

Management & Organisational Behaviour

Written report

Student Name: Ana-Maria Bosuioc

Student ID: 2126864

Module: BMIH5004

Executive summary

This report provides a critical appraisal of Hilton Hotel Group's organizational structure, culture, and stage-by-stage performances at both corporate and hotel unit levels. Through the application of related theories and current studies in organizational culture and structure, management of latest change initiatives, as well as the company's strategic direction, the report explores these components – organization structure, culture, goals, latest change initiation, and the company's strategic direction. Utilizing data from scholarly literature and strategic consultancy bases, the value of this report lies in the presentation of Hilton's strengths, weaknesses, and their improvement needs.

Table of Contents

Executive summary	2
Introduction	4
Organization Structure, Culture, and Goals:	5
Recent Change Initiatives and Management:	7
The Organization's Strategic Direction:	10
Conclusion	12
Reference	13

List of Figures

Figure 1: Hilton Logo.....	4
Figure 2: Change Management.....	8

Introduction

This report is aimed at fully analysing Hilton Hotel Group's organizational dynamics, including a close look at structure, culture, and overall performance. The analysis will be done for both these levels corporate and individual levels. Utilizing timely theories and existing research reviews, the report digs into the realms of organizational structure, culture, and goals, also the subjects of recent change management and its way, as well as the leadership mechanisms of the organization. The research report will make use of both academic literature and industry sources to elucidate the strong points, point at the problems, and point out what needs to be changed. Based on this thorough analysis, the report outlines Hilton's operative performance and offers its competitiveness in the hospitality industry in the global environment.



Figure 1: Hilton Logo

Source: (www.carlsbadistan.com, 2017)

Organization Structure, Culture, and Goals:

The organizational structure of the Hilton Hotel Group is a crucial matter in its performance, allowing the company to establish the effective assignment of responsibility and the flow of information. As one of the most prominent and globally recognized hotel brands, Hilton has an organizational structure that is constructed so the operation of the company provides effective decision-making, and accountability checks, and helps achieve strategic objectives.

At the peak of Hilton's organizational hierarchy, there is a corporation headquarters, which is led by an executive management team, including the CEO and the head of each functional area such as operations, finance, marketing, and human resources. Fed by this centralized leadership, the organization keeps its goal in mind, together with the idea and longing it has for the future.

Beneath the company level, the Hilton organizational structure encompasses a web of regional and divisional offices, each being responsible for managing operations to a specific geographic location or business field. This avoids centralised scheme and gives Hilton the advantage to adapt its strategies and operations according to local market conditions and have a control over a brand standards and customer experience. At every level or district, Hilton runs hotels with different types and ranging from five-star resorts to cost-effective lodges. These separate units are commonly categorized into clusters or geographic areas with each of these being managed by a general manager or district manager who ensures that day to day operations in sales and marketing, revenue management, and employee relations are done by the top and middle management (Johnson, et al., 2020).

The culture of the Hilton hotel organization is mainly driven by the principle of hospitality, service to customers and delegation to staff through empowerment. Consequently,

each element of the business from the level of the front staff and their customer-oriented approach to the core decisions driven by corporate management is all part of the "Hilton Effect".

At Hilton we value creating a positive work atmosphere based on mutual respect and teamwork. Our employees are great, and they work hard to satisfy our guests' needs. At the heart of Hilton's own culture are company values such as hospitality, integrity, leadership, teamwork, and professionalism. Thus, the company is creating a culture of respect, loyalty, and dedication. These values are flagged as the guiding principles for employees at all levels in the organization while behavior, decision-making, and relationships with guests and coworkers are patterned (Lamo, 2019).

Besides, Hilton places a strong bias on employee development and giving them motivation through training, career development opportunity, and awards and recognition programs to help the engagement of employees and to keep the current ones. Hilton aims to develop an environment where talents are enhanced by the robust training and development programs. The underpinning philosophy is to cultivate a talent pool that is consist of skilled, motivated and dedicated hospitality professionals who are passionate about delivering the best service and ensuring the financial stability of the company.

Speaking of goals, Hilton Hotels Group's global aim is to become the most hospitable company in the world that is synonymous with the best customer experience that the market offers, innovative products and services, and a commitment to social responsibility and sustainability. With this aim in mind, Hilton focuses on strategic measures like further expansion into global markets, considerable development of digital capacities, distinctive branding, and excellent cooking as the driving force behind the hotels in its valuable collection.

Recent Change Initiatives and Management:

In a roundabout a couple of recent years, Hilton Hotels & Resorts have been promoting some big-scale change initiatives to improve effectiveness and customer service while boosting competitiveness in the hospitality industry. Dealing with sustainable destinations, the company's operations show Hilton's competence in development and readjustment, as well as continuous enhancement and they have been implemented in the light of careful planning and strategical implementation.

As evident from the changes introduced by the IT strategy of Hilton through its Digital Trans which is being used for the enhancement of the process, the personalization of services, and the revenue generation, it aims at improving the performance of the organization with the aid of technology. This involves several IT breakthroughs such as the app's creation, online reservations platforms, and integrated visitor engagement systems. Through digitalization Hilton strives to improve guest convenience, help employees makes decisions based on real-time data and provide replies to adjust revenue management strategies.

Furthermore, Hilton has set sustainability and environmental care at the core of the Corporate Social Responsibility initiative they dubbed "Travel with Purpose." Our broad sustainability strategy involves steps to lessen carbon emissions, conserve water and energy, harmonize waste disposal, and ensure community participation and ethical and responsible sourcing. The hotel group accomplishes it through Clean the World collaboration, which recycles used hotel soap and health products for provision to the most impoverished societies across the globe. Hence, it is unequivocal that the firm aims to be a catalyst for positive changes in the societies as well as green agenda across the globe.

Apart from that, Hilton pursues expansion strategies which enable it to become a worldwide business and consider chances in future markets at the same time. These efforts

encompass the launch of new hotel properties in the principal localities around the world, the enlargement of the existing brands and the entry of new concepts to give a response when the tastes of the guests keep growing and the trends in the market change. Through planned growth, Hilton tries to build up a comprehensive portfolio, accumulate market shares, and gain leverage from the opportunities available in various market niches.

Whether leveraging AI, machine learning, or data analytics, change management is a fundamental factor contributing to the successful implementation of the strategic objectives, by ensuring that the organizational resources, along with the processes and culture, are in synch. Hilton follows a systematic principle of change management and includes stakeholder involvement -like communication, training, and monitoring- to synchronize the transition process and reduce the resistance to change.

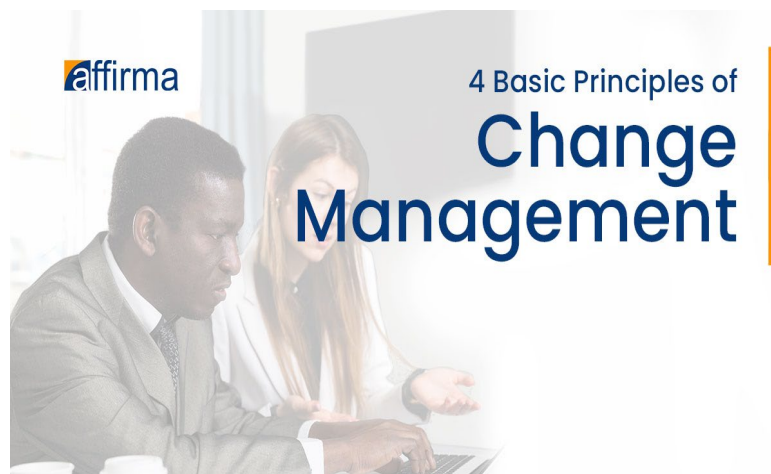


Figure 2: Change Management

Source: (www.affirma.com, 2020)

- **Key principles of effective change management at Hilton include:**

1. Clear Communication: Hilton not only communicates changes transparently but also does so proactively, that is not only does the workforce receive messages about the change initiatives but also does it understand the goal and expected outcome. It creates an ownership sense and

promotes dedication among stakeholders working in the organization at any level (Xiao, Hilton, and Mohammed, 2019).

2. Employee Engagement: Hilton implements the change process by involving employees at various phases of the change process, such as collecting feedback, addressing problems, and including them in the decision-making structures where necessary. Hilton leadership involves employees, allowing them to contribute ideas for improvement initiatives which results in a culture of ownership, two-way conversation, and progress (Hassanein, and Özgüt, 2022).

3. Training and Development: Hilton is committed to resources for capacitating employees with the adequate skills, knowledge, and attributes required to familiarize themselves with different processes, technology, and ways of working. This lessens the possibility of employees working under a new system without comprehensive training and hence, being capable of fulfilling the company's goals optimally (Nama, 2022).

4. Performance Monitoring: Hilton measures the success of the transformation activity using the overall performance indicators (KPIs), metrics, and feedback items. Such a feature of Hilton is that it makes it possible for the organization both to evaluate the success rate of changes detect weaknesses and make decisions relying on statistics that will lead to the best outcomes (Zientara et al., 2020).

Through skilful implementation of change initiatives, Hilton Hotel Group is equipped to sail between the shifting markets, develop novel designs and maintain business longevity in the competitive tourism sector.

The Organization's Strategic Direction:

Hilton brand related direction is framed by its vision, mission, and so-called core values that serve as a guide to long-term goals and objectives. Being one of the largest hospitality companies does not only want to be recognized as the most hospitable company in the world, but also aims to be famous for its outstanding guest experiences, uniqueness in service/product and social commitment and sustainability.

At the very core is Hilton's outstanding approach of being devoted to growth and expansion, either geographic or brand oriented. Hilton identifies growth within its global footprint by penetrating into new marketplaces, developing the new hotel properties, and building up the strategic partnerships with developers, investors, and franchisees (Dev, 2024). While Hilton is currently exploring expansion options to tap new market opportunities, drive revenue diversification, and instil a market leader positioning through its strategic expansion initiatives.

Hilton embodies a developmental direction in which brand differentiation and innovation present the main highlight with consideration of the outstanding and multifaceted guest experiences through a quality line of brands. Hilton's brand portfolio features fashioned from a diverse restaurant of hotel concepts aimed at different target markets like luxury resorts, full-service hotels, and lifestyle and extended-stay hotels. Hilton opts to differentiate each brand in a way they can meet the changing needs of the market in the most effective manner possible while at the same time maintaining uniform high-quality services and standards across the globe.

Also, in conformity with sustainable and socially responsible admissions, Hilton has directions that involve practices to decrease its ecological footprint, use responsible sourcing and community engagement, and aid communities of diversity and inclusion. "Travel with

purpose" is the name of the CSR initiative of Hilton changing the game on the social and environmental spheres for the benefit of the stakeholders. Let me walk through some of these measures our facility has taken which include emission reduction campaigns, conservation of water and energy, minimal waste generation, and support provided to the local community via philanthropy and volunteerism (Gardetti, and Torres, 2017).

On the other hand, Hilton's strategic guideline is based on customer's needs, marketing research, and how competency influences the market, thereby allowing the company to look ahead and act in a fit manner when the markets change. The attractiveness of the industry, customer reviews how the guests provide feedback, and how the competitors perform would help Hilton to recognize areas that need improvement such as having new features that make the product different from the others and thus enhancing the industry growth (Homburg and Tischer, 2023).

The Hilton operation equally focuses on operational excellence that aims success by striving to achieve the best and maintain them. Under continued initiatives of digitalization, process optimization, and talent development, Hilton aims to achieve high operational efficiency, earn more profit, and create ultimate value for their guests, owners, and investors (Lamo, 2019).

Therefore, Hilton Hotel Group's strategic approach is deeply concentrated on a definite vision, an aspiration to grow and innovate, and a view to the future in which environmental troubleshooting and social justice are key elements. Hilton outlines its strategic goals as being in sync with its core values and market conditions with the aim being to sustain its lead in the global hospitality industry by creating value that will endure for all stakeholders.

Conclusion

In conclusion, the high-end Hilton Hotel Group epitomizes the dedication to excellence, innovations, and guest-centricity among the hotel industry. The continued success of Hilton is mostly due to its well-thought-out strategic initiatives, organizational culture, and commitment to sustainability. This setup drives the company to deliver a superior guest experience and consistently maintain effectiveness in its operations. Hilton continues to focus on its policy of ongoing improvement and assumes its culture of hospitality through all levels of the organization. With these principles engrained, the company is still in pole position to be a global leader in the hospitality sector as well as able to create remarkable experiences for visitors across the world.

Reference

1. Dev, C.S., (2024). *Hotel Brand Overload: The Coming Shakeout*. Available at: Hospitalitynet
2. Gardetti, M.A. and Torres, A.L. eds., (2017). *Sustainability in Hospitality: How innovative hotels are transforming the industry*. Routledge.
3. Hassanein, F. and Özgüt, H., (2022). Sustaining human resources through talent management strategies and employee engagement in the Middle East hotel industry. *Sustainability*, 14(22), p.15365. Available at: <https://doi.org/10.3390/su142215365>.
4. Homburg, C. and Tischer, M., (2023). Customer journey management capability in business-to-business markets: Its bright and dark sides and overall impact on firm performance. *Journal of the Academy of Marketing Science*, 51(5), pp.1046-1074. Available at: <https://doi.org/10.1007/s11747-023-00923-9>.
5. Johnson, J., Whittington, R., Regné, P., Angwin, D., Johnson, G. and Scholes, K., (2020). *Exploring strategy*. 12th edn. Pearson UK.
6. Lamo, E.G., (2019). The Center of Success: A Case Study on Hilton's Company Culture. Available at: <https://digitalcommons.capoly.edu/expindsp/4/>.
7. Nama, K., (2022). *The influence of human resource development on employee performance and service delivery at a local municipality in the Eastern Cape*. Doctoral dissertation. Faculty of Management Sciences. Available at: <https://hdl.handle.net/10321/4260>.
8. Xiao, A., Hilton, E. and Mohammed, W.F., (2019). A critical analysis of corporate social responsibility in Ghana's telecommunications industry. *Communication: South African Journal of Communication Theory and Research*, 45(3), pp.4-22. Available at: <https://doi.org/10.1080/02500167.2018.1552601>.

9. Zientara, P., Bohdanowicz-Godfrey, P., Whitely, C. and Maciejewski, G., (2020). A case study of LightStay (2010–2017)—Hilton’s corporate responsibility management system. *Energies*, 13(9), p.2303. Available at: <https://doi.org/10.3390/en13092303>.