

Shangri-la hotels' strategic management



**ASSIGN
BUSTER**

According to Johnson, Scholes, & Whittington 2008, strategic management is defined as the drafting, implementing and the subsequent evaluation of decisions of all organizational functions with the aim of achievement of long term goals of the contextual organization. As a managerial level, strategic management is responsible in providing the overall path for the organization through continuous evaluation and control of the firm in its contextual industry. Management of Shangri-La Hotels need to constantly undertake strategic changes to maintain competitive advantages in the dynamic hotel industry.

Shangri-La Hotels' aspects of strategic management are clearly spelt out in the mission and vision statements as well as the culture in place. Shangri-La Hotels has two major and practised policies that depict the hotels' effort in implementing the strategy. To start with, the hotels assure their clients of their obligation and responsibility in delivering what has been promised. This is expressed in the hotels' commitment to avail accommodation whether within the hotels' facilities or elsewhere once the arrangements with the client have been made.

As it is the case with every other enterprise, the hotel industry adds on to its value of the service if it can minimize clients' uncertainties in delivery of services as much as possible (Rutherford & O'Fallon, 2007). Once delivery of promised services is assured in the hotels' policies, clients can make future bookings and other related activities with certainty. This enhances the long term life of the hotels. Second, Shangri-La Hotels clearly recognizes the need for childcare hence offers free accommodation to underage children when accompanied by adults.

Adults in need of accommodation in the hotels do not have to perceive the company of children as an extra expense. Strategically, the hotels conduct friendly marketing to the children which would bear fruits in the future subsequently enhancing future survival of the hotels which is part of the long term objectives. Shangri-La Hotels has an organizational structure that does support implementation of the adopted strategy. The hotels are managed by a team of professional managers whose repertoire of experience dates back to as many as ten years in the hotel industry.

Strategic management as well as operational issues are attended to from an international perspective ensuring conversance with the global hotel industry. Management team is functionally structured in running the organization. Functional structures ensure specialization of the team members hence establishing stable and efficient divisions that correctly interrelates with other divisions towards common objectives. At Shangri-La Hotels, the team is led by the managing director and the chain of command flows down to the chief operating officer, group directors, and vice presidents in various divisions.

Functional structures ensure that operational activities of an organization are distributed to various appropriate officers who by extension work with their respective assistants. As such, vacancies arising from exit of functional heads in the Shangri-La Hotels would easily be replaced by their contextual assistants without delays. Swift and efficient replacement of a managerial team member, especially through promotion, ensures achievement of the strategic objectives since induction and training which requires time are not necessary (Yamamoto ; Veen, 2009).

Shangri-La Hotels' culture may be described by the serenity and uniqueness of hospitality services that the hotel has offered since 1971. Furthermore, Shangri-La Hotels inscribes in 'pride without arrogance' philosophy and expresses it through provision of distinguished Asian standards guided by a great care for people. Such cultural features differentiate Shangri-La Hotels in the industry thereby providing the competitive edge aspects. Competitive edge elements are indispensable in implementation of strategies.

Usually, culture endeavors to strategically position an organization by instilling amongst the employees, suppliers and customers the dreams of the founders of the organization (Yamamoto ; Veen, 2009). In addition, organizational culture as instilled by the management shapes the employees in terms of discipline and efforts necessary for realization of the said dreams. Indeed, Shangri-La Hotels' culture supports the enterprise in achieving its strategic objectives. Strategic management level at Shangri-La Hotels is in no doubt effective in positioning the hotels for the future.