decision; hence, based on this thought, the foreign employees in Norway hesitate to ask any questions or express their ideas. But the managers try to extend the Norwegian culture at the hotels. In this regard, they organize some Norwegian language courses for the employees at the hotel. Also, many chain hotels are considered by culture officers from main office who focus on the culture issues of the employees and the guests in order to know how to make everything better with different culture at the hotel.

4.2.1.4. Organizational structure

The organizational structure of all the hotels is considered as flat one. The flat structure is defined as the organization which has no levels or few levels between the staffs and the management group (Slevin & Covin, 1988). The management groups try to hire the right person for the right position at the hotel and they want the employees know about the whole processes of running the hotel. According to the interviews, it was found out that the structure of some of the hotels has changed since 2015. Some of the managers are selected to become the general managers of more than one hotel and they are in charge to handle some hotels at

the same time. From one hand, their responsibilities have increased and from other hand, the staff members are not too many to respond all the demands and the work pressure has become more. They need to hire more operational managers for the management group in order to divide the tasks.

4.2.1.5. Human resource challenges

The officers from the main office hold different meetings with the employees to know their ideas and satisfaction about the management group at the hotel. They get the results from the employees and the feedback will be sent to everyone. The main problem which could be related to the employees is cutting the number of the staff members especially during the difficult situations in the market. It could be mentioned that they behave as the resistors to some changes such as reducing the number of employees due to the situation of the market; illustrate to the situation of Stavanger during declining the oil price. From other hand, cutting the number of the staffs could make some difficulties for the managers as well because they have to divide more responsibilities among few employees and their work pressure definitely will increase.

4.2.1.6. Budget and financial problems

There is no secret that many hotels in Stavanger have had many challenges with the budget and income due to the situation of the market and oil issues. They have had quite limited budget to implement extra plans. Hence, they had to find the best solution which involved the low cost for the hotel. It could point out to some of the managers who mentioned that: "they usually fix the chairs and tables and also they paint the lobbies and other areas in order to save the money and budget." Generally, if the managers decide to implement some plans, they have to use their budget at the hotel. So, they must use their money based on their organized plans and the priorities at the hotel. As next step, they should record the used money and budget. In addition, if the implementation of an idea needs huge amount of money, the managers should ask the main office for permission. Therefore, the hotel managers apply for the fund by their registration numbers and they should prove their opinions about making some changes at the hotel. There is hard competition to get the fund but the old hotels usually need more funds for renovation or other issues.

The managers should always think about the results and get enough information about the market in order to control the situation in the right way. Although some negative results could be obtained from difficult times such as dramatic drop in oil prices, but generally the main offices consider the whole functions of the managers during the years. As an example, it could refer to some years ago before decreasing the oil prices when the hotels in Stavanger earned higher incomes but after that, many hotels lost too much money and they did not good results by comparison the income with their costs. Therefore, the policies and strategies which are used by the managers could be so effective on the process of the changes in the organization. For instance, if the managers try to keep the costs down and save a lot of money, it helps them to make the main office so satisfied and develop the company.

Apart from this, it should be expressed that if the company has just some hotels in one city, the main office encounters with many challenges especially when some crises or unexpected issues happen which result in the changes of the market situations in the region. Hence, being a part of a big chain helps the hotel to get some advantages and support from the main office during difficult times. It involves, nevertheless, some restraints for the hotel managers.

4.2.1.7. Cooperation of different departments and challenges of the employees

The general managers support all the staffs in different ways. The managers of each departments organize some training courses for new employees in order to educate them for some job positions. Also, the managers should make sure if the departments have cooperation with each other. In small size hotels, cooperation is observed clearly and the employees know each other better because there are not many staffs at the hotel and most of the time they have to work in other positions and also they have daily communication with each other. While in large size hotels, there are many employees who work in different departments at big size hotels and the general managers need more operational managers in order to handle each department.

There are less employees who work at the hotels rather than some years ago. The staff members have to work and communicate together in different ways. For instance, if there are many guests at the hotel for lunch or dinner or if there is any conference, most of the staffs from office, housekeeping and other departments join the food and beverage team for serving as cleaning. They try to learn new responsibilities in order to help each other in rush hours.

Generally, if one of the staff is not available, other people take the responsibilities. The language barrier could be considered as a challenge for the international staff members. If the receptionists are not available, the international staffs could not work at this positions because they need to speak Norwegian and it could be a bit challenging. Some of the managers have organized some Norwegian courses at the hotel for international employees in order to improve the language skills. The managers ask the opinions of the employees who work at the hotel for short time because they observe the situation differently. Also, if the general managers decide to make some changes at the hotels, they should convince the employees and the management team. The manager is responsive to the questions of the employees. Although the managers have more experiences than other employees, but they sometimes try to learn new issues from the staffs because it is clear that everybody has some strengths and weaknesses and they should learn the positive points from each other.

The manger of each department is in charge to check the staffs' duties by asking them some simple questions about the current situation and their daily tasks and also they should check the computers and systems to get the clear image of their tasks. Every Monday, the managers have meeting and they consider the guests' reviews, cooperation among departments and the satisfaction of the guests and employees.

There is the evaluation system for each department that the emails of service evaluation are sent to the email address of the guests after checking out. The concepts are developed each week by department leaders and they try to explain the new concepts to the employees.

Some changes should be essential for developing the hotel as well in order to compete with the competitors in the market.

When the management team makes appropriate decision for the future of the employees, it helps them to be motivated. It is not easy to select the best decisions based on different situations but it is manageable to still have the satisfaction of the employees. The managers organize some different events or informal parties for the employees in order that they know their colleagues. Also, they could visit other colleagues from other hotels in the same chain in some events.

4.2.1.8. Resistor employees

The employees usually accept the changes because they cannot work in the boring situation otherwise they repeat the similar functions. They are informed about the visions of the hotel. So it is very easy to work with the staffs who know about the objectives of the hotel and their duties. But the changes could be so different according to the situation market. If some changes are implemented in the organization, at the beginning the employees are satisfied but they confess their real feelings about the changes in the informal places. As it is mentioned, the situation of the market is so effective on making decisions by the managers and main office and it could be expressed that the behavior of the employees depends on types of decisions as well. The managers sometimes have to reduce the number of staff members in order to survive the company from the situation of market. When the oil prices declined dramatically some years ago, a lot of difficulties were made in the market and many people lost their jobs in different industries. It happened for hotel industry as well. It was challenging situation to fire the employees without any reason but the managers had to reduce the number of the staffs in order to cut down the costs at the hotel. According to this, the employees behaved as the resistors to the changes because anyone did not want to lose the job. They understood the situation but it was very difficult to find the new job and they wanted to keep their jobs even if they have to work less than before and share their shifts with other colleagues. As one of the general manager stated: "most of the employees especially from housekeeping department, were afraid of losing their jobs. So one of them had to leave the job but other staffs preferred to share their shifts among each other in order to help the other one to have the job position at the hotel." Therefore, it could be mentioned that the managers cannot support the employees even if they tend to do it because the managers and the staffs must accept the truth about the situation of the market.

The target of the management group is providing the best facilities and services not only for the guests but also for the employees as well in order to make them satisfied about their jobs. If the employees have some problems in the regard of changes or other issues, they could discuss with the management group in order to solve the problem as soon as possible. It is very important to be honest with the employees and explain the situation of the market, structure of the organization and future plans for them. It helps the managers to inform the employees about the work pressure and the reasons of doing some tasks. They make transparent organization for the employees to convince them about some changes.

Apart from this, the employees are sometimes satisfied with some changes at the hotel. For instance, when the new general manger start to work at the hotel, the employees help the manager to know the internal situation of the hotel in better way and develop the company as soon as possible.

4.2.1.8.1. Turnover

According to the interviews with managers in different hotels, it could be mentioned that turnover really depends on the situation of the market. The turnover in large-size hotels is usually high because more employees work there and they want to quit the job after a while. Some of the staffs prefer to find the better positions or some of them are students and they want to leave the city after graduation. But during hard times, people prefer to keep their job positions because it is too difficult to find new job and the turnover becomes low. However, when the oil price dropped dramatically, many staff members lost their jobs and they had to find new jobs. But nowadays, the turnover is low because of the market situation and the employees prefer to keep their jobs and learn more about new positions in order to work independently.

4.2.1.9. Operational problems

The operational problems is defined as technical problems and challenges with spatial and universal design which are considered at the hotel. First of all, it is necessary to define the universal and spatial designs. As Mace et al. (2009) mentioned, the universal design refers to providing the environments, products and services which are useful for the majority of people, regardless of gender, disability and health, ethnicity, size, age and other items.

Universal design at the hotels refers to creating daily environment, products and services for everyone. In other words, the services and facilities become accessible for each person. Also, spatial design is expressed as the architecture and the interior design of the building.

Riewoldt (2002) believed that spatial design at the hotels is explained as the accessibility of the staff members to all the areas or departments of the hotel in order to collaborate and help each other in offering the services and facilities to the guests as soon as possible. If the hotel is well designed and it has the appropriate options and standards, the strength and quality of the hotel will increase (Riewoldt, 2002).

Generally, it should be mentioned that the hotels are designed by architects. So the managers do not have any role in building the hotels but when they start working at the hotel, they encounter with many problems in this regard. For instance, the Food and Beverage managers and all the employees who work at the restaurant and the kitchen, they could have some problems with the space and design of the kitchens and the restaurants. It could be observed that in large size hotels, it is too difficult to serve the food and beverages during lunch and breakfast due to the lack of space. So, it is good idea if the architects get some advices about the design of these areas from the general managers, professional head chefs and Food & Beverage managers because these people should work there and make the decision how to manage the personnel and other issues. After the construction, everything looks fantastic but when the staff members start working there, they face with many challenges in the regard of spatial design; therefore, they have to make new adjustments or they should adapt themselves with the situation even many problems could be seen.

During the interviews, it was found out that some of the hotels are very old and as it is clear, the challenges become bigger when the hotels are too old and they need to be renovated. For these hotels, renovation is an important issue which should be done based on the new legislation and rules of constructing the hotel building. It could be seen that the old hotels have been built some years ago according to the old rules and regulations of construction that there was no attention to some main points, in particular the stairs of entrance hall and the stairs in the restaurant area in old hotels and also some reception desks are so high which could make some difficulties for handicapped guests and they cannot get benefit from some facilities and services of the hotel while even there is no elevator to access to the areas such as lobby, restaurant, entrance hall and rooms or in some hotels. Although these people could be helped by the staff members, but generally these issues show the weaknesses of the old hotels. However, the guests are informed about these issues before booking the rooms by the information which exist in the websites of the hotels or the receptionists inform them. Also, one of the general managers stated: " if the handicapped guests booked a room without reading the information of the hotel in website, the general manager try to book a room for them in another hotel". In new hotels, it is observed that every item has been constructed based on the new rules and standards such as special rooms and well-designed entrance hall for handicaps.

Apart from this, there are always some challenges when the hotels are constructed or renovated especially if they are in the large sizes, it is always possible to find some technical problems. Thus, there are some technical companies that they have service agreements with the hotels in order to fix some errors such as the problems with heating system, air conditioner, isolation and other issues as soon as possible.

Other challenge could be the distance between kitchen and restaurant or conference room which is observed in some of considered hotels. This issue could be challenging for the staff members during serving food and beverages especially when the conference room or restaurant is in another floor while the kitchen is located on the first floor. The general manager of one of the hotels explained that: " if there is any conference at the hotel in the evening, they have to inform all the staff members who work in the floor which conference room is located on. They have to supervise everything because everything is on the first floor and due to the long distance, other employees could not help in order to provide the services during the event."

4.2.2. External

4.2.2.1. Current competitors

Each hotel could be known as a competitor for another hotel. Competition among the hotels really depends on some items such as location, size of the hotel, special activities which are performed at the hotel and other items. The new large size hotels could be strong competitors for other hotels which are located in the same area. The new hotels are constructed or renovated in higher quality based on the new standards. Moreover, some hotels could be well known based on some activities which are done at the hotel such as sport activities. Also, the hotels which are so close to the airport or city center, have more advantages than other hotels and accordingly they sell the rooms in higher prices. However, the hotels concentrate on the satisfaction of the guests by providing the high quality services and facilities in order to have their own loyal customers and their positive feedback.

In addition, there is competitive market among the chain hotels and independent ones.

Although the chain hotels are supported by main offices, but they have too many guidelines

which make restrictions for their activities. But the managers of the independent hotels could decide themselves about the situation of the market and select the solutions.

When some changes happen in the market, the difference among the hotels will be completely clear. According to this, the decisions of the most powerful hotels could be so effective on the situation of the market in the region and following that, other hotels should follow them. At the present time, one of the biggest hotels in Stavanger is undergoing renovation and definitively when it will open again, the market will get the right push in the right direction.

Generally, it could be mentioned that not only the hotels compete with each other, but also they collaborate together in many ways. The competitors are invited to visit the system of marketing, events and services of the hotels. The collaboration and competition are done with the hotels in the same chain and other chains as well. If a special event such as oil exhibition or congress is held, all of the hotels which are located around the event area will get some benefits from it. They share the responsibilities in order to manage the event especially in providing the services such as rooms, food and beverages for the guests.

4.2.2.2. New competitors

Before reducing the oil prices in the market, there were not too many hotels in Stavanger. Some of the chains tried to open new hotels in the region while the market was not really appropriate for development. At this moment, many new hotels could be seen in the region which will obtain some positive benefits from the situation of the market in the future.

Also, it could refer to Airbnb as one of the new competitors of hotels. Airbnb is an accommodation booking system which offers different types of accommodations while the people could find all the details about the accommodation in the website (Gottentag, 2013). Although different accommodations in low price could be found in Airbnb website, but it is mainly attractive for the travelers in the leisure level. It could be considered that most of the business guests usually choose the hotels as their accommodation in the destination. Generally, the hotels have to provide the high quality services and facilities in order to attract the customers to the hotel.

4.2.2.3. Integration with other suppliers

The hotel managers know that they need some suppliers in order to have more guests at the hotel. There are some agreements among hotels and suppliers. Some companies as suppliers could provide good marketing for the hotels. The hotels would not work without cooperating with them. These suppliers could be some travel agencies and other companies which organize some events or conferences in the region. For instance, it could refer to one of the largest conferences which was held in DNB Arena (one of the company in Stavanger) and the guests of the conference were accommodated in some hotels which had agreements with the mentioned company. Apart from this, there are some other companies which provide the services and facilities of the hotels such as central ordering system. For instance one of the managers expressed that: " Each hotel has its own system to work with suppliers. (By choice) is one of them. It is a platform that the company works with it very well. There is good frequency when it comes to delivery days and the selection of the products they have is pretty good and it covers all the demands and what the guests need."

Travel agencies have had the main role in attracting the tourists to the hotels in last couple of years. They attracted many tourists especially from Asian countries to Norway, while it has never happened before. It could be mentioned that the market has changed thanks to the help of some suppliers by their marketing in different countries.

There are some websites which work in the marketing part of the hotels in order to sell the rooms of the hotels such as www.hotels.com, www.hotels.

hotels lose their chances to have advantages. These websites are useful when the people do not have any idea about the destination where they are travelling to.

However, most of the general managers prefer to collaborate with Union of Travel Agencies (UTA) as third channel. UTA is travel destination companies that most of the hotel managers pay the membership fees and they become one part of the organization. The hotel managers participate in some their meetings in Norway and abroad and if one important conference is organized in Stavanger, all the hotels get the positive advantages of that. But this system has its own limitations as well. Some information is sometimes missing in this website. For instance, it does not show the rooms with extra beds or other information.

4.2.2.4. Situation of the market

The main reason for making some changes was the situation in the region. Stavanger is so dependent on oil industry and when a big drop happened in the incomes of the oil companies in 2015, it reflected negatively on the hotel industry as well. Before that, most of the rooms were fully booked in the city but it suddenly changed. The number of empty rooms increased sharply and the rooms could be often booked by the guests. The negative point was that the hotel managers could not predict the future. They did not know how much the changes could be effective on the market. Based on that, they had to do some changes as soon as possible. They had to cut the costs and change the price model; following that, many employees were fired without any reason. If the managers wanted some employees, they made the contracts with them as extra help otherwise, they had to give them some regular shifts. The hotel managers were informed that Statoil (Norwegian Oil Company) were gone downsize in their investments. Hence, it was necessary to find the best solution for the challenges. The managers have done a lot of corrections, adaptations based on their strengths and the situation of the market in order to control the situation pretty well.

The managers needed some practical plans and marketing. They did not expect to have full budget at the beginning. Moreover, they became so careful in hiring the new staffs and most of them had to reduce the number of staff members and cut the prices at the hotel. Also, some of the managers supported the employees and they found other jobs for them in other industries. The hotel managers took the responsibilities as far as they could. It could be

mentioned that other industries experienced the same situation and everyday it could be informed by local news and other sources that many people lost their jobs.

Crystal clear fact as it is, when the market goes downward, the industries look for any stabilization and when they get it, they start to hire the employees again. In Stavanger, the market will slowly rise and it shows that although the situation is better than last couple of years but the managers still need more stabilization in the market because the unstable market could change the service agreements as well. For instance, other companies hesitate to spend too much money to buy the hotel services for their conferences, events and meetings and it brings some negative results for the hotel industry. Besides, the managers of the hotel industry get different news about the situation of the market and its future in different conferences. But most of them believed that the situation will improve but what they have experienced in last couple of years, they have never seen before in that extent.

Apart from this, the new situation after some changes was challenging for the employees at the hotel as well. They had to work with the new systems in different departments. Also, they had to learn new positions in order to work in other departments as well. Because the number of the employees had reduced and they needed to handle all the responsibilities at the same time. Although it was helpful for them to learn new jobs and use more creativities in their works but they had to spend more time to manage all their responsibilities. In addition, some of the general managers ran some hotels in the chain at the same time. They needed to concentrate on their responsibilities; therefore, they preferred to focus on one hotel instead of two or three hotels.

At the present time, more rooms are booked by the guests and it could be described the improvement of the market; but some of the managers have challenges with the occupancy rate at the hotel and ordering the food because they cannot predict the number of the guests in advance. The managers have changed their systems and they calculate the no-show bills. If the guests forget to cancel the booked rooms in advance, they have to pay the no-show bills, while the systems of the hotels were different before. Although the systems have been developed, but most of the managers have still some challenges with the behavior of the guests.

4.2.3. SWOT analysis

Based on SWOT model, some of the strengths, weaknesses, opportunities and threats of the chain hotels in Stavanger were considered which are illustrated in the list of below:

4.2.3.1. Strengths

- 1. Cooperation among the staffs in different departments
- 2. New constructed or renovated building
- 3. Providing the high quality services and facilities for the guests
- 4. (Chain of Passion) the staff members do the best in order that the guests have nice experience and memories from the hotel.
- 5. Nice atmosphere inside and outside of the hotels
- 6. The number of large-size rooms
- 7. Supportive managers
- 8. The employees who are high qualified, motivated and flexible
- 9. More facilities at the hotels such as big balconies and terrace on the roof.

4.2.3.2. Weaknesses

- 1. Old and lack of standard
- 2. Lack of cooperation among the staffs
- 3. Resistor employees or managers
- 4. Few staff members at the hotels
- 5. Young management team who do not have enough experiences to get the international demands.
- 6. Lack of clear plans for the future of the organization

4.2.3.3. Opportunities

- 1. Location of the hotel (Near airport or city center)
- 2. Holding some events and conferences

4.2.3.4. Threats

- 1. The large-size hotels in the same area as the strong competitors
- 2. Location of the hotel (in middle of way or far from airport and city center, although there is good transportation system in the city, but most of the guests especially the business guests prefer to stay in the hotels near the airport or city center.)
- 3. Lack of integration among the hotels in the same chain or other chains
- 4. Some websites as competitors such as Airbnb
- 5. Deadline of the rental agreement of the buildings

Chapter 5

5.1. Discussion

This study meant to find out the constraints of the managers in the chain hotels of Stavanger and their challenges during change processes within an exploratory design. The procedure of collecting data was carried out by the interviews with 10 managers who have worked in different departments of the chain hotels.

When conditions of the company have been stable for longtime, the smallest change could be known as the threat for the organization (Cawsey et al., 2012). According to this, the company needs appropriate plans in order to prevent from any negative feedbacks and results. Lack of attention to the hotel's needs will have negative consequences on the future of the organization. These needs involve internal and external systems of the hotel.

Cawsey et al. (2012) believed that before the changes, the managers are worried about the future of the company and the impacts of the changes on the hotel. During implementation of the changes, they encounter with many risky situations. If the company has had weak functions, the new situation brings too many threats for it. Hence, hotel managers try to reject all the risky suggestions which could be known as the threat for the company. Following that, after the changes, one of the most important issue which should be done by the managers is analyzing their functions and some feedbacks from the changes.

According to Kotter (1996), the companies sometimes need some changes in order to have the better results in the market. Based on the interviews which have been done, it is endeavored to make the connections with the steps of Kotter's model and the results of the interviews:

The SWOT model was considered for the hotels of Stavanger in order to identify the overall results. The hotels of this region are different by the location, size and other items but the situation of the market is same for everyone and they need to compete in a competitive market. Accordingly, the strengths, weaknesses, opportunities and the threats of most of the hotels could be similar to each other as well or at least, the opportunities of each hotel could

be known as the threats of other competitor hotels. The hotels are managed based on their strengths and each weakness is defined as the negative point of the organization.

Kotter's model (1996) is considered in different levels. The coalition step of the model could refer to the managers who are supported by the main offices and from other hand, they have to support the employees as well and make coalition among the staff members. It is very important to know that the cooperation among all the staffs is essential for implementing the changes. Also, it should be considered that how the main offices have the main roles in changes at the hotel. According to the interviews, it could be observed that when the situation of the market is changed, many guidelines are sent to hotels from main offices in order to make some changes. The legislations are in the direction of improving the hotels; however, these rules are sometimes challenging for the staffs and managers. Moreover, appropriate cooperation among the staffs of different departments and the managers brings the success for the company as well. But they sometimes have problems with the main offices in the regard of the supporting and the legislation and guidelines which come from the main office in order to control the situation.

Apart from this, it could be mentioned that the vision level is a guidance for the organization in order to achieve the objectives. As Kotter (1996) stated, it clarifies the direction in which company needs to move and also, it should not be repetitive or unreasonable for the organization; otherwise, the cooperation among the staff members could be destroyed and the employees just concentrate on their individual aims in the company. According to the interviews, some of the managers did not have any opinions about the future of the hotels. For instance, some of them wanted to leave their job or other hotel managers have had some challenges with the owner of the building about the rental agreements or renovation; based on that, they could not make suitable and stable decisions for the future of the company.

As it is mentioned in the last chapter, the managers must explain the situation of the market to the employees at the hotel. Although, some of the staffs resist changing the organizational system, but the managers have main role to convince the staff members and solve the challenges. It is clear that use of a strategy as downsizing the number of the staff members is challenging. In this case, they have to support their employees as much as they can and they must convince them by explaining the situation of the market. In addition, not only they treat

fairly with them but also they follow the changes and provide the new growth possibilities for the organization.

Most of the time, the young managers have problems in solving the problems due to the lack of experience. They need to focus more on the business issues and make the vision-creation team in order to develop the company. In addition, the managers educate the employees the new system. According to this the staff members could solve their business challenges in the regard of changes.

The managers should monitor the implementation processes all the time. By monitoring, they could avoid most of unexpected issues during the implementation of the changes at the hotels.

The managers try to solve the challenges as much as possible. If they need to make some new changes at the hotel, they need to convince the main office by some appropriate reasons. Although the pressure from the competitors is too much, but it is useful in change process when it is clear for everyone that the major changes take long time. Repetitive and old fashioned visions do not make any progress for the company and due to this, the managers will not win in the competitive market. Hence, it is necessary to change the organizational structure based of the situation.

One of the strengths of each manager is understanding the relation between individuals and organizational levels. As Quinn et al. (2012) mentioned, the managers and change leaders have to examine the processes and concentrate on external and internal items which could make some challenges especially in difficult times.

Waterman (1980) stated that change to one of the components could have impacts on the other items such as structure, systems, skills, employees, strategies. According to this, it is necessary to have clear ideas about the changes in the organization. For instance, the managers try to change the system of the hotel and some of the employees reject the changes, following that, it is observed that many challenges will be created for the managers and change leaders in the organization and they cannot control the situation.

Managers in the hotel industry must consider the external environment of the organization in order to achieve more information about the competitors, opportunities and existent threats in the market. Although it is not surprise that they have to pay too much attention to the internal

items in the company as well; especially when the development of the organization depends on their decision and choosing the particular initiative (Cawsey et al., 2012).

Future Plans of the hotels

The objectives and plans of the managers could be different with each other. According to the interviews, some results are achieved which are explained below:

- Most of the managers believed that more events and conferences should be held at the hotels. Also, they mentioned that the hotels should be more practical. For example some people could spend their time at the hotel on weekends to have some food and beverages.
- Increasing the prices and working in the stable market is one of the main objectives of the hotel managers in Stavanger. Based on that, they could earn their lost benefits which they had before the decreasing of the oil price.
- The managers use different strategies and plans in order to attract the guests.
- The old hotels should be renovated according to the new standards and guidelines.
- The managers try to teach the new systems to the employees. It helps the staff members to be independent at their job positions and they can concentrate on the demands of the guests instead of system.
- Rental agreements for some of the hotel managers could be challenging because their contracts with the owners of the buildings have limitation and based on that, they cannot decide about the future of the hotel.
- Some of the managers prefer to continue their strategies and plans which are used at the present time.
- Some of the managers prefer to change their job positions and get the higher positions.

- Most of the managers believed that more investments should be done in the hotel industry by main offices or other organizations in order to improve the situation of the market in Stavanger.
- They prefer to have more conference rooms and more areas for serving food and beverages during breakfast, lunch, dinner or some events.
- Some of the managers try to change the serving concepts. For instance, in one of the hotels they usually had evening buffet in the restaurant but they changes it to the flexible menu that guests could select their food from the menu.
- The manager tries to select some right persons for right positions at the hotel and also she mainly concentrates on the strengths of the employees rather than their weaknesses.
- Some of the managers have some contests in their chain in order to choose the best employees and managers by getting feedbacks from the guests and other employees, selling more rooms and other items.
- The managers want to hire more employees if the situation of the market will be better. They have to make sure that everything is positive for hiring more staff members and bringing more jobs into the region. Also, it is emphasized that the industries in Stavanger should not be so dependent to the oil industry and the investors must concentrate on the other industries as well in order to avoid more negative impacts in the region.
- It is endeavored to reduce wasting food as much as possible in F&B departments. There is a new project as Urban Garden which includes the vegetarian dishes with some protein. It helps hotels to have better functions.

Totally, it is very good to have objectives, short-term wins and new plans for the organization. It helps the managers to have the guidance and divide the main tasks into the smaller ones; although there are always some barriers in the way of working.

One of the main point is that the hotel managers should select the right persons for the right positions. As Sims and Quatro (2005) believed, all the applicants are not proper fit in the company. Additionally, the managers do the efforts in the regard of training the staffs and development of the organization. However, they should be more flexible about the barriers in the market. The training must focus on the organizational changes. Based on the ideas of

Sims and Quatro (2005), it may cost too much and also it involves many processes such as firing the staff members, recruiting the new ones, replacement and turnover.

According to the results of the interviews, it is found out that in most of the chain hotels in Stavanger the number of the staff members were cut down when the oil prices dropped dramatically. When sudden changes happen in the situation of the market, the employees know what they are facing (Cawsey et al., 2012). The reaction of them depends on the types of the changes. If they get some benefits from these changes, they accept to follow the new rules but if the outcomes are viewed as the negative results for the staff members and the company, they stop supporting the changes and they make many challenges for the managers at the hotels. As Cawsey et al. (2012) stated, the employees might have serious doubts about the influences of the changes in the organization.

Given this, it should be mentioned that the managers should encourage the employees to accept the changes. The staff members react on the processes of the changes in a positive or negative way. If the managers and change leaders receive some positive feedbacks from the employees, they will have opportunities to develop the organization. They must explain the new situation in the regard of the change processes to the staff members (Cawsey et al., 2012). Illustrate to the managers of the chain hotels in Stavanger who tried to convince their employees about the necessity of the changes and the situation of the market during dropping the oil prices in Norway.

Apart from this, in today's world, it is very fashionable for the hotels to have flat organizational structure (Cawsey et al., 2012). As it is mentioned in the analysis part, all of the considered hotels in Stavanger have had flat structure. In chain hotels, it is observed that the top level of the management is middle managers. The middle managers try to follow the guidelines which come from the main offices and basically, all of the staff members have to work based on these rules and legislation.

Chapter 6

Conclusion

All of the managers have absolutely different limitations and challenges during change processes in hotel industry. In this paper, it was endeavored to illustrate these restraints as much as possible, especially for chain hotels in Stavanger. The theory of Kotter's 8-step (1996) helped to find out the process of implementation of changes and some issues which the managers encounter with during change processes. In addition, the theory of Porter's 5 forces (1985) has pointed out to the role of competition and the effects of new and current competitors in the competitive market. One of the most important issues which should be mentioned is that there are some items which have been added after the interviews to the theoretical framework. These items could be known as the results of the interviews with the managers. After interviews, the blue items in second version of theoretical framework (Figure 3) were recognized as another constraints of the managers. The figure below is the first version of theoretical framework before the interviews:

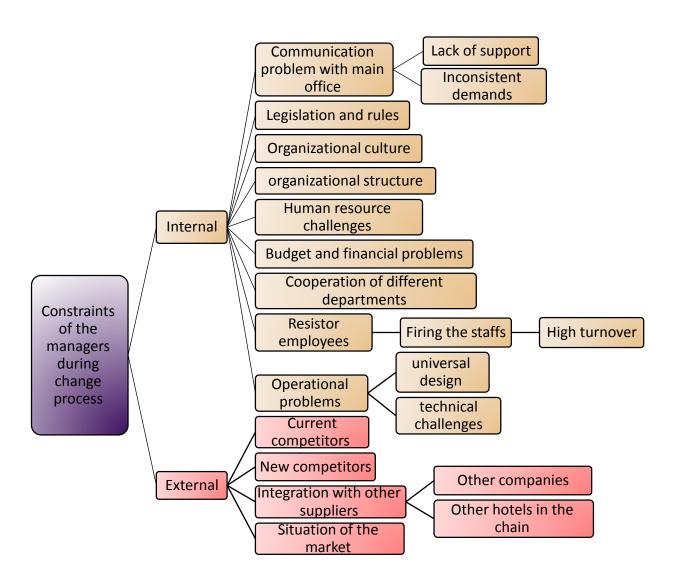


Figure 4. First version of the theoretical framework before the interviews (Own, 2017)

The managers referred to the spatial and universal design which involved some items such as unsuitable design of areas at the hotel and existence of distance between kitchen, restaurant

and other areas, lack of space at the restaurant size of storage rooms, inappropriate rooms, stairs and entrance hall for handicapped people. Moreover, they pointed out to the role of suppliers and their collaboration with some organizations such as www.booking.com and www.booking.com

When the managers have to make the changes at the hotels based on the situation of the market, they always experience risky situation. The clear fact is that they may lose some amount of money and according to their corrections and modification, some of the employees might lose their jobs. But it is very important that change leaders undertake an initiative in order to save money and achieve the benefits in the right time. Also, it is suggested that change management groups analyze the opportunities and threats of the organization in order to make the best decision for the future.

Generally, the market will slowly rise. Although the situation is better than last couple of years but the managers still need more stabilization in the market because the unstable market could change the service agreements. Increasing the prices and working in the stable market is one of the main objectives of the hotel managers in Stavanger. Based on that, they could earn their lost benefits which they had before the decreasing the oil price of Norway.

Implications

The result of this study could help hotel industry of Norway and in a more focused way chain hotels of Stavanger. It helped the managers and all of the staff members at the hotel to identify the challenges and constraints of the management at the hotel. Although the study has been done in Stavanger, but the general results could be generalized for the hotels in other areas with the same situation.

Limitations of the study

In this study, some lacks could be observed same as other studies. As it is clear, based on the explorative from, there are not any earlier studies about the managers' constraints in the chain hotels of Stavanger. According to this, some theories of management were used in order to

support the data. Moreover, it could be pointed out that some of the managers were recently selected as the manager of the hotel or they were managers in another hotels, so they did not have enough information about the situation of the current hotel during dropping oil prices in the last couple of years.

Apart from this, it was not possible to have interview with the managers of all the chain hotels in Stavanger. Some of them were too busy by implementation of the summer plans. However, it should be mentioned that there was a lack of time for the interview-based data collection. As it is mentioned in chapter 3, most of the interviews were done in April and many of the managers were on the vacation for Easter. Although fortunately there were many of the managers who could help this study as well.

Other point is that the guests and customers could make the challenges and restraints for the managers at the hotel, but the main focus of the paper was about the communicational issues in the organization among the managers, staff members and main offices of the chain hotels.

Future possible research area

This study can be done in other cities and areas based on their situations. The result can be compared in order to obtain the similarities and differences of the studies, and generally the constraints and challenges of the managers will be known vastly. It helps the hoteliers to improve the company in the competitive market and experience less risky situations during changes.

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Appendix

Interview guide

Based on the change management and constraints of the managers during change processes the research questions are made:

- 1. What are the strengths and weaknesses of the hotel?
- 2. How could the opportunities and threats influence on the company in the competitive market?
- 3. Do the managers of different departments consider the changes as necessary fact which should be done at the hotel?
- 4. How does the managerial system work during change processes? What are the main tasks of the managers in the regard of change management at the hotel?
- 5. Have you ever done any changes at the hotel before? If yes, have you achieved the success in this regard?
- 6. To which degree the changes have been done at the hotel? (For developing purposes or declining the negative impacts of crisis)
- 7. Could you please describe the organizational culture and organizational structure of the hotel? Could these items make some constraints for the managers at the hotel?
- 8. To which degree the high turnover becomes constraints for the managers?
- 9. Do the managers protect the employees during change processes?
- 10. What are the restraints of the managers in different departments at the hotel?
- 11. Could you please explain if there is any communication problem between main office and the chain hotel? Does the main office support the managers?
- 12. Is there any cooperation among the staffs who work in different departments at the hotel?
- 13. Is there any integration among the chain hotels and other organizations and suppliers?

- 14. What are the challenges of the company in the regard of current and new competitors in the market?
- 15. What are the plans of the organization for the future changes?
- 16. Could the operational problems be known as one part of limitations of the managers in offering the high quality services and facilities to the customers?