

Acting on global trends: a multidimensional assessment of the risks and opportuni...

[Business](#), [Company](#)



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Summary of Acting on Global Trends

The paper focuses on the implementation of the global trends. Moreover, how the trends can be of help to several industries and companies. The industry of Hospitality could act on these trends for its growth and development. Irrespective of a greater proportion or percentage of the firm's executives fathoming the importance of acting on these global trends, only a few of them implement the program. The global trends should embrace by companies, but after its review for it to conform to the company goals.

Introduction

A survey by McKinley shows that 70% of executives all over the world agree that, social, business, and environmental trends are increasingly being important to the corporate strategy. Despite the wide range of information on the global trend, only a few companies act on them. They believe that these trends will affect them most and the operations of the company. Among the few companies that act on the global trend, only 17% report significant benefits (McKinsey, 2008, pag. 83). One explanation for this could be underinvestment in the trend. For example, many companies that target the growing consumer segment in the growing market, the build operations, forget to develop lower cost products. On the contrary, those firms that do not act at all on the trend cite shortage of skills and resources, lack of possible responses to these trends.

Discussion

In many countries of the world, hospitality industry has become a major export industry. Hospitality has been the focal point for the concept of globalism to take root. Being the core of the globalization of international business, the industry needs a program that can boost its growth. The hospitality companies should consider the implications of the global environment in which they are acting upon (Noe, 2012, pg. 28). They should be ready to address the questions that might arise from the changing environment of the global world. The globalization of lifestyle and business is characterized by constantly traveling to different countries, communicating in foreign languages, exchange in foreign currencies. While it is easy to understand these aspects of globalization, understanding the underlying current and future trends prove to be problematic.

There are issues, which are reshaping the global trends with questions that are still to be resolved. These trends, which are more focused on, are the shift in the economic activity between and within regions (Czinkota, 2009, pg. 42). For instance, to the continental Asia or within the European Union; the growing number of the emerging markets and economies is because of the global trends. The hospitality industry has to respond to the global trends due to the changing technologies and the paradigm shift in the market in different parts of the world. Implementation of the global trend can prove to be of economical importance, but the problem is that it is expensive as well time consuming for a firm.

The Opportunities and Risks

The Emerging Markets

For the companies that adopt most of the global trends will lead to a positive impact on their profitability over a short period. For example, the trend like a faster pace of technological innovation in the hospitality industry will create more opportunities for the company. With a good technological innovation, more opportunities will be created in the industry. With increased opportunities translates to a better income for the same industry and that is development on their side (Jones, 2010, pg. 78). On the other hand, the project can backfire if not fully implemented since it can lead to a lot of corruption. Another impact for the hospitality industry is the growing number of consumers in the emerging economies or changing of the consumer taste. The main indicator for development in any other company is its strategy in tapping the emerging market of consumers. The industry of hospitality is widespread in terms of its functionality.

Scientific Data Driven Management Techniques

Another trend, which will prove to be of much importance for the hospitality industry is the adoption of more scientific, data-driven management techniques. It is important to note that with scientific data driven management, work is made easier in the company in terms of information accessibility. On the contrary, this method can lead to many errors due to human mistakes. But, the implementation of this trend should not be viewed on the perception of its errors. The issue of errors in implementation of programs in organizations is natural, and it is important for the implementers

to understand on ways of dealing with the errors. A stable data-driven management technology will make the industry gain much more since their industry will be working across the globe (Conrady & Buck, 2012, pg. 24) In McKinley's survey of how companies act on global trend, the survey reveals that, most of the company executives recognize the importance of embracing the global trend, but they do not put any effort to realize them in their companies. For example, use of a more advance technological, managerial services is accepted among most of the organizations. The challenge comes when it proves difficult to implementation of these trends. As one of the best performing or leading firms in the world, the industry need to evaluate the implementation of the program because the implementation of such programs in the company may require more training for the member staffs. The shift of the economic activities among regions, as well as a growing global nature or feature of the man power, remain among the most important global trends that most of the companies recognize to be important.

Hospitality industry should embrace the global trend with the aim of improving on its service delivery. Different sectors of the hospitality industry, which include clubs, pubs, rail transport, travel agency, restaurant, and food services. These are among the sectors that have employed millions of people. Their failure in the market can lead to many people lose their jobs. With many countries struggling to develop their economy; hospitality contributes to almost seventy percent of the economic growth. It is a high time for all the players of the economic development sphere, to take responsibility in supporting the call to embrace the global trend in the

market. In his survey, McKinsley, reveals that almost 70% of the executives, have accepted that the global trend is the way to develop their industries (McKinsey, 2008, pg. 92). The hard question is that why are they not willing to take the initiative of implementing these trends in their company.

Some of the respondents, in Kinsley survey, view geopolitical instability as a threat to their organizations and existence rather than a profit. They have the feeling that this form of trend is negative for the profit. Such kind of divided opinion on the importance of these trends is what has lowered their implementation in the hospitality industry. Most of the workers feel that the trend is of no much importance for the hospitality industry. Most of the think tanks fear change, and when it regards implementation of novel ideas, they feel threatened. If the global trend could be implemented, it will face many challenges hence it will not be of any help for the company.

New Workforce Improving the Production

The industry should focus more on some of the most important trends. For example, increasing the number of a high skilled workers in the workforce is what the industry needs for its improvement. It is almost close to impossible, to work with a low skilled workforce and expect quality service or production (Noe, 2012, pg. 25). The industry need to embrace this form of changes as a turnover in the market. In the survey, it is noticeable that, a larger majority of the executives believe on skilled personnel to perform better as compared to unskilled personnel. With the growing technology in the globe, many of the companies have resorted to using computers and internet; which may prove difficult for the unskilled personnel (Jones, 2010, pg. 81). Skilled

workforce directly translates to quality service as the output. If the company could implement such global trend in their company, then it could stand out from other industries as the most growing industry in the world.

The increasing Competitors within Global Market

In most of the cases, several manufacturers fear competition. Most of the industries can even go to an extra mile to involve in using unethical business practices in order to beat their opponents in the business. This is a contrary idea to the global trends. One of the trends requires a company or an industry, to acquire likeminded companies with knowledge that may offer a competitive edge (Czinkota, 2009, pg. 27). Although this idea might not go well with most of the industries, but through this trend the hospitality industry can borrow from their partners all over the world to know their weaknesses. Moreover, most of the firms within the global market may use the global trend to do benchmarking to understand their mistakes and to be able to correct on them. The stability and prosperity of a company can be measured or established, by the way, in which it can handle the competition from other industries.

Improving Lives in the Society

In every firm, the primary goal is to improve lives of the low-class people in the society. By so doing, industries should have a program, which is aimed at giving back the service to the community. One of the global trends stresses on improving the education standard in the region to boost the skills of the overall pool of talent. The hospitality sector being one of the largest industries in the world; it should lead by example by prioritizing much on

education and upbringing of the young talents (Czinkota, 2009, pg. 23). Such program will in turn help the industry gain recognition within the society in which it operates. In addition, the students who have stood out to have benefited from such programs could be recruited in the industry since they have gained the required knowledge to help them perform in the industry. Such programs in most cases, they turn out to form a foundation in which, whoever goes through the program supports other people who need help. In some cases, some of these global trends requires more than the willing power to implement. They cost an organization a lot of money, which could be used in other departments of the industry. For example, by developing compensation program that can attract and retain global talent requires a lot of money to implement. In some instances, you can establish that the industry is willing to implement such a program, but there is no direct interest of the industry in such a program (Czinkota, 2009, pg. 64). In such cases, the industry or the company is having a divided opinion on the implementation of such programs.

The whole set of the global trend, is much important for the hospitality industry to grow and match with other sectors all over the world. Through the implementation of these trends in this industry, there is a higher expectation that the company stands to gain more economically. This will be experienced by improved technology, skilled labor and improved managerial skills translates to growth of the industry. It is crucial to note that, international trends within the business are significant for the growth of any industry in the world. Despite its importance for the industry, the global trend should not be implemented wholesomely.

Conclusion

In conclusion, companies should act on the global trends for them to realize their goals. These goals are based on the platform of development, and a full implementation of these global trends will realize growth. Among the companies that do not act on the trends, cite shortage of skills and resources as the hindrance for the program's implementation. It is clear that, implementation of the global trend could be seen as a development strategy for the company, but this program at times it is wasteful for the company. The importance of the hospitality industry acting on the global trends, outweigh its demerits.

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