

Hotel Managers' Perception of the Internal Environment for Innovation: The Case of Egyptian Hotels

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Abstract

For many individuals the term innovation stands for success and something new in our lives. Some might think of their first smart phones, others of using solar panels on their roof. But innovation is so much more; it moves our society forward especially in case of the high market competition.

Innovation has not attracted fair attention in the Egyptian hotel industry, as it is difficult to measure. Hence, this work developed first a theoretical model of innovation determinants and outcomes, to help the hotel managers and executives to better manage innovation especially in cases of competition and recession periods. The theoretical foundations of this conceptual framework are based on the Attitude-behaviour theory. Second, this research highlighted the importance of perceived innovation among a sample of hotel managers in Cairo and Sharm El-Sheikh based in Egypt. Furthermore, new determinants and key indicators to the innovation in hotels (work-life balance; usage of sustainability indicators; innovation importance knowledge; demographic factors) were first, to date, researched and examined in the Egyptian hotel sector in relation to the perceived innovation and innovation success.

The researcher distributed a self-administered questionnaire to a sample of 450 hotel managers in 55 Egyptian five-star hotels based in Cairo and Sharm El-Sheikh. The current research tested hypotheses using the Structure equation modelling (SEM) and the analysis of regression performed by AMOS software 20.

The results revealed that the key determinants of innovation such as work-life balance, key sustainable indicators usage, innovation importance knowledge and some demographic factors (marital status, gender, level of education and age) had an effect on the perceived innovation construct and business success afterwards. In addition, hotel managers experienced significantly differences in innovation according to some demographic characteristics. Implications for practice are discussed as well as future research scenes are offered.

Keywords: Innovation, Egyptian hotel managers, critical success factors, business success, demographic characteristics

Introduction

Innovation seems to be a multidimensional concept that means of any new ideas, products, systems or processes. It means as well the development of products or services, system, process or any organizational forms. Innovation may occur in the management structure of any organization or in the way it markets their products or services (Schumpeter, 1951; Omerzel, 2016).

The daily hotel issues highlight the concept of innovation in many different ways. Product or service innovation comes to develop and introduce the new creative goods or services. An example of that type of innovation may consider the day use option instead of the night selection in hotel occupancy due to the cost of accommodation to the customer who would like to entertain and use the hotel facilities according to their budget especially in the inflation that has been witnessed in Egypt.