

Yakobchuk, Valentyna et al.

**Article — Published Version**

## Model of the state policy for the development of enterprises in the hospitality industry

E3S Web of Conferences

*Suggested Citation:* Yakobchuk, Valentyna et al. (2023) : Model of the state policy for the development of enterprises in the hospitality industry, E3S Web of Conferences, ISSN 2267-1242, EDP Sciences, Les Ulis, Vol. 371, pp. 1-11, <https://doi.org/10.1051/e3sconf/202337105012>

This Version is available at:

<https://hdl.handle.net/10419/268845>

### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

### Terms of use:

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*



<https://creativecommons.org/licenses/by/4.0/>

# Model of the state policy for the development of enterprises in the hospitality industry

*Valentyna Yakobchuk*<sup>1</sup>, *Olga Zborovska*<sup>2</sup>, *Svitlana Dombrovska*<sup>3</sup>, *Iryna Dragan*<sup>4</sup>, *Andrii Blyznyuk*<sup>5</sup>, and *George Abuselidze*<sup>6\*</sup>

<sup>1</sup> Polissia National University, 10008 Zhytomyr, Ukraine

<sup>2</sup> National University in Zaporizhzhia, 69600 Zaporizhzhia, Ukraine

<sup>3</sup> National University of Civil Defence of Ukraine, 61023 Kharkiv, Ukraine

<sup>4</sup> Institute of Environmental Economics and Sustainable Development of the National Academy of Sciences of Ukraine, 01032 Kyiv, Ukraine

<sup>5</sup> State Tax University, 08200 Irpin, Ukraine

<sup>6</sup> Batumi Shota Rustaveli State University, 6010 Batumi, Georgia

**Abstract.** The estimation of the basic tendencies of the development of enterprises in the hospitality industry in national and global scales was carried out. Professional and qualified staff is the prerogative of any business, including hotel, because it is able to demonstrate the level of high-quality service. The main problems of an internal character concerning functioning and development of enterprises in the hospitality industry are allocated. Negative macroeconomic factors that affect the effectiveness of the state policy for the development in hospitality enterprises have been identified. Priority tasks have been formulated on the issues of improving the quality management in the hospitality enterprises, the solution of which will further develop specific measures to implement a quality-oriented model of the state policy for the development in the hospitality enterprises. This model should include elements of managing the process of providing services, new product development, deliveries and other elements that significantly affect the quality of service. It is proved that the structure of the model of the state policy for the development of enterprises in the hospitality industry is most reliably represented in the form of a set of subsystems: support functional and target subsystem.

## 1 Introduction

The modern business environment is characterized by instability, unpredictability of emerging events, domestic business is developing in conditions of political instability, characterized by inefficient functioning of economic laws and market mechanisms, volatile emphasis in the management system, factors influencing dynamic market processes and production and economic processes. Such instability and dynamism of the national economy requires state policy to develop such a model of governance that would be able to

---

\* Corresponding author: [george.abuselidze@bsu.edu.ge](mailto:george.abuselidze@bsu.edu.ge)

adapt in a timely manner to changes in the market environment and globalized society in general.

Thus, in the conditions of socio-political and socio-economic instability in Ukraine, which is significantly exacerbated by the global crisis, a significant number of sectors of the national economy are on the verge of survival. This applies in some way to the hospitality industry, which is caused by the outflow of foreign investment from Ukraine, the gradual increase in lending interest, the difficulty of obtaining them, as well as the rapid growth of economic costs and so on.

However, despite the problems that arise, it is the enterprises in the hospitality industry that remain an effective means for generating income for the state, creating additional jobs, sustainable development of territories, etc.

The development of a model of the state policy for the development of enterprises in the hospitality industry is a rather complicated process, both from a research and applied point of view. The presentation of objects, the algorithm of actions, procedures and processes for the efficiency of designing a model of the state policy for the development of enterprises in the hospitality industry, which can properly ensure not only stability, but also the constancy of development, is one of the main tasks for any enterprise.

A significant legacy in the study of the development of an effective model of the state policy for the development of enterprises in the hospitality industry was made primarily by the results of a study of domestic and foreign scientists: R. Oleksenko, S. Bilogur, N. Rybalchenko, I. Verkhovod, E. Bortnikov, R. Oleksenko, A. Konokh, A. Melnichenko, V. Shvedun, G. Kulagina and others [1-10]. However, along with certain contributions and developments of specialists and economists in the field of the development of enterprises in the hospitality industry and their functioning, it should be noted that for the modern model of the state policy for the development of enterprises in the hospitality industry, it remains a practically unexplored object.

It is proved that enterprises in the hospitality industry as complex of socio-economic systems are characterized by their own characteristics that directly affect their functioning and properly require attention at the stage of formation of the state policy model for the development of enterprises in the hospitality industry (consumer satisfaction (internal and external, basic and additional services)) the availability of resources for their transformation into basic and additional innovative services, the costs of production, the use of basic and additional services, their comparison with the results of the enterprise, the complexity of the internal environment (a large number of system elements, the presence of direct and feedback, etc.); the multicriteria of management tasks, the dynamism of management processes, the lack of the possibility of formalizing many tasks of the state policy, the mandatory development and adaptability of its criteria.

Therefore, the purpose of the proposed study is to analyze the activities in the hospitality industry in Ukraine and the formation of an effective model of the state policy for their development.

## **2 Materials and methods**

The introduction of modern scientific and conceptual methodologies, methods and tools for the formation of a model of the state policy for the development of enterprises in the hospitality industry necessitated the formation of relevant scientific areas and concepts for the formation of innovative management activities.

It should be noted that at the stage of presenting the content and constituent elements of model of the state policy for the development of enterprises in the hospitality industry most authors generally depart from the presentation of such a concept, given the need to study the specific characteristics of innovative technology management tools, without linking it in

a certain way into a single whole, thus avoiding the need for the subordination of processes to the implementation of a common goal and tasks.

We support the position of scientists on the allocation of a set of constituent elements of the model of the state policy for the development of enterprises in the hospitality industry, such as: planning, management organization, organizational and administrative and informational components. However, it should be noted that it is the model of the state policy for the development of enterprises in the hospitality industry that is a set of institutional and administrative components, tools and methods focused on the purposeful influence of organizational relations that are influenced by exogenous and endogenous factors on the process of making effective management decisions to achieve the set goals, implementation of certain tasks for the development of such enterprises.

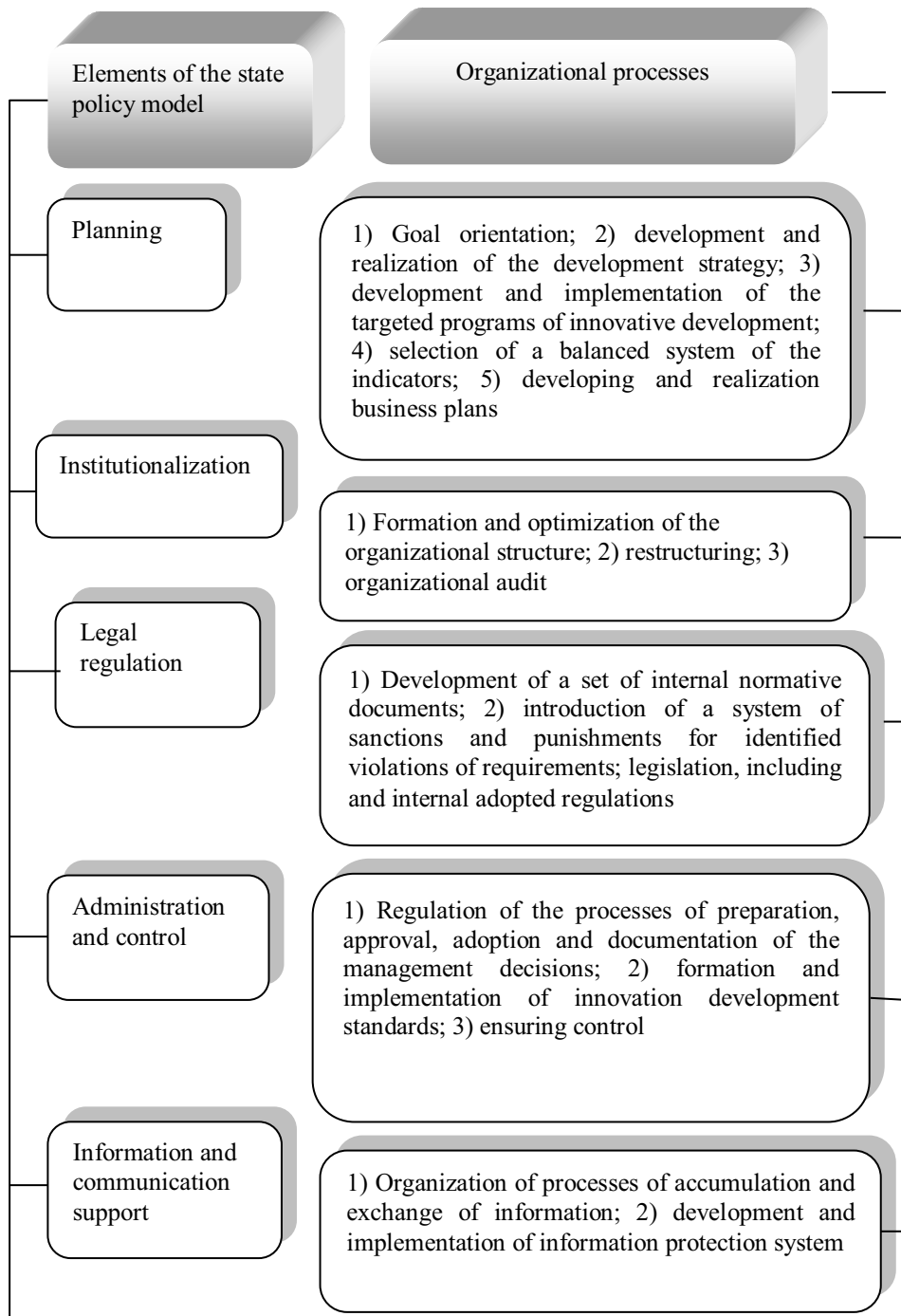
The basis of the model of the state policy for the development of enterprises in the hospitality industry are dynamic processes that provide for the functioning of government bodies, the gradual distribution of competence between government institutions, the development of internal regulations, the selection and appointment of managers, the formation and consolidation of regulations for interaction between different levels of government, officials and staff . The key elements of such a model are: organizational planning, development of an organizational structure, a well-coordinated management process, legal regulation, control, information and communication support, intellectual support and motivation for staff (Fig. 1).

Each of the presented elements is focused on the implementation of the generally accepted strategic goal in the hospitality industry. Thus, the organization of the model of the state policy involves primarily the mobilization of the possibility of influencing the tools and methods of the state on the economic and financial activities of enterprises in the hospitality industry of various kinds of action. In practice, there are also: ensuring the organization of strategic management, which under the influence of exogenous factors, in which the hospitality industry operates, involves the use of a specific model of program management; efficiency of strategic and current management, which is characterized by a complex combination of functional and targeted management [8].

### **3 Results and discussion**

In modern conditions, in order to promote the modernization of the existing model of the state policy for the development of enterprises in the hospitality industry, special attention is also paid to research on the state of functioning of enterprises in the hospitality industry. According to the experience of foreign countries, the hotel business is able to provide citizens with quality hotel services. The main trends in the development in the hospitality industry on a national and global scale are shown in Table 1.

As a result of the analysis of the functioning of the hospitality industry, it was found that professional and qualified staff is the prerogative of any business, including hotel, because it is able to demonstrate a level of high quality service. The main performance indicators of the industrial enterprises (number of employees, income from services provided) are shown in Table 2.



**Fig. 1.** Structural elements of the model of the state policy for the development of the enterprises in the hospitality industry. Source: systematized by the authors.

**Table 1.** Trends in the development of enterprises in the hospitality industry on a national and global scale

№	Trends in the development of enterprises in the hospitality industry in Ukraine	Trends in the development of enterprises in the hospitality industry on a global scale
1	Extending the sphere of interests of the enterprises in the hospitality industry to products and services that were previously provided exclusively by enterprises in other industries (for example, catering);	Increasing the range of specific, additional services;
2	Competition in the system of optimal ratio of quality and price;	Increasing the scale of specialization of the tourist hotel business;
3	Strengthening globalization, specialization, democratization of enterprises in the hospitality industry;	Use of the latest marketing tools (joint forums, collaboration, advertising platforms, etc.);
4	Formation of "green" floors and rooms in an ordinary city hotels;	Strengthening the logistics processes;
5	Personalization of service and focus on the individual needs of visitors;	Formation of international tourist hotel chains to increase the level of organization of operational, production processes and services;
6	Introduction of new means of communication and strengthening the development of information technologies;	Opening the hotel market from the world's popular brands of fashion houses;
7	Strengthening the market positions of international hotel concerns and associations;	Progress of the small business networks (boutique hotel);
8	Integration processes (formation of international hotel and restaurant chains, development of a network of tourist hotel enterprises);	Growing the number of hotels in environmentally friendly regions, construction of ecological hotels;
9	Increasing the number of private small capacity hotels (mini-hotels);	Implementation of information technology, computer products (information terminals, 3D-modules-applications), automation systems at all levels and phases of hotel services to the hospitality industry;
10	Expanding activities on standardization and certification, attempts to harmonize services with international standards	Innovative directions of the development of the enterprises in the hotel industry (forms of buildings, interior, details, service)

Source: systematized by the authors [1, 3]

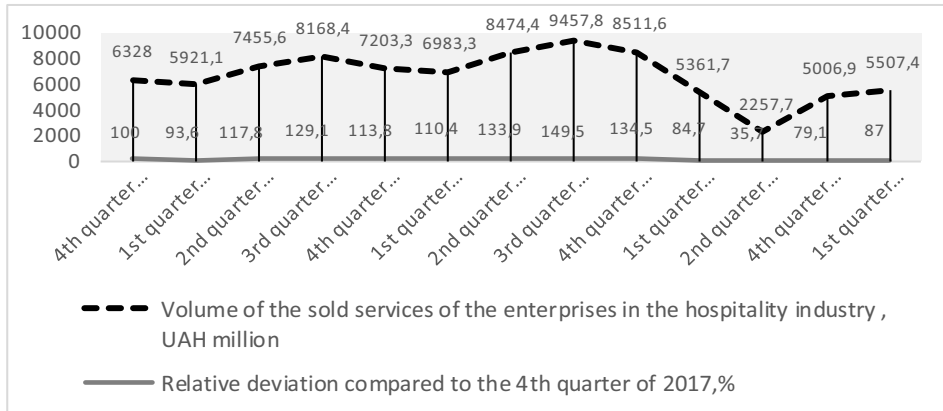
**Table 2.** Indicators of financial and economic activity of the hospitality enterprises in Ukraine

Indicators	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1.1. The average number of full-time employees in the hotels and the similar accommodation facilities, persons	28109	31029	33506	28373	25404	28178	25760	26126	27841	27652
1.2. Relative deviation compared to 2011, in %	100	110,4	119,2	100,9	90,4	100,2	91,6	92,9	99,0	98,4
2.1. Revenues from services provided in the hotels and the similar accommodation facilities, UAH million	3608,8	4486,8	4957,5	5012,4	5112,1	6710,2	8629,3	10293,3	11275,2	11064,1
2.2. The growth rate of revenues from services rendered	-	24,33	37,37	38,90	41,66	85,94	139,12	185,23	212,4	206,6
2.3. Relative deviation compared to 2011, in %	100,0	124,3	137,4	138,9	141,7	185,9	239,1	285,2	312,4	306,6

\* Source: built by the author on the basis of official data of the State Statistics Service of Ukraine

The relative deviation of the average number of full-time employees in the hospitality industry shows a wave-like trend of development of this indicator and a significant decrease in 2017-2019. The growth rate of revenues from services provided in the hospitality industry places, increasing the requirements for staff qualifications, their professional skills, improving the economy of the hotel business. This is also evidenced by the calculated relative deviation from 2011. However, in 2020 the coronavirus pandemic caused serious damage to the tourism hotel business in Ukraine. The Association of Hotels and Resorts of Ukraine conducted a survey, according to which 93% of hotels and similar accommodation facilities confirmed a general decline in revenue of their hotel, in 21% of hotels gross revenue decreased by 25-40%, in a third of hotels - by 40-60%, 30% of hotels such reductions reached more than 60%, only 4% of hotels showed an increase in annual revenue, and in 3% it remained at the same level. The year was especially difficult for hostels, motels, etc., some of which were forced to cease their activities [8].

Taking into account the tectonic changes caused by COVID-19, the volume of services sold in the hospitality industry decreased significantly in the 2nd quarter of 2020 to 35.7% relative to the level of the 4th quarter of 2017, due to a sharp decline in the analyzed enterprises. In 2021 (1st quarter) this indicator increased slightly (up to 87%), but the level of 2017 has not yet been reached (Fig. 1).



**Fig. 1.** Volume of realized services of the enterprises in the hospitality industry (UAH, million).

Source: built by the authors on the basis of official data of the State Statistics Service of Ukraine.

Thus, it can be emphasized that the enterprises of the hospitality industry of Ukraine are in a difficult situation, a period of decline and crisis, which is due to environmental factors, including the impact of financial and resource barriers associated with the pandemic. In Ukraine, the dynamics of transferring management functions to networked international and Ukrainian operators of built and reconstructed hotels gradually increased [2]. For example, in the capital of Ukraine, 23% of the total number of rooms was represented by hotels of the world brands [8].

On the basis of the conducted researches on development of the national enterprises in the hospitality industry, it is necessary to allocate the main problematic moments of internal character concerning conducting such business:

low level of quality fund of researched enterprises; low level of strategic management, planning in the enterprises of the hospitality industry, the formation of marketing policy; a small share of the enterprises in the hospitality industry that form their own development strategy, in particular the strategy of human resources management; limited use of human capital, insufficient level of qualified staff, which was associated with the migration of workers abroad in search of higher wages (although the pandemic has made adjustments to this issue); low level of material and technical support of the enterprises in the hospitality industry; lack of internal and external incentives for the introduction of innovative technologies; insufficient progress of the information infrastructure of the enterprises in the hospitality industry, which limits the ability to obtain information on tourism opportunities in the national environment; incomplete knowledge and quality information on the peculiarities of the functioning of enterprises in the hospitality industry, hotel industry and major competitors, legislative and legal aspects [4].

Regarding the world trends, the current state and dynamics of the development of enterprises in the hospitality industry of Ukraine is characterized by a number of macroeconomic difficulties that do not provide sufficient opportunity to implement sustainable development of the hotel industry. The most important of them are:

- lack of a clear strategy for the development of enterprises in the hospitality industry in the country, the model of state policy; lack of benefits, various types of programs to support the development of enterprises in the hospitality industry;
- the difficulty of holding large events (assemblies, congresses) in the cities of Ukraine; weak actions on the part of the state to develop transport infrastructure, improve the quality of roads; inconsistency of different types of government programs, development plans of enterprises in the hospitality industry; insufficient level of service at hotel-type



enterprises and compliance with pricing policy; reconstruction, re-equipment of hotels for more profitable projects, such as office centers; limited development of national hotel chains due to the predominance of hotels and similar accommodation, which are represented by major international hotel brands [6].

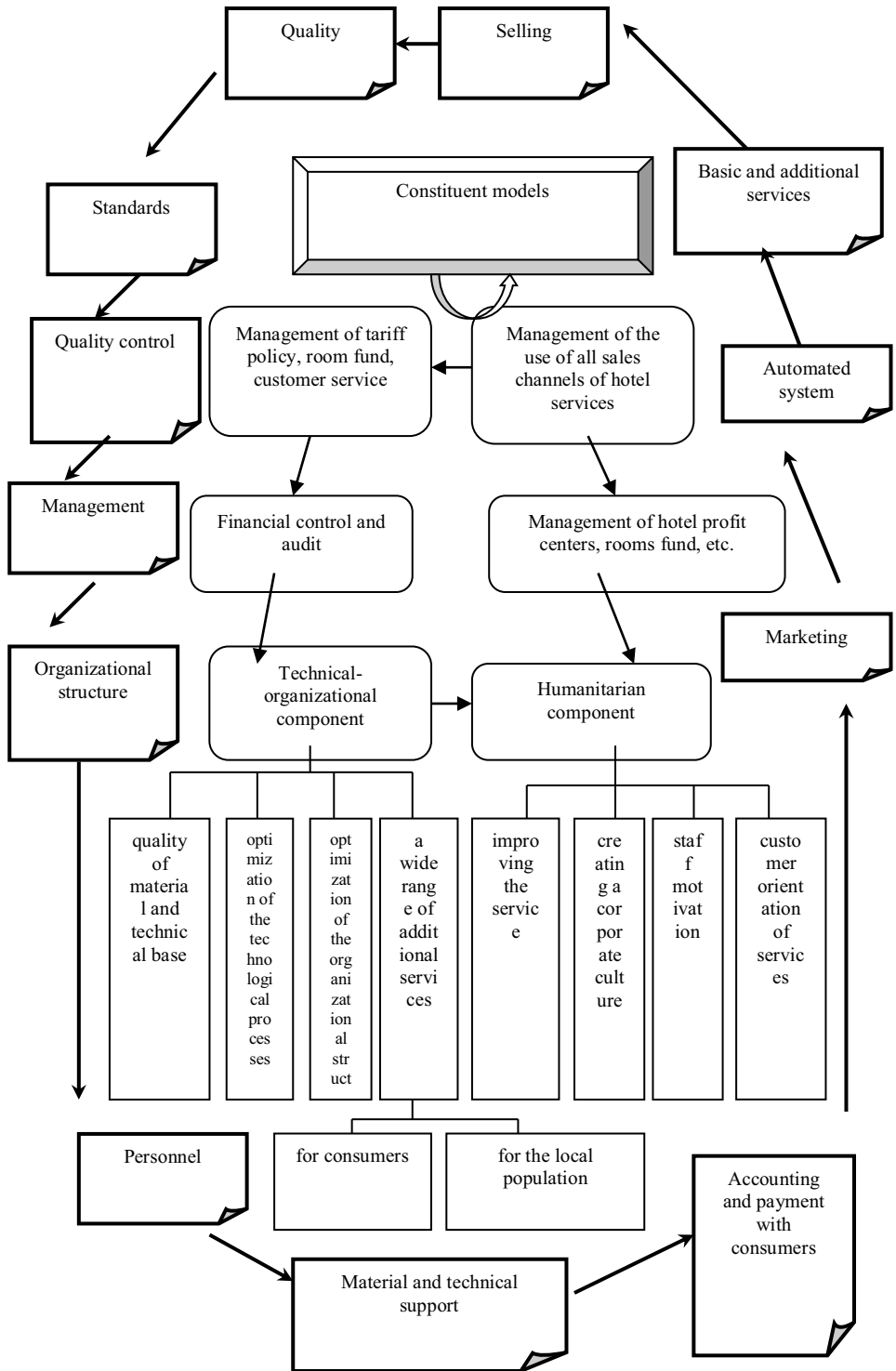
To do this, we have formulated a number of priority tasks on improving the quality management of hotel services, the solution of which in the future will allow us to develop specific measures to develop a quality-oriented model for managing the development of enterprises in the hospitality industry, namely: establishing the features of the quality of hotel services and the formation of a model for the provision of services in the hotel; formation of a model of consumer perception of the quality of the services in the hotel; determining the features of quality management of hotel services and highlighting the main elements of the quality management system; formation of a quality management model for the provision of services by enterprises in the hospitality industry.

At the same time, the quality assurance model should include only those elements of the enterprises in the hospitality industry that have the greatest impact on the quality of services. In particular, in addition to quality management functions (checking the quality of services provided, corrective action measures, etc.), this model should include elements of managing the process of providing services, developing a new product, deliveries, and other elements that have a significant impact on the quality of service. The above is the basis of the quality-oriented model of the state policy for the development of enterprises in the hospitality industry that we developed (Fig. 2) [7, 9].

Thus, summing up the preliminary results, it should be noted that one of the tasks that can implement the main directions of the state policy model for the development of enterprises in the hospitality industry is the task that is associated with achieving an appropriate level of quality of hotel services, which in turn will help ensure competitiveness and profitability enterprises in the hospitality industry.

It is proved that the structure of the model of state policy of development of enterprises of the hospitality industry is most reliably represented in the form of a set of subsystems. The support subsystem for the model of state policy for the development of enterprises in the hospitality industry consists of legislative, resource, scientific and methodological, technical and information support. The functional subsystem includes: the planning system, organizational component, directions of motivation and control over the development of such enterprises.

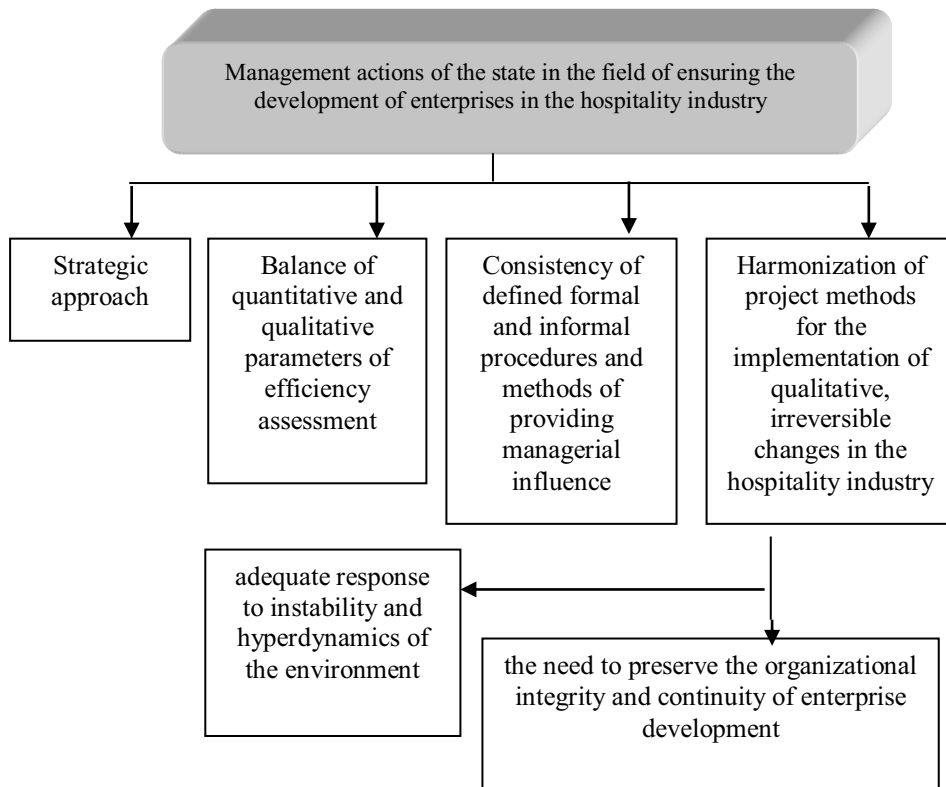
In turn, the target subsystem of the state policy model for the development of enterprises in the hospitality industry includes strategic goals and main results of the development of enterprises, a set of criteria for selecting and evaluating the achievement of specific goals and results to ensure the development of enterprises in the hospitality industry.



**Fig 2.** Qualitatively-oriented model of the state policy of development of the enterprises in the hospitality industry. Source: developed by the authors.

The content and number of the presented components in each of the specific subsystems of the state policy model for the development of enterprises in the hospitality industry depends on the characteristics of the enterprise, the scope and scale of activity, the level of influence of exogenous factors and the results of ongoing activities and other factors [5].

Believe that in order to properly ensure the development of enterprises in the hospitality industry, it is advisable to develop specific management actions of the state (Fig. 3). Also, the development of the corresponding enterprise is, first of all, a progressive process that combines all stages (crisis, stagnation, the process of extinction, reform, compensation for losses, gradual recovery and revival). The basic criterion for managing the development of enterprises in the hospitality industry is a set of actions aimed at ensuring the proper organization and purposefulness of certain processes for its renewal.



**Fig. 3.** Management actions of the state in the field of sustainable development of enterprises in the hospitality industry. Source: developed by the authors.

The functioning of the model of state policy for the development of enterprises in the hospitality industry should be practically ensured by the management of the enterprise. The management body must carry out continuous control, reliable coordination and adjustment of activities among employees in the immediate area of responsibility for the timely practical result. The model of the state policy of development of the enterprises in the hospitality industry represents set of subsystems which carry out the corresponding functions interacting with functions of other subsystems.

## 4 Conclusions

A typical quality-oriented model of the state policy for the development of enterprises in the hospitality industry is proposed, and its important purpose is to obtain information from consumers about their perception of the quality of hotel services, which can be used to develop specific measures to ensure their qualities. The model of the state policy for the development of the enterprises in the hospitality industry is offered, to consider as a complex system of organizational-economic, technical-technological, legislative and information-communication levers (each of which has own forms for administrative influence) which influence economic and organizational parameters of such model. allows algorithmic innovative development of business, regulate internal and external socio-economic relations and promotes the activation of organizational and economic potential, increase competitive advantages and efficiency of the enterprise. The support subsystem for the model of the state policy for the development of enterprises in the hospitality industry consists of legislative, resource, scientific and methodological, technical and information support. The functional subsystem of the presented model includes: planning system, organizational component, directions of motivation and control over the development of such enterprises. In turn, the target subsystem takes into account the strategic goals and main results of enterprise development, a set of criteria for selection and evaluation of the achievement of a specific goals and results to ensure the development of enterprises in the hospitality industry.

## References

1. G. Abuselidze, Y. Bilyak, N. K. Mračkovskaya, *Studies of Applied Economics* **39(8)** (2021). <https://doi.org/10.25115/eea.v39i8.4449>
2. M. Apaza-Panca, E. Santa-Cruz Arevalo, P. Maquera-Luque, L. Ticona-Carrizales, *Cuestiones Políticas* **38**, 119-133 (2020)
3. Y. Bortnykov, R. Oleksenko, I. Chuieva, O. Konoh, A. Konoh, *Filosofiya-Philosophy* **30(2)**, 123-136 (2021)
4. O. Dishkantyuk, *Economic Innovations* **61**, 85-93 (2016)
5. G. Kulagina, A. Tatarinov, *Voprosy statistiki* **1**, 27-32 (2009)
6. O. Melnichenko, V. Shvedun, *Peculiarities of the development of the tourism industry in Ukraine* (Izd vo NUZZU, Kharkiv, Ukraine, 2017)
7. R. Oleksenko, E. Bortnikov, *Versus* **10(2)**, 42-49 (2017)
8. R. Oleksenko, S. Bilohur, N. Rybalchenko, I. Verkhovod, G. Harbar, *Cuestiones Políticas* **39(69)**, 870-881 (2021)
9. N. Rybalchenko, *Public administration and customs administration* **4(27)**, 63-67 (2020)