

Study on Entrepreneurship in the Hospitality Industry

Dr. Syed Gous^{1*} Mrs. Bhakti Naik²

¹ Associate Professor, Marketing/Entrepreneurship, D. Y. Patil University's School of Hospitality and Tourism Studies, Sector -7, Vidya Nagar, Nerul, Navi Mumbai-400718

² Assistant Professor, Finance/ Management, D. Y. Patil University's School of Hospitality and Tourism Studies, Sector -7, Vidya Nagar, Nerul, Navi Mumbai-400718

Abstract – Hospitality is a diverse field, a different market market, a part of economic and social life that provides many possibilities for growth of small enterprises, but often extremely efficient resources. In this sense, its association with entrepreneurship takes note of the goals of building new competitive enterprises by strengthening the potential and ability of organisations in establishing, planning, handling risk and benefit. By identifying micro factors impacting the advancement of local business and the hospitality sector, the paper aimed at examining entrepreneurs' actions in compliance with market restrictions, restricting creativity, growth and behaviour. Enterprise would improve competition in the hospitality sector, contributing to improved efficiency and economic growth.

Key Words: Entrepreneurship, Hospitality Industry, Local Development

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INTRODUCTION

In the last five years, the hospitality market has experienced turbulent shifts. Economic stresses, increasing customer tastes and habits of use, technical innovations, globalisation, market cuts, and alternative marketing networks are just a couple of the shifts in the corporate environment. This chapter attempts to discuss hospitality and the associated business sector. The creative spirit is central to the creation and rejuvenation of new companies. We describe how to encourage it in the sense of hospitality and discusses entrepreneurship or the development of new firms. We concentrate on founders' features, core problems of start-ups and franchising in the hospitality industry.

HISTORY OF HOSPITALITY INDUSTRY

The history of the hospitality field is a commercial tale. Entrepreneurship in the broadest context is the development of new companies. Few businesses are start-ups and some are founded through an corporate company. They measure the scale of potential industries or whether new innovations or innovative methods are appealing. They are well established socially and have a tremendous contribution from their main staff. Every year, hundreds of thousands of small businesses are created. In the United States, these businesses produce more than one million new workers annually in a variety of sectors, while Fortune 500

corporations slash their staff. Start-ups have grown in the U.S. with women, minorities and baby boomers contributing to increases in the creation of small companies. In reality since 1990, the number of businesses over the age of 50, according to the American Society of Training and Development, has risen by 23 percent to 5.6 million employees (2005). Any of America's restaurants and beverages are independent enterprises and about half are single ownerships or alliances. More than half of private workers are working in businesses with less than 500 staff. These corporations account for nearly half of the gross domestic product of the private sector. It is noteworthy because two-thirds of modern technologies originate from smaller businesses. Entrepreneurship is still a high risk operation. Entrepreneurs in highly-developed markets sometimes argue that maintaining a new company is challenging, and they are right. But entrepreneurship in under-developed countries such as Russia is much harder to achieve: 'The labyrinth of Russian entrepreneurs that they must traverse for profitable projects characterises a dysfunctional regime, undeveloped legal framework, overregulation, a nearly unfathomable taxation system, the prevalent Mafia and insufficient market structure.'

IMPORTANCE OF ENTREPRENEURSHIP IN HOSPITALITY

Entrepreneurship is a driving factor behind every industry's growth. This is particularly valid in the diverse and increasingly changing hospitality industries worldwide. These businesses make a significant contribution to the development of national economies and are expected to develop both in quantity and efficiency. This has to do with meeting growth goals and with the Hospitality 's capability, availability and skills. The value of business to hospitality grows and provides the consumers with innovative goods and services. Enterprise company typically create newly merged means of processing, different goods, new markets, alternative manufacturing or delivery processes , new content supplies or alternative organisational structures. Entrepreneurship for this sector is also important. For companies, development will improve competitiveness and raise market disparity and raise income.

LIMITATIONS

Longitudinal can be especially valuable as they may help monitor shifts in thought and associated socio-economic problems. The effects of this must also be closely considered as a convenient sampling technique has been implemented. The respondents were selected from KAHC participants who could readily connect, which would have induced unchecked discrimination. Finally, the absence of an empirically validated tool to assess the degree to which social entrepreneurship activities are implemented could in any way have restricted the accuracy of the knowledge gathered.

EFFECTIVE CHAMPIONSHIP

At first glance, creativity involves utilising established facilities accessible in a innovative manner, but their most significant position in the hospitality industry is Awareness Creating. The businesses should be able to accommodate the required power. They can also utilise the cultural context of their place of origin and destination and prepare a variety of offerings to win the confidence of consumers. They must be confident that mutual facilities are offered during their trip. Entrepreneurship may allow them to fill the gaps between their expectations and some cultural, official or legal limitations, especially when they use local ability. These holes can be seen in every section of the path and rectified with the local capability and ability. For instance, shifting currencies, protection in crowds, contact with local citizens, shopping in typical bazaars, visiting some tribes' lifestyles, are just a few of the fields with possibly holes or issues.

Establishing a forest hotel with natural resources and conventional designs along with local produce is a clear illustration of how hospitality sector creativity

and development are employed. Nevertheless, sustainability relies on correct marketing, happy customers and the reliability of expected procedures. It will not thrive without creativity and the pleasure and loyalty of customers.

POLICIES OF ENTREPRENEURSHIP IN HOSPITALITY INDUSTRY

Good strategy and governance proposals are the foundation for effective business growth in all fields, and hospitality is no different. The history of the hospitality industry in many parts of the world has proven that the long-term commitment to improving this business sector will provide rewards and sustain the respective consumer sectors' satisfaction. In reality, the entrepreneurial scenario in the Indian hospitality vis-à - vis Assam is the product of policy interventions over the years. The current controversy highlights several policy proposals related to the hospitality industry.

Central Initiative

As India became independent in 1947, it encouraged rapid industrialization of the country, not only a road to national growth but also national sovereignty. The Industrial Policy of India developed in the following years with successive Industrial Policy Decisions and Industrial Policy Speech. The subsequent Five Year Strategies have identified clear goals for economic growth. The hospitality industry relies solely on the development of the primary and secondary industries. The hospitality industry also expands as there is development in the main and secondary industries. There is also a connection between general industrial policy, ensuing industrial development and the development of the hospitality industry, which in subsequent planning efforts became manufacturing.

The Govt introduces various manufacturing policies. Since 1948, India. In 1948, the first Industrial Policy Resolution declared large contours of the industrial growth plan. It rendered an significant distinction between enterprises which were solely controlled by the state, that is, the public sector, private sector businesses and the joint market. In January 1950, the Planning Committee in March 1950 was created and the Industrial Department and Control Act was passed in 1951 to allow the government to take appropriate action to control, by way of licences, the trends of industrial production. The resolution of 1956 on industrial policy implied that a focus on heavy industry would take the economy on a long-term higher growth course. The legislation broadened the public sector's focus. The goal was to speed up economic development and accelerate the industrialization process as a way to create a democratic model of society. The Resolution on

Industrial Policy – 1956 divided sectors into three groups. There were 17 businesses in the first tier. This involve roads, air travel, arms and bombs, iron , steel and nuclear energy. The second group contained 12 sectors which would eventually be state-owned, but which would complement state efforts. The third group covered all remaining sectors, and the private sector was supposed to develop these sectors but stayed available to the state. The Industrial Policy Resolution of 1956 has sought to reduce geographical inequalities by creating areas with a low manufacturing base. Thus, sufficient infrastructure was properly emphasized for the economic growth of such areas.

The Committee of Inquiry into Industrial Licensing Policy of 1967 proposed that the licenses to major industrial firms should be issued only for the development of enterprises in core and heavy investment sectors, which would entail a reorientation of industrial licensing policy. In 1969, the MRTP Act was developed to allow the government to efficiently regulate the accumulation of economic influence. The latest 1970 Industrial Licensing Program grouped sectors into four divisions. The first group, defined as the 'heart sector,' was the primary, essential and strategic sectors. The second group defined as "Large Construction Market" featured more than Rs.50 million investment ventures. The third group, "Lower Market," consisting of Rs. 10 million to Rs.50 million investment ventures. The fourth group was the 'De approved Market,' with fewer than 10 million Rs. contributions and licencing exemptions. The industrial licencing policy of 1970 restricted the position of major enterprises and international firms to the central, heavy and export-oriented industries.

The Industrial Policy Declaration of 1973 gave priority to small and medium-sized business companies in setting up new capacities, especially for the development of mass consumer products, with the objective of preventing excessive concentration of industrial operation in large industrial homes. New undertakings with fixed assets up to Rs. 10 million were excluded from the licencing conditions for major asset growth. This exception does not extend to monopolies and discriminatory market practises (MRTP) businesses, international firms and current approved or registered firms with fixed assets amounting to or exceeding Rs. 50 million.

The Industrial Policy Statement of 1977 stressed the decentralisation of the regional, regional and cottage enterprises in the industry with increased position. Near contact often occurred between the manufacturing and agricultural industries. Strom generation and transmission is assigned the highest priority. According to the Foreign Exchange Control Act (FERA) 1973, international firms that reduced their international stock to up to 40% should be handled at the same time as Indian businesses. In the 1980 Industrial Policy Declaration, focus was put

on fostering internal competitiveness, developing technologies and modernising industries. Any of the socio-economic goals mentioned in the declaration were

- i) maximum network power usage,
- ii) improved efficiency,
- iii) higher rate of employment,
- iv) ethnic inequalities elimination,
- v) reinforcement of the agricultural base,
- vi) assistance to export-oriented enterprises and
- vi) security of the customer from rising costs and low service.

Political steps to revive the productivity of public sector enterprises (PSUs) were announced by establishing management systems in functional areas such as logistics, financing, marketing and knowledge.

Industrial policy for north east India

While the Indian Government has sought to reduce the country's regional imbalances by industrial policies, it has not progressed in the north-east for one or another cause. In December 1997, the Government of India implemented the North-East Industrial Policy to reduce regional imbalances in favour of industrial growth in the Northeast region , providing entrepreneurs with incentives and subsidies under various schemes. The Government of India declared a new Northeast Industrial Strategy in December 1997. The key characteristics included rewards to build growth centres and IIDCs. It also contained transport funds, lucrative fiscal benefits for new manufacturing projects and major expansion of established projects. The North East Business and Trade Development Program, 2007 (NEIIP), substituted the Strategy.

In line with the North East Industrial and Investment Development Policy (NEIIPP), a set of fiscal incentives and other concessions for the North East Zone was authorised by the Central Government in 2007, which would be effective for 10 years. The policy's highlights are:

- Absolute Free Tax Region for all units in the north-east. 74
- Federal markets tax profits.

- Transportation Subsidy to and from the area for both raw materials and finished goods.
 - 30 percent Capital Expenditure Subsidy without any restriction for growth and new facilities.
 - Cash Income Operating Support @3% on industrial credit.
 - Robust industrial insurance plan where 100% cost is paid by the Indian government.
- v) rendering industrial activity connected to agro-rural areas as a programme oriented.

In addition, the State Government will seek to encourage state youth, especially women entrepreneurs to develop industries, to promote export growth and attract FDI, particularly from NRIs.

INSTITUTIONAL SUPPORT FOR HOSPITALITY ENTREPRENEURS

A proper planning and regulatory framework is a pre-condition for entrepreneurship growth. A country cannot succeed economically if due priority is not granted to the development of entrepreneurship assisted by the government's liberal policies and institution-building. The industrialized countries such as the United States, Japan and the United Kingdom have seen global growth as a consequence of corporate practices. These countries set the groundwork for long-term growth as entrepreneurship. There is also a need and necessity to establish government agencies such that companies will not experience any obstacles in the phase of development and in the long term and these agencies will be supported if and when necessary. The development of entrepreneurship has now been simple and hassle free and one stop shop in the process. Keeping this in mind, the Central Government has founded many agencies, including the corporate aspects. Project growth, financing, recruitment, promotion, etc., so that entrepreneurs may create their company in the sense of the country's legal system and at all times request assistance from such organisations. The Government of Assam has also founded central government agencies and encouraged entrepreneurs to engage in entrepreneurship in the small, medium or heavy market. In addition to the banking sector, there are numerous institutions in Assam, including Assam Tourism Development Corporation (ATDC), Assam Small Industries Development Corporation Limited (ASIDC), Assam Financial Corporation (AFC), Assam Industrial 85 Development Corporation (AIDC), Indian Institute of Entrepreneurship (IIE).

State policy

The Assam Government has often thought seriously about creating industries that meet the aim of industrial growth that cannot be accomplished before and without the creation of industry in the state. The Assam Government's first industrial policy was introduced in 1969 (8th March 1969) as part of this project to foster state investment from outside (including India and foreign countries) as well as from local entrepreneurs, in line with the Indian Government's industrial policy. This strategy allowed local businesses to carry up commercial undertakings. It suggested the acquisition of land for entrepreneurs in various parts of the state with water, power and road facilities. While the Assam Government formulated policies, no focus was put on tourism infrastructural growth, even though it gradually became a catalyst of the State's economic growth. The hospitality industry in the state then endured a long time of deflation.

In 1986, the introduction of a national economic strategy establishing 14 'thrust zones' for the state's economic growth. This involve a sustainable rural growth by encouraging the Khadi and the village factories, industrial and heavy and secondary industry rapidly. The 1991 Industrial Policy stressed rapid, sustainable industrialization dependent on capital in order to improve the state economy and build prospects for workers. In addition to the above policies, the Assam Government established industrial policies in the years 1997, 2003 and 2008. The goals and priorities of Assam Industrial Policy 2008 are as follows:

- i) produce economic growth by speeding the industrialization process;
- ii) build jobs and increase income by enabling micro-enterprises to be established;
- iii) raise the share of the State Domestic Product Manufacturing Sector (SDP);
- iv) allow the production of nature – economics based on and

CONCLUSION

Several promising areas of future studies remain in an industry which traditionally depended on entrepreneurs and franchising business models. The previous experience of an company and personal concerns will reign if the course and internal operation of a new business is not deeply formed. A new family business lives are clearly expressed in strategic goals.

The position of the single champion of ideas indicates that attempts to create and maintain a organisational focus will be important for strategic stability and renewal. If champions in hospitality are

unwilling, the sector must spend further in creating a powerful rationale that encourages company practices and capacities. Effective businesses are willing to consistently promote creativity at all levels in the dynamic, unpredictable and competitive field of hospitality.

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Corresponding Author

Dr. Syed Gous*

Associate Professor, Marketing/Entrepreneurship,
D. Y. Patil University's School of Hospitality and
Tourism Studies, Sector -7, Vidya Nagar, Nerul,
Navi Mumbai-400718

syed.gous@dypatil.edu