

Political Factors Militating the Success of Hospitality Industry in Nigeria: Some Preliminary Results.

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Abstract: *This study examined the extent to which changes in government and political issues have affected the non-manufacturing sector of the economy putting the hospitality industry as the study base. The study covered both private and public owned hotels in Rivers State capital, Port Harcourt. Data were collected and analyzed using simple percentage and frequency distribution table. The results of our study revealed a link that management of this organization amongst others has contributed to its poor performance. The study concluded that incessant changes in government and their massive interference in the management of this industry have great effect. Also, political instability and legal system contributed greatly to their failure. It was therefore recommended that this sector of the economy should be privatized and not be allowed to be controlled by government selection and appointment. Management positions should be based on managerial capabilities and knowledge. Also, educational trainings and seminars should be often conducted to improve knowledge.*

Keywords: *hospitality industry, organization, political factors and politics.*

I. Introduction

Oparanma,(2008) opined that the service industry is becoming increasingly important in the life of Nigerians and the economy as a whole. The hospitality industry as it is commonly referred to, is the most important element in the wider tourism sector. The industry comprises units ranging from the most humble café to the largest luxury hostels owned by multinational corporations, which has frequently pointed to its heterogeneous nature. Hospitality industry stresses the caring-people-oriented nature of hotels, generating mystique that is easily reinforced by image in popular media (Fubara, 1984).

The hotel industry as can be seen is the backbone of the hospitality industry, recognizing the need to provide high standard service for both local and international guests. Both the federal and state governments have established different categories of hotels. Just like other parastatals, government has invested huge financial resources in these hotels. However, the performance records of these hotels have not justified the enormous funds pumped into them. Many of them move from one crisis to the other and to be precise, many of them are failing due to the political situation obtained in the country.

Buttressing the political situation or factors, politics is said to be the study of power in motion or action. In an organizational setting, decision making process takes the form of politics; where politics is described as those tactics, activities or behavior through which potential influence is developed either to increase or maintain the power relation in order to enhance one's preferred choice. Allen (1979) defined politics as an intentional act of influence to enhance or protect the self-interest of individual or group(s). There are many other definitions scholars have attempted, but majority of them tend to give the impression that politics is dysfunctional.

Hypotheses: H01: There is no significant relationship between changes in government and the success of the hospitality industry.

H02: There is no significant relationship between the political and legal system and the success of the hospitality industry.

H03: There is no significant relationship between political activities- selection and appointment of top officials and the success and performance of the hospitality industry.

II. Literature

The Hospitality Industry

The hospitality industry in its simplest literal definition means friendly welcome and entertainment of guests. By implication, the hospitality implies "entertainment activity". Also, it has been described as that aspect of human endeavour which provides food and shelter for any one when he or she chooses to be catered for in an entertainment house, (Bower, 1997). The later also stated that the industry includes tourism and holiday resorts.

However, Baridam, (2001) the hotel industry represents the backbone of tourism and without it no nation can prosper in the hospitality industry. Funk and Wagnalls Encyclopedia cited in Speigal (1972) described the hotel industry as a commercial institution that provides lodging, food, and services to the public.

Characteristics of the Hospitality Industry

The hospitality industry of which hotels form a major component have four major characteristics which place them apart from other industries. Ejiofor (1988) highlighted them as follows: **Inflexibility of Supply and Services.** It is not possible to adjust the services provided by the industry neither to match fluctuation in demand nor to store them to accommodate peak demand periods. **Perish ability of Services.** Closely linked to the above, is the fact that unutilized services, for example an unoccupied bed represent a loss which reflects adversely on profitability. **Fixed Location.** The structures of most of the companies in the hospitality industry have fixed locations as the physical structures are immovable. **Desperateness of structure, Size, etc.** Hotels and catering establishments in the hospitality industry ranges from a side canteen of “food is ready” to “mama put”, to the five star complexes offers their desperateness in quality of services, style and atmosphere to be experienced and savored.

Classification of Hotels

Classification of hotels means the grouping of hotels providing a given range of service and facilities, (Hope, 1984). According to Hope, the Automobile Association introduced hotels classification to Britain in 1911. It awarded one to five stars hotel complexes to indicate to its members what facilities and services they might expect or find at recommended establishments. The wide variation of hotels accommodation allows four, five, and sometimes six or seven categories to be applied. Boiella (1983) posits that the classification of hotels by Automobile Association is often regarded as an accepted mark of quality in all classifications. The Automobile Association classification is adopted from Charles (2006) as follows:

One Star Hotels

Good hotels and inns generally on a small scale and with modest facilities and furnishing frequently run by the proprietor himself or herself is classified as one star hotel. All bedrooms have adequate bath and lavatory arrangements, main meal with choice dishes served to lodgers. **Two Star Hotels.** These are the hotels offering a higher standard of accommodation, more baths and perhaps with few private bathrooms/showers, lavatories on the floor, wider choice of meal, and etc. **Three Star Hotels.** These are well apportioned with more spacious accommodation and some private bathrooms/showers, full meal facilities for residents and non-residents, including chance callers on everyday of the week. **Four Star Hotels:** Exceptionally well-apportioned hotels offering a higher standard of comfort. **Five Star Hotels:** This class is a luxury hotel offering the very highest standard of accommodation, service and comfort. The Funk and Wagnall’s Encyclopedia cited in Speigal (1972) divided these hotels into four types depending on locations and services offered and clientele served. These are transient hotels, resort and residential hotels. However, these terms are misleading since they all tend to relate to a particular type of customers regardless of the section to which the customer belongs. For instance, a businessman may stay in a luxury hotel, a tourist in a commercial or transient hotel and a transient guest might stay in a resort hotel.

The Role of the Menu

Dukas (2003) suggested that the greatest challenge to the prospective owner is to create an effective menu that instantly and dramatically relate the values desired by the customers to the values offered by the management. Gronroos (1999) believe that many food service operators do not realize the vital role played by the menu in the success or failure of the enterprise, this implies the actual commitments made by the management to its customers in the design and the format menu. The common form found in any table service restaurant, is one of the two most powerful tools used by management (Brittle, 2002).

In similar vein, Bamunuge(2003) postulates that the serving staff should have a good knowledge of the menu so that every customer’s questions can be answered. They should know the ingredients and descriptions of each dish on the menu and how each dish has been prepared and how it is to be served. If any items are unavailable (Mintzberg, 2007), the menu’s significance stems from the notable role it plays in the easy organization of the business and during the entire operational life of the enterprise. Because a carefully designed menu will determine the type of location, type of service, volume of business, seat turn over, average check, and potential profits. The menu will subsequently determine the investment in fixed and working capital, the amount and the type of food to be purchased; that will be received, stored, prepared, and facilities that will be needed. Also, the number, size, and type of equipment, the volume and allocation of space required to house the equipment and etc.(Campbell, 2003)

III. Methodology

The population of this study consists of all governmental and private owned hotels that are in the state having some political factors or interference affecting their success or smooth operation. Because of the size of the population, a simple random sampling technique was used to give members of the target population equal opportunity of being included in the study sample. In this regard structured questionnaire were administered on a total of 95 respondents randomly selected, although only 82 were retrieved and used in the data analysis.

IV. Results

Table 1: Response to the Questionnaire.

Variables	No. of Respondents	Percentage of Respondents
No. of Questionnaire Returned	82	86
No. of Questionnaire not Returned	13	14
Total no. of Questionnaire Distributed	95	100

Source: Field Work 2014.

The table above shows that 86% represent 82 copies of the duly completed and returned questionnaire. The 14% represent only 13 copies of the questionnaire not returned for undisclosed reasons. Hence the analysis of the data will be based on the 82 copies of duly completed and returned questionnaire.

Table 2. The relationships between hospitality industry success and changes in government.

Organizations	No. of respondents	Yes	% of Response	Yes	No	% of no response	Totals
Min. of Trade, Commerce & Industry	5	3	60	2	40	100	
Hotel Presidential	17	14	82	3	18	100	
Airport Hotels	18	13	72	5	28	100	
Delta Hotels LTD	18	16	80	2	20	100	
Gibsco Hotels	4	4	100	NIL	NIL	100	
Hotels Denas	4	3	75	1	25	100	
Manatee Hotels	5	2	40	3	60	100	
Pixy Hotels	5	2	40	3	60	100	
Sanclin Hotels	5	4	80	1	20	100	
TOG Hotels	5	3	60	2	40	100	
Totals	86	64	22	-	-	-	

Source: Survey Data, 2014

Table 2 shows the extent changes in government have affected the success of the industry. It indicates that 86 respondents agreed that incessant changes and the type of government have great effects in the smooth performance and success of an organization.

Table 3: Showing how the political and legal systems have affected this industry.

Organizations	No. of respondents	Yes	% of Response	Yes	No	% of no response	Totals
Min. of Trade, Commerce & Industry	5	5	100	-	-	-	100
Hotel Presidential	17	15	88	2	12	100	
Airport Hotels	18	16	89	2	11	100	
Delta Hotels LTD	18	16	89	2	11	100	
Gibsco Hotels	4	4	100	-	-	100	
Hotels Denas	4	4	100	-	-	100	
Manatee Hotels	5	4	80	1	20	100	
Pixy Hotels	5	4	80	1	20	100	
Sanclin Hotels	5	4	80	1	20	100	
TOG Hotels	5	4	80	1	20	100	
Totals	86	76	-	10	-	-	

Source: Survey Data, 2014

Analysis from the above table revealed that almost all the sectors that is the government agency, private and government owned hotels are all affected by the instability in our government's political and legal systems. This is true because 76 out of the 86 respondents representing 88% of the total respondents agreed that the incessant changes in government mostly through coup-de tats or whatever affect their performance and success as all new government comes in with when, why and to what extent are their claims true. All the yes respondents said that when the new government comes in, they introduce new policies, new projects in place of the old viable projects, and appointment of their relatives or colleagues to take over key projects. This can be said to have greatly affected the performance and success of the hospitality industry.

Table 4: The effects of government selection and appointment of top officials and other employ

Organizations	No. of respondents	Yes	% of Response	Yes	No	% of no response	Totals
Min. of Trade, Commerce & Industry	5	4	80	1	20	100	
Hotel Presidential	17	15	88	2	12	100	
Airport Hotels	18	16	89	2	11	100	
Delta Hotels LTD	18	14	78	4	22	100	
Gibscos Hotels	4	2	50	2	50	100	
Hotels Denas	4	3	75	1	25		
Manatee Hotels	5	2	40	3	60	100	
Pixy Hotels	5	4	80	1	20	100	
Sanclin Hotels	5	3	60	2	40	100	
TOG Hotels	5	3	60	2	40	100	
Totals	86	66	-	20			

Source: Survey Data, 2014

As can be seen, all the 86 respondents correctly filled their questionnaire in response to the above question but with different options as some said yes and others no. Of the 86 respondents, 66 of them said yes to the question, while 20 said no, and when asked why, the yes respondents said those selected or appointed by the government lack merit administratively and some have low qualifications and lack managerial skills to head such ministry or organization like the service industry.

Test of Hypotheses

With the level of significance of 0.05, and the computed value of 11.27 which is more than the table value at the significance of 1.96. X^2 fall above the level which implies a rejection of the null hypothesis. It then means that there is a significant relationship between changes in government and the success of the hospitality industry. In hypothesis two, with significance level of 1.96 and X^2 value of 3.3, then null hypothesis is therefore rejected and this implies that there is a significant relationship between political and legal system and the success of the service industry though the significant is low. On hypothesis three, with a significance level of 9.57, the X^2 value falls beyond the critical significant level. Therefore, it is a rejection of null hypothesis. This of course means there is a significant relationship between the government selection and appointment of top official and board members and the success of hospitality.

V. Discussion Of Findings

Analysis of hypothesis one indicated that incessant changes in government (military to civilian – vice versa) has contributed to the poor performance of this sector. At X^2 value of 11.27 at significant level of 1.96 has proved there is significant relationship. Analysis from hypothesis two shows the relationship between political and legal system and the success of hospitality industry. It then proves the effects of certain policies and our pattern of political play in most business organizations. Also, the 3.3 X^2 value against the critical value of 1.96 is good, although the level of difference is not so high. Moreover, oral interviews and unsolicited remarks from employees revealed that there is also a general over-dependence of government owned hotels on government. Their poor funding and ineptness attributed to the poor performance of the hospitality industry. Finally, analysis from the hypothesis three confirmed the significant relationship between government appointment and selection of top officials and the success of this industry. The relationship is high as the tale proves a 9.57 value of X^2 as against the measuring significance of 1.96. The decision to appoint and select employees (top officials) based necessarily on the need for successful operation and profitability has affected the industry.

VI. Summary

From the introductory part of this research work, it could be understood that, buttressing the political situation or factors, politics is said to be the study of power in motion or action. In an organization setting, decision making process takes the form of politics, where politics is described as those tactics, activities or behaviors through which potential influence is developed either to increase or maintain the power relation in order to enhance one's preferred choice.

Current reports, periodicals, and publications revealed that government constant intervention and exercising of political activities in the management of the hospitality industry have brought untold performances. Those who have or tend to see politics as dysfunctional in an organization contend that once introduction, (Friedland 1999) no end could be put to it and it does not allow for the choices of the best alternatives. Furthermore, the study revealed that the success of the government hospitality industry depends largely on the government. It also revealed that change in political and legal factor affect the success of hospitality industry (Awujo, 2000)

VII. Conclusion

In the light of the findings and discussions, the researcher wishes to conclude thus: That undue and incessant change in our type of government which causes change in all areas of the country most often affects our business organizations (hospitality industry). Selection of top management personnel through government appointment encourages incompetence and non-accountability thereby enhancing poor performance. Government's non-recognition of hotels and non-recreation areas as a separate legal and profit entity is another militating factor against its success. Also, as has been observed that poor remuneration and condition of services of employees has also contributed to poor performance. Finally, non-compliance to legal system as well as the enacted policies by government owned hotels has affected their performances as they believe that they are above the law. Also, poor regulation process has a great effect to all sectors of this industry.

Recommendations

Based on the above conclusions of the findings, the following recommendations are made: All government owned hospitality industry should be privatized. Selection and appointment of Board members should be made by both the government and the shareholders of the organization. Ownership and control should be separated. This industry should be given a separate legal entity status. Selection and appointment of management team should be on merit and passes through normal selection process. There should be an injection of sufficient working capital. There should be regular renovation, refurbishing, and provision of modern facilities for the industry. There should be an internal control measures, and workers remuneration should be improved.

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