

## Barriers to Organizational Change Management in Hotel Industry of Nepal

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### Abstract

*In initial period, organizational changes are asks for entire hospitality industry. Thus, this research paper reveals what are the barriers for organizational change management in hotel sectors of Nepal which can help them for gaining spark on Nepalese market once again.: Hotels sectors of Nepal are affected by array of factors which can influence organizational performance. This is the component of success for enhancement of performance of hotel sector. Therefore, the purpose of this research is to examine the factors influencing organizational performance in hotel sector of Nepal. This research is based on hotel sector's organizational changes and the barriers for adaptation of such changes. The study of hotel sector is done with self-structured questionnaire and mostly data are collected from primary sources. To justify the results, researcher has adopted quantitative research design and SPSS software is used for data analysis. The research has identified the essence of organizational changes in hotel sector. In the time of financial plummeted of Nepalese economy, hospitality sector are hardly hit by global pandemic. Thus, hotel sector need new plan and strategies for achieving success. Through organizational changes, hotel sector can slowly and steadily moves business in path of positives. So, hotel sector has to identify barriers of organizational change management and has to act accordingly to achieve success in this critical hour. Nepalese economy after hard hit by global pandemic has slowly started to move in towards path of recovery. To step up Nepalese economy in decent path every sector need to contribute. Hotel sector being the important hub of national GDP has to recover from crises for development of country. Therefore, hotel sector with organizational change management can enhance their profitability. This research in this regard is helpful for Nepalese hotel sector to identify and adopt such changes. This research paper is the summarization of results carried on primary data collected from questionnaire. The research is done on data collected from field so is highly reliable.*

**Keywords:** Communication, Hotel Sector, Management Support, Organizational Change

## **Introduction**

Organizational change management is recent trending approach adopted all over the world. Organizational changes are all about adopting the changes as per the need and essence of contemporary situation (Sthapit & Shrestha, 2018). Organizational change creates positive vibe in working atmosphere of hotel sector (Bhattarai, 2018). Organizational change management in hotel sector is emerging and recent process which can ensure the profitability in contemporary tough situation.

Organizational change management is practices all around the globe and is well adopted in developed countries of world especially in hotel sector. In Nepal, organizational change management is taken into consideration by many sectors yet hotel sector are far from such adaptation (Azila-Gbetteo, Blomme, Kil, & Honyenuga, 2020). In forefront as organizational change management become essence for mitigating financial dropdown on hospitality sector the debate regarding the prevailing barriers to organizational change management in Nepalese hotel sector has become burning issues.

It is the best time to discuss on assess of the inefficient communication, management support, inadequate resources and lack of commitment in hotel industry of Nepal which can enrich hotel sector performance. The similar research conducted in other section of world has shown the similar result that organizational change management can brings positive in hotel sector (Easton & Wise, 2015).

## **Objective of the Study**

The objective of the study on the title “**Barriers to organizational change management in hotel industry of Nepal**” are as follows:

- To examine the barriers to organizational change management in hotel industry of Nepal.
- To assess the inefficient communication, management support, inadequate resources and lack of commitment in hotel industry of Nepal.

## **Hypothesis of the Study**

The hypothesis of the study on the title “**Barriers to organizational change management in hotel industry of Nepal**” are as follows:

H1: There is significant relationship between barriers to organizational change management and inefficient communication.

H2: There is significant relationship between barriers to organizational change management and lack of management support.

H3: There is significant relationship between barriers to organizational change management and inadequate resources.

H4: There is significant relationship between barriers to organizational change management and lack of commitment.

## **Scope of the Study**

Nepalese hotel sector has drastically fall down after global pandemic. To overcome such plunged, efforts from all the sectors are essential. Government and Hotel Association of Nepal (HAN) has to step up for enlighten the path for hotel sector which can help promote overall economy in this critical time. Nepal is the best destination for tourism growth and

development. But as of now, world has just appeared from doorstep of global crises which has minimize the chance of external tourism any sooner. So, this research is very essential for boosting internal tourism and enriches hospitality business.

## **Literature Review**

The literature review is prior researches done on related topics which help to provide better vision for conducting research. Literature reviews are also the cavernous knowledge of related sector. It also helps to acknowledge prior scholarly works and provide knowledge to march ahead in research. Versatile thoughts and pre-prepared learning can be addressed through literature review. Thus, literature review in this research is described as follows:

### **Barriers to organizational change management**

The hotel sector in Nepal is not flexible in matter of changing management practices. Although, sometime resistance to change can be helpful but change are inevitable and is most essential phenomenon for survival of all sector (Al-Alawi, Abdulmohsen, Al-Malki, & Mehrotra, 2018). In developing countries still primitive practices can be trace down in all sectors which in times of difficult situation can be very painful (Brandt, Andersson, & Kjellstrom, 2019). The organizational change management can up bring the positivity in employee and surroundings which can helps to smooth running of hotel industry from now onward (Appelbaum, et al., 2017). Thus, as of other countries Nepal also has to mitigate the obstacles of organizational change to achieve financial gain in hotel sector.

### **Inefficient communication**

Hotel jobs are often hectic and need lengthy working hours, communication can be the best tools for enriching the positive work atmosphere. In mean time of global financial crises, communication can ease down the working environment which can ensure customer-based brand equity through use of information technology (Seric, Gil-Saura, & Molla-Descals, 2016). In hotel sector the array of staff works day and night but after pandemic these schedules has been alter. So, through communication hotel sector can analyze thought process (Easton & Wise, 2015). Through human resource innovate ideas hotel industry can be smoothly function once again (Jooss & Burbach, 2017). Thus, organizational change management can be brought through effective communication.

### **Lack of management support**

The hotel sectors being the lifeblood of Nepalese economy need some pushing efforts to re-back on track of running successfully in mean time. Organizational changes in management can bring additional plus on working environment through support of management (Paula, Marques, & Mark, 2014). The productivity of hospitality sector depends upon the efficient and effective managerial support (Yaqun, Meng, & Zelong, 2017). Management supports is the medium of innovating ideas and thoughts (Azila-Gbettor, Blomme, Kil, & Honyenuga, 2020). So, managerial support can be the tools for bringing coordination and cooperation in hotel sector ensuring fruitful results.

### **Inadequate resources**

Hotel industry of Nepal has to overcome with lots of challenges. The organizational change management is not possible if there is lack of resources. Resources play the moderating role for innovation and social network (Agyapong, Mensah, & Mma, 2019). The hotel sector needs potential manpower to be successful but human capital extremely lack in developing countries (Nwosu & Ward, 2016). The exploratory study has reveals that data securities and information missives has become common in hospitality industry (Teare, 2016). Thus, it is very essential to have adequate resources to fulfill all requisites of hotel sector which lacks in Nepal.

**Lack of commitment**

One of the crucial factors for enhancing organizational performance through organizational change management is by ensuring commitment in hotel sector (Bahri-Ammari & Nusair, 2015). The committed and focused employee and management always ensure success of organization (Ronneberg, Graham, & Mahmoodi, 2011). Lack of commitment can lead to financial drop down and fall of Nepalese economy (Diffley, McCole, & Carvajal-Trujillo, 2018). Hospitality sector needs utmost effort to adopt changes and commitment are one of the main factors for implementation of organizational change management.

**Research Framework of the Study**

Change management is the challenging job in an organization unless and until the change agent could understand the level and pace of changing happening in organization. Based on the above literature and integrating the variable from Poudel, Janardan & Shrestha, Suniti (2018) following research framework has been developed for the study

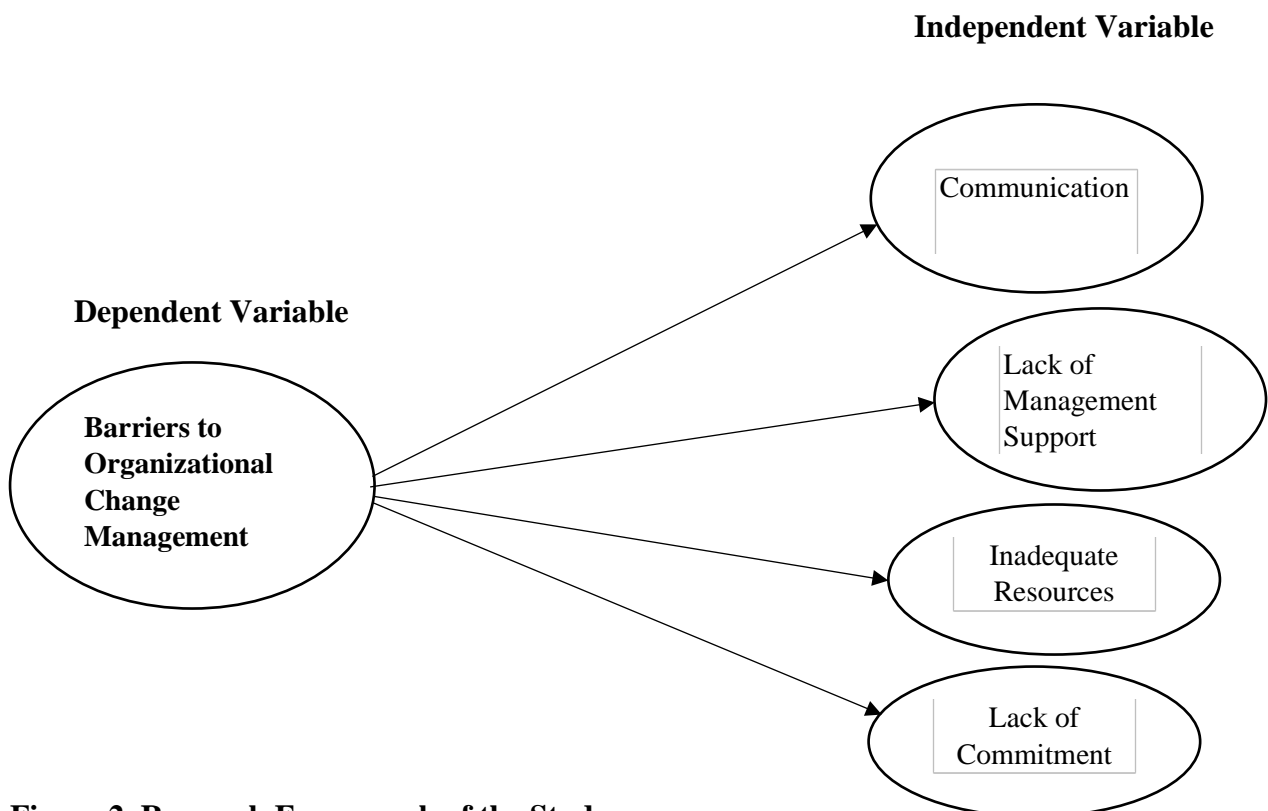


Figure 2. Research Framework of the Study

**Methodology**

**Sample and Data Collection**

Structured questionnaire are used to collect the data. Open-ended questionnaire is distributed to know the opinion of the respondents. Researcher followed all the ethics while collecting the data. The sample in the study is comprised to the employees of the hotel sector of Nepal. It is estimated that employees who are working on the five star hotels is about 2300 out of which 115 sample size are selected. Primary sources are used to calculate and analyze the data and secondary data are used for the study of different literatures.

### Questionnaire

Each variable consist of 10 questionnaires. There are all together 50 questionnaire in the study. The variables are divided into two parts i.e. dependent and independent variable. There are all together five variables in the recent study. The Likert scale questionnaire i.e. 1. Extremely agree, 2. Agree, 3. Neutral, 4. Disagree and 5. Extremely Disagree.

### Result and Discussion

The data gathered from the quantitative questionnaire are gathered and processed through SPSS software. The dependent and independent data are interpreted through multiple regression analysis. Multiple regressions explains the relationship between dependent variable and independent variable. Multiple regression analysis is used by many researchers to know the significant level between the variables. Barriers to organizational change management are the dependent variable and inefficient communication, lack of management support, inadequate resources and lack of commitment.

**Table 4.1. Multiple Regression Analysis**

#### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.924	1.336		4.433	.000
Inefficient communication	.281	.079	.326	3.570	.001
Lack of management support	.097	.063	.134	1.532	.128
Inadequate Resources	.288	.093	.354	3.116	.002
Lack of commitment	.061	.097	.065	.632	.529

a. Dependent Variable: Barriers to organizational change management

All the beta coefficient in the study is found to be positive in the study. The beta coefficient on inefficient communication is .326, lack of management support is .134, inadequate resources is .354 and lack of commitment is .065. When one unit of the dependent variable i.e. barriers to organizational change management is observed the beta coefficient also change in the research work. The p-value less than .50 is accepted and p-value more than .50 is rejected. There is significant relationship between barriers to organizational change management and inefficient communication as it scores .001. There is significant relationship between barriers to organizational change management and lack of management support as it scores .128. There is significant relationship between barriers to organizational change management and

inadequate resources as it scores .002. There is no significant relationship between barriers to organizational change management and lack of commitment as it scores .529. Thus, from the results it is seen that H1 is accepted, H2 is accepted, H3 is also accepted but H4 is rejected.

**Table 4.2. Significance Test**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1955.041	4	488.760	44.967	.000 <sup>b</sup>
	Residual	1195.619	110	10.869		
	Total	3150.661	114			

a. Dependent Variable: Barriers to organizational change management

b. Predictors: (Constant), Lack of commitment, Lack of management support, Inefficient communication, Inadequate Resources

The significance test is about the dependent variable and all the independent variable. The p-value found on barriers to organizational change management and other independent variable is .000, which means there is significant relationship between dependent and all independent variable. The F-value that is found on the present analysis is 44.967.

**Table 4.3. Model Summary**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.788 <sup>a</sup>	.621	.607	3.29686

a. Predictors: (Constant), Lack of commitment, Lack of management support, Inefficient communication, Inadequate Resources

The R-value on the model summary is 78.8%, which is explained by the variables included in the study but rest 21.2% are explained by the other variables which are not included in the study. The R-square on the model summary is 62.1%, which is explained by the variables included in the study but rest 37.9% are explained by the other variables which are not included in the study. The Adjusted R-square on the model summary is 60.7%, which is explained by the variables included in the study but rest 39.3% are explained by the other variables which are not included in the study.

**Conclusion and Implications**

The relationship between barriers to organizational change management and inefficient communication, barriers to organizational change management and lack of management support and relationship between barriers to organizational change management and inadequate resources are accepted. However, relationship between barriers to organizational change management and lack of commitment is rejected. The results have shown that organizational change is related with communication and management support which is also shown on research done in western countries. The analysis drawn from the significance test results to have the significant relationship between dependent variable i.e. barriers to organizational management and other all independent variable i.e. inefficient communication,

lack of management support, inadequate resources and lack of commitment. The R-value, R-square value and adjusted R-square value found on model summary is 78.8%, 62.1% and 60.7% respectively. Rest 21.2%, 37.9% and 39.3% is explained by the variables which are not included in the study.

Nepalese economy has largely been depending on the tourism and remittance sector. But with world turn upside down in global pandemic recent years, scenario has been changed drastically in Nepal (Bhattarai, 2018). Nepal now has to lead economy through new paradigm. This research thus is significant as it suggests unveiling the preliminary practices and tries to introduce new form of change management practices which ensure hotels sector to overcome from financial crises period. This research is very important for establishing assertive managerial practices in Nepal. Reliable practices can ensure positivity in hotel sector and can ultimately help to ensure profitability for longer term. With the cutting edge competition of the 21<sup>st</sup> century, changes are inheriting so this research ultimately helps array of sector to work with changing perspectives (Al-Alawi, Abdulmohsen, Al-Malki, & Mehrotra, 2018). The research is helpful for society to improve socio-economy. For management, it can provide new dimension to run hotel sector.

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