

## **HOSPITALITY ISSUES AND TRENDS: A BALANCED SCORECARD SOLUTION FOR B HOTELS AND RESORTS**

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**ABSTRACT.** The hospitality industry is much broader than most other industries. The majority of business niches are composed of only a handful of different businesses, but this industry applies to nearly any company that is focused on customer satisfaction and meeting leisurely needs rather than basic ones. Not only do these companies focus on service and luxury, but they also depend on disposable income and giving customers what they want. The broad-reaching hospitality industry ensures that every customer is happy because brand loyalty is essential. However, when the market becomes more saturated and the competitions becomes stiffer, most of the company is facing the same problem. The focus of this study is to explore the problematic area faced by B Hotels and Resorts and to give some recommendation based on one of the strategic approaches. Based on the analysis made, the most suitable strategic approaches that can be adopted by B Hotels and Resorts is by using balance scorecard approach where it is a very useful tools for a company that wants to properly grow towards their vision.

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## 1. INTRODUCTION

B Hotels and Resorts possesses and works a chain of lodgings and resorts in Malaysia, China, and Japan. Its comforts incorporate conferences space, weddings and occasions space, theatres, classrooms, feasts, and spas. The organization was consolidated in 1979 and is situated in Putrajaya, Malaysia. It has provincial deals workplaces in Dubai, United Arab Emirates and Seoul, South Korea. B Hotels and Resorts is the administration arm that works 10 resorts and accommodations in Malaysia, China, and Japan, talking to a gathering of more than 3,000 guestrooms, suites and estates. The division's quite a number association of cordiality sources and administrations comprises proprietorship and administration of a crew of lodges with considerable scale tradition, assembly and show places of work in a coordinated city, to personal property goal, a fitness withdraws and an association of 5, four and 3-star lodgings in blended utilize advancements.

The cordiality arm's leader lodge is the B Hotel Resort and Spa. Situated in Kuala Lumpur's well-known included development of B Hotel Town, it includes a crew of three unmistakable lodging towers with extra than 1,400 guestrooms, suites and estates, an assortment of sustenance and drink outlets, tradition, meeting and exhibit workplaces and also other supporting rest and commercial enterprise offices; making this motel a standout amongst the most regarded for after desires by means of commercial enterprise and pastime voyagers. The Group's fine in Kuala Lumpur town is tied down by the lately repaired 650-room 5-star B Princess Hotel Kuala Lumpur; The Ranges Hot Springs Retreat in Penang with 25 manors and the 174-room B Hotel; Perak with the 250-room B Hotel Ipoh and B Hotel Sungai Petani with 202 rooms; and 138-room B Hotel Shanghai and the 145-room B Hotel Tokyo.

## 2. IDENTIFICATION OF PROBLEMATIC AREA

Issues can be distinguished, both now and later on, as confirmation that goals are not being accomplished. Be that as it may, goals are regularly rather theoretical, and it might be less demanding for individuals from the general population to comprehend a methodology in view of obviously recognized issues. Before having the capacity to stand up to an issue, its reality should be recognized. This may appear an undeniable explanation be that as it may, frequently, issues will

have an effect for quite a while before they are perceived or conveyed to the consideration of somebody who can take care of them.

### 2.1. Issues and Trends in Hospitality Industry.

#### **Innovation:**

Nowadays the vast majority of the lodgings utilize online reservation framework is to empower clients to reserve their spot on the web. One respondent (D) featured that as of late, there were grumblings by sightseers on unwavering quality of online reservation framework for lodgings in Malaysia. They did the reservation and pay in the web through the online reservation framework, however when they go to the lodging, they can't discover their reservation and instalment. This discoloured the picture of Malaysia as most autonomous explorers utilize online reservation framework to get their lodging ahead of time. Government must present tenets and directions with respect to online reservation framework, to deal with this issue before it is past the point of no return and turn into an issue.

#### **Green Hotel:**

The worldwide call for green inn, drive Malaysian inns to hone condition well-disposed in conveying administrations. All respondents concurred this is another idea in incline comprehensively and exceptionally request by remote voyagers. Respondent C and D specified that the legislature has officially settled the green inn rating framework and it is to be propelled in June this year. Stunningly, 10 of the lodgings are as of now evaluated as green inn and in an opposition as of late held; a large number of them get the honours. Malaysian government acts very quick in presenting green inn rating framework as green lodging is among new issues and anticipated that would remain popular by numerous specialists. Every developed and developing countries should follow environmental efficient energy utilization such as green energy and sustainable economic development free of carbon pollution (Zandi & Haseeb, 2019).

#### **Halal Restaurant:**

The consolation for inn to get Halal authentication for its eatery or F&B outlet is a decent one at the correct time. As of late, Malaysian government reported

that exclusive lodging with Halal testament for eatery can cook the administration capacities. The impact of the declaration indicates numerous lodgings might want to acquire Halal endorsement as to not losing openings with the administration occasions. In any case, the issue is that JAKIM, a body which is capable to concede Halal affirmation, can't process the applications rapidly while the necessities of Halal accreditation aren't well disposed to neighbourliness industry, which make it excessively troublesome for the inn, making it impossible to apply.

## **2.2. Customer Service Issues at B Hotels and Resorts.**

### **Customer complaints on worst management:**

B Resort and Spa is looking with client grumbling on most noticeably bad administration. The way clients are dealt with is a major factor which adds to the agreeableness of their stay in an inn. Administration disregards customers or even postpones criticism in demonstrating signals of accommodation and availability to help can be a noteworthy disappointment. All things considered, the administration is required to give criticism as quickly as time permits. In Malaysian hotels food attributes to the overall satisfaction of guests and this will impact on their behavioural intentions (Sharina & Norwani, 2020).

### **Poor customer service:**

B Hotel Perak is looking with poor client benefit staff. Unaccommodating staff in the way clients are dealt with is a major factor which adds to the charm of their stay in a lodging. Staff that overlook customers or even neglect to demonstrate motions of accommodation and availability to help can be a noteworthy disappointment. All things considered, a hotel staff are relied upon to welcome and serve guests in Malaysia (Sharina & Norwani, 2020). The most widely recognized remarks from clients are the staff are dishonest, absence of enthusiasm to encourage and unfit to convey the correct data required by clients that prompt miscommunication and the clients wind up in disappointment in light of the fact that their need unfit to be satisfied.

### **Inconsistent level of quality:**

B Hotels and Resorts confronting issues most regularly experienced in the friendliness business, not reliable as far as nature of inn and resort. At the point when there is irregularity in term of value, there must be some kind of

problem with how it has been worked. There is conflicting level of value for its administration and tidiness. The room and its tidiness quality ought to have been kept up and facilitated notwithstanding what number of stars the inns and resorts are. The clients should get the best administration quality regardless of which lodgings and resorts they are check in. Generation and tasks division administrators in inns should design, immediate and facilitate those exercises of the undertaking which are worried about the arrangement of convenience, and related administrations, under the expansive direction of the chiefs and CEOs, and in interview with directors of different offices or areas.

### 3. RECOMMENDATIONS AND SOLUTIONS

The balanced scorecard changed ordinary reasoning about execution measurements. Whenever Kaplan and Norton (1992) first the idea, organizations were occupied with changing themselves to contend in the realm of data; their ability to misuse impalpable sources was once winding up greater unequivocal than their potential to oversee physical resources. The scorecard enabled agencies to track economic outcomes whilst looking at advancement in constructing the capabilities required for development. The instrument used to be not anticipated to be a trade for cash related measures but alternatively a complement and that is exactly how most businesses handled it.

A few agencies went above and beyond, be that as it may, and found the scorecard's an incentive as the foundation of any other critical administration framework. In this article from 1996, we depict how the balanced scorecard can tackle an actual lack in traditional administration frameworks: the failure to interface an organization's long-haul methodology with its transient budgetary objectives. The scorecard offers directors a chance to current four new methods that assistance businesses make that fundamental connection. The principal method is decoding the vision. Its enables supervisors to fabricate an accord regarding an organization's methodology and specific it in wording that can direct exercise at the close by level. The 2nd is imparting and connecting. Calls for imparting an approach at all stages of the association and connecting it with unit and person objectives. The third is enterprise arranging. It empowers agencies to comprise their marketable strategies with their money associated plans. The fourth is input and learning. They supply groups the restriction with admire

to crucial realizing, which contains of social event criticism, checking out the theories on which a procedure is based, and making essential changes.

The balanced scorecard has developed from its initial use as an easy execution estimation structure to a full quintessential arranging and administration framework. The "new" balanced scorecard changes an association's key association from an attractive but uninvolved file into the "walking orders" for the association day through day. It offers a structure that gives execution estimations, as well as enables organizers to distinguish what ought to be carried out and estimated. It empowers directors to clearly execute their methodologies. This new way to deal with essential administration was once first particular in a development of articles and books by means of Kaplan and Norton (1992). Perceiving an element of the shortcomings and unclearness of previous administration approaches, the balanced scorecard method gives an unmistakable solution with appreciate to what agencies ought to quantify to 'adjust' the cash related factor of view. The balanced scorecard is an administration framework (not simply an estimation framework) that empowers associations to elucidate their vision and process and make an interpretation of them vigorously. It gives enter around both the inward business strategies and backyard outcomes to persistently beautify key execution and results. At the factor when definitely sent, the balanced scorecard adjustments key arranging from a scholarly exercising into the operational hub of an undertaking.

Kaplan and Norton (1996) describe the innovation of the balanced scorecard as follows:



FIGURE 1. Balance Scorecard Frameworks

Adjusted from Kaplan and Norton (1996), "Utilizing the Balanced Scorecard as a Strategic Management System," the adjusted scorecard holds common cash associated measures. Be that as it may, monetary measures recount the tale of previous occasions, a sufficient story for modern-day age companies for which pursuits in lengthy haul competencies and consumer connections were not fundamental for progress. These economic measures are lacking, in any case, for controlling and assessing the tour that records age organizations have to make to make future incentive through interest in clients, providers, workers, procedures, innovation, and advancement."

### 3.1. Implementation of Balance Scorecard on B Hotels & Resorts. .



FIGURE 2. Customer Scale Satisfaction

#### 3.1.1. *Solution for Customer Service Issues.*

##### **Financial**

The Financial Balanced Scorecards is a help apparatus in the key administration of the organisation that allows interpreting the cash associated procedure of the company into a rational arrangement of execution measures, encouraging their quantifiability. Kaplan and Norton (1996) do not overlook the widespread requirement for financial information. Convenient and precise subsidizing statistics will dependably be a need, and directors will do anything important to supply it. Actually, often there is all that all and sundry may want to need taking care of and making ready of money associated information. With the utilization of a company database, it is depended on that increased quantity of the handling can be brought collectively and mechanized. In any case, the reality of the matter is that the existing accentuation on financials prompts the "lopsided" circumstance with recognize to exclusive factors of view. There is perhaps a need

to incorporate greater budgetary associated information, for example, hazard evaluation and money saving advantage information, in this classification.

TABLE 1. Financial Balanced Scorecard

OBJECTIVE	MEASURE	TARGET	INITIATIVE
Increase profit	% of increase	+10%	Reduce cost and increase revenues
Increase earnings per share	% of increase	+5%	Increase profit
Increase results joint ventures	% of number of project	+15%	Project rescheduling and change in project manager

The table demonstrates the real goals and activity to perform so as to acquire them. The outcomes connected to the joint ventures, whose "offer outcomes in joint endeavours" so as to keep liquidity for ventures and for the terrible execution of the last mentioned. The activities to be conveyed for expanding the benefit of the coordinated efforts, is to build the quantity of undertakings by 10% contrasted with earlier years, both on account of a rescheduling of the tasks and changing the venture administrators related with each venture.

### Customer

This area centres around what must be achieved and what's most vital, from the client's factor of view, to accomplish the mission. The value of client centre and client loyalty has elevated extraordinary importance in late administration idea (Schein, 1992). The multiplied contention in the commercial enterprise sectors implies that it is less disturbing than at any other time for the disillusioned customers to swap providers. The destinations, measures, targets and, inevitably workouts are along these lines desired to execute system in regards to the consumer loyalty (Oliver, 1999). In the present condition organization must give a quality item, and furthermore opportune conveyance, and client benefit following the deal. There is some more data which additionally to be viewed as, for example,

1. The imperative cost of the item
2. Customer fulfilment
3. Customer maintenance
4. Increasing client base
5. Conveyance times



6. Rate of products returned by clients

7. Customer relationship

The B Group created measurements for estimating consumer loyalty. Consistently 10 arbitrarily chose clients are solicited to answer an arrangement from questions with respect to nature of their collaboration. Clients review their answers from 1 to 10 on a Likert scale, and the aftereffects of these studies are talked about a month to month gatherings of the organization. B Group figured out how to achieve normal consumer loyalty score of 8.64 (with an objective being 8.5).

### Internal Business Process

To evaluate the internal business process, B Hotel Group targets to look into 3 Key areas:

- i. Internal Process audit
- ii. hotel services improvement
- iii. human resources management.

The table below illustrates the objectives, measurement, target and initiatives intended.

TABLE 2. Internal Business Process

OBJECTIVE	MEASURE	TARGET	INITIATIVE
Operational excellence of stock delivery service	Minimum 4 hours delay	Minimize by 10%	Inventory information services
Introduction of new service	Minimum 3 new initiative projects	Guest sat. + 10%	Property management system upgrades
Retention of valued employees	Minimum 3 group level employees engaging activities	employee sat. by +15%	Employee engagement surveys

### Learning and Growth

This factor of view centres around how an association is bettering its ability to advance, beautify and learn preserving in thinking the quit goal to help accomplishment with the simple activities and processes characterised in the Internal Process Perspective. This may also include representative getting ready and company way of life mentalities. In the modern-day administration rationality, it is regularly getting to be necessary for the associations to construct up a tradition of realizing where the workers always research and share the data to

motivate improvement (Terryberry, 1968). The at work preparing and teaching is likewise a basic section of the point of view. Sources must be distributed to instruct them on the procedures of organization and mission of organization. This instruction ought to be combined with the inspiration. This begins with self-governance to representative so they can recommend changes in association (Teece, 1986). The director should know data of this perspective:

1. Employee capacities
2. Information framework capacities
3. Level of spending for every head on worker preparing
4. Employee non-appearance rate
5. Staff turnover rate
6. Range of item

This data is imperative to actualize the adjusted scorecard approach inside the association (Volberda & Lewin, 2003). By having this data, administrator can actualize this approach in the association to gauge execution. B Hotel Group figured out how to diminish turnover by 33% in the 1998-2001 period and achieved the level of 10.7% by 2002. This rate is noteworthy for the normal business figure of more than half. These remarkable insights are fortifying by expanded worker steadfastness and better client benefit. This impact was come to by presenting various work-life activities and setting up a connection amongst execution and worker pay. B Hotel Group takes an assortment of representative studies, for example, "worker amicable activities", "birthday audit" and "initiative study". Worker fulfilment and inspiration are not by any means the only measurements utilized for estimating learning and development. Affirmation and preparing levels are additionally estimated, through building up a preparation framework and a profile of social development for each worker (Wang, 2004). What's more, the B Hotel Group gives self-awareness and yearly execution surveys, which coordinate worker goals and desires. Money related inspiration was included representatives were paid utilizing a quarterly equation for impetuses, in light of convenient conveyance, first pass yield and security measures.

### 3.1.2. *Solution for Insufficient Facility.*

#### **Transparency**

A current report by the National Audit Office and the Public Accounts Committee called for more prominent straightforwardness of provider execution all together that general society division gets the best, best administration with regards to outsourced offices administration. This pattern is similarly common in the private division, as associations need to find out about how providers are performing against benefit level assertions and the models that have been set. To give this straightforwardness, offices supervisors need to change how they screen and give an account of exercises. Numerous still depend on paper-based agendas and spread sheets to log execution, which means they can't give an on-going perspective of what staff on the ground is doing, and that normal reports are tedious to make and supply, as information should be rekeyed physically. Advanced work administration innovation, including intuitive agendas got to on handheld units, conveys more noteworthy straightforwardness. By transferring this information to the cloud continuously, offices supervisors have a moment perspective of tasks, and can supply reports and updates rapidly and productively to customers as required.

#### **Control**

An offices administration contract regularly includes an expansive number of staff, spread over various areas. Guaranteeing that they are on the whole mindful of what they ought to do, and when, can be troublesome, especially as supervisors are frequently based off-site. Here and there the principal that an organization thinks about an issue is the point at which the client rings to whine. Changing to computerized work administration innovation gives more noteworthy control to offices supervisors – they can see precisely what undertakings staff have done as all revealing information is consequently transferred to the cloud.

They can see who did what, and when, and any issues are hailed progressively, empowering them to be quickly settled. This more noteworthy control likewise gives the chance to be proactive. Administrators can investigate information and spot open doors for changes, enabling them to recommend them to customers and conceivably include esteem and open new incomes.

### **Efficiency**

All that really matters purpose behind outsourcing offices administration is typically to decrease costs. In this way, providers need to guarantee that they are working as proficiently as could be allowed and conveying an incentive for cash to the client. During a period of increasing costs, for example, the new National Living Wage, organizations ought to subsequently take a gander at enhancing profitability, without affecting administration. In service sector, human resource practices can be used for the betterment of the organizational performance (Zandi et al., 2019). Utilizing computerized remote sensors is one approach to decrease costs – observing information is provided right away to chiefs, without staff spending time checking it physically.

### **Embrace technology**

The ascent of computerized innovation has the ability to change offices administration. Brilliant structures can progressively screen themselves, Internet of Things-prepared gadgets can send proactive messages when they require adjusting or have a blame, while cloud-based observing enhances control over activities. These advances are here now and can convey huge enhancements in administration and efficiency. As digitisation increments, much newer open doors are probably going to be opened, so offices administration organizations need to grasp innovation and to enhance activities and change how they function.

### **Partnership approach**

To assemble long haul associations with their customers, offices administration organizations should be educated accomplices, conveying esteem as opposed to simply meeting the base gauges set out in the agreement. This includes working firmly together, sharing data about execution, featuring issues before they create and constantly enhancing tasks to address client issues. Accomplishing this is significantly less demanding when directors are outfitted with thorough data and can see precisely what is occurring continuously. Information gathered from computerized work administration frameworks and robotized observing is effortlessly gotten to and seen through cloud-based dashboards, empowering chiefs to be more proactive and cooperate with the customer to address their issues.

Offices administration is ceaselessly changing and winding up progressively focused. The organizations that flourish will be those that attention on the five zones above, now and later on.

#### 4. CONCLUSION

To pick up an upper hand as far as promoting, a firm may consider to the right off the bat examination its clients. By deciding the kind of clients that the business draws in, the business will then have the capacity to think of items and administrations that suit the requirements of the clients. To accomplish this, the firm should likewise lead showcasing exploration to stay aware of the best in class patterns of the business, to set the ideal cost and disperse the items in like manner through the suitable channel. As a rule, lodgings in Malaysia are being tested in augmenting income, government directions which prompt new and old inn issue, least room charged rate at USD80 and expense motivator in remodel of old inns and human asset administration particularly on representative inspiration and deficiency of work and finally, on inn activities. Rivalry in neighbourliness is solid at national level, it is likewise hard in the locale of Southeast Asia consequently, and Malaysian authorities wants to continue to be caution and provide answers for the difficulties lodgings regarded for instance, supply extra appealing duty motivation to enhance old resorts offices, colleges and schools ought to make mindfulness on resort working condition for new graduates to beautify work deficiencies and supply of very gifted employee in inns, authorities need to look again at the base room charges and raise it at the acknowledgment degree at preferred with the commonplace rate.

A few issues said above require consideration from the unique government company like JAKIM (Jabatan Kemajuan Islam Malaysia) on the Halal confirmation problems and MOTAC (Ministry of Tourism and Culture) to beautify enactment of on line reservation framework in Malaysia. Tending to these problems and difficulties will make Malaysia as a quality in the rundown of the picked aim for visitor universally. According to Sharina & Norwani (2020) a significant part of any travel experience for many travellers, it is food and Malaysia as a multicultural country, has a vast range of food due to the differences in ethnicity such as the Malay, Chinese and Indian. More or less, with distinct qualities and methodologies that B Hotel has, it has an excessive capability to accept focal

points of each open door that can bring B Hotel one stage ahead. Their qualities and strategies can help them to experience any dangers that go over them. It is depended on that it may want to enable B Hotel in building an extra grounded company to name and picture, moreover to catch a greater piece of the pie in the lodging and entertainment cease industry.

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