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Stay SMART

Inter Continental Hotels

Contents

1. Introduction	3
2. Situational Analysis (SWOT)	3
TABLE 1: <i>SWOT analysis</i>	3
3. PESTLE Analysis.....	4
4. SMART Objectives	5
5. Stakeholder Analysis	5
6. Mendelow's Matrix	6
TABLE 2: <i>Mendelow's Matrix – Stakeholder Mapping (IHG Hotel)</i>.....	6
7. Communication Plan.....	7
TABLE 3: <i>Communication Plan</i>	7
8. RACI Matrix	8
TABLE 4: <i>RACI Matrix</i>	9
9. Stakeholder Engagement Plan	10
<u>TABLE 5: <i>Stakeholder Engagement Plan</i></u>	10
10. Conflict Management and Role of Manager.....	11
11. 3Ps Evaluation	12
12. Evaluation of Engagement	14
13. Recommendations.....	15
14. Conclusion.....	16
15. References.	18

1. Introduction

InterContinental Hotels Group (IHG) is widely recognised as one of the leading global organisations in the hospitality sector, operating with a diverse portfolio of brands and markets. Since its founding in 1952, the company has built a solid reputation for service excellence, customer satisfaction, and brand consistency.

This report focuses on the InterContinental London Park Lane, a luxury hotel with 449 rooms, including 75 expansive suites, located in one of the most prestigious areas of London, close to Hyde Park. Its prime location attracts both tourists and corporate travellers, making it an ideal context for analysing stakeholder engagement in a highly competitive environment.

The “Stay Smart” concept represents a strategic initiative aimed at improving the guest experience through the integration of digital technologies, data analytics, and personalised services. According to Gretzel et al. (2020), smart hospitality is transforming the way organisations interact with their customers, providing more efficient and personalised experiences.

While innovation offers significant opportunities, it also introduces challenges related to costs, data privacy, and organisational change. Therefore, effective stakeholder engagement becomes a critical factor to ensure successful implementation and long-term sustainability.

2. Situational Analysis (SWOT)

TABLE 1: SWOT analysis

Strengths	Weaknesses
Strong global brand recognition	High cost of technological implementation
Prime location in London	Need for staff training
High-quality infrastructure	Dependence on digital systems
Opportunities	Threats
Growing demand for personalised experiences	Intense competition
Expansion of luxury tourism	Economic instability
Sustainability trends	Data privacy concerns

IHG benefits from a strong global presence and a premium location, which significantly enhances its competitive advantage. These factors strengthen customer trust and brand loyalty. However, maintaining this reputation requires consistency in service delivery, particularly in a constantly evolving technological environment.

At the same time, weaknesses such as high implementation costs and dependence on digital systems represent operational risks. An important limitation is that technological failures or cybersecurity issues may directly impact customer experience and organisational performance.

There are opportunities in the growing demand for personalised services and sustainable practices, aligned with current industry trends (Kotler et al., 2016). This indicates that the adoption of smart technologies is not only beneficial but necessary to maintain competitiveness.

External threats such as economic instability and strict data protection regulations must be carefully managed. Failure to address these factors may result in reputational damage and loss of customer trust.

Overall, the SWOT analysis demonstrates that although the Stay Smart initiative presents significant opportunities for innovation and competitive advantage, its success depends heavily on effective stakeholder engagement and strategic implementation.

3. PESTLE Analysis

Political factors, particularly post-Brexit regulations, influence the flow of tourists and the availability of labour in the United Kingdom. Economic conditions, such as inflation and rising operational costs, also place pressure on profitability.

From a social perspective, modern consumers increasingly expect more personalised and integrated experiences, which drives the need for innovation.

Technological advancements, especially in artificial intelligence and data analytics, are transforming the way services are delivered (Jones, 2019).

Legally, compliance with GDPR is essential to ensure data protection and maintain customer trust.

Environmental issues are also gaining relevance, with increasing pressure to adopt sustainable practices.

These external factors highlight that the organisation operates in a highly dynamic environment, where the ability to adapt to technological and regulatory changes is essential.

4. SMART Objectives

- Increase guest satisfaction by 20% within 12 months
- Implement digital personalisation systems within 6 months
- Reduce energy consumption by 15% within one year
- Improve customer retention by 10%

These objectives are specific, measurable, and time-bound, providing a clear direction for the organisation. However, their achievement depends heavily on collaboration among stakeholders, particularly employees and technology partners.

5. Stakeholder Analysis

Stakeholder theory, proposed by Freeman (1984), emphasises that organisations must consider the interests of all groups that influence or are affected by their activities.

Internal stakeholders include:

- Management
- Employees
- Executives

External stakeholders include:

- Guests
- Suppliers
- Regulators
- Local partners

Each group plays a fundamental role in the success of the Stay Smart initiative. For example, employees are responsible for delivering the service, while guests directly influence performance through their satisfaction and loyalty.

One of the main challenges is balancing conflicting interests, for instance, while executives may prioritise cost efficiency, employees may require additional resources and training to adapt to new technologies.

This demonstrates that stakeholder management is not a static process, but rather continuous and constantly evolving.

6. Mendelow's

TABLE 2: *Mendelow's – Stakeholder Mapping (IHG Hotel)*

	HIGH INTEREST	LOW INTEREST
	KEY PLAYERS	KEEP SATISFIED
HIGH POWER	Executives (IHG) General Manager Investors	Regulators (GDPR, UK Government) Local Authorities (licensing, safety)
LOW POWER	KEEP INFORMED Guests Employees Operational staff	MINIMAL EFFORT Secondary suppliers External services (cleaning, maintenance)

The Mendelow matrix is a widely used tool to analyse and prioritise stakeholders based on their levels of power and interest. In the context of the Stay Smart initiative, this approach allows the organisation to identify which stakeholders require greater strategic attention, particularly those with high power and high interest, such as executives and investors, who can directly influence decision-making.

According to Johnson, Scholes and Whittington (2017), stakeholder analysis based on power and interest may oversimplify complex relationships, as it does not consider dynamic factors such as changes in stakeholder behaviour, evolving expectations, or external influences over time. This is particularly relevant in the hospitality sector, where customer needs and market conditions can change rapidly.

For example, although guests are classified as having low power, their collective influence through online reviews and social media can significantly impact the organisation's reputation.

While the Mendelow matrix is useful as a starting point for stakeholder analysis, it should be used alongside other tools and more dynamic approaches. This allows for a more comprehensive and realistic understanding of stakeholder relationships, contributing to more effective and adaptable management.

7. Communication Plan

TABLE 3: *Communication Plan*

Stakeholder	Clarity	Consistency	Channels	Communication
Employees	Clear information about technological changes and processes	Regular and aligned communication across departments	Weekly meetings, training sessions, intranet	Updates on implementation and continuous support
Guests	Simple explanation of personalised services and data usage	Consistent messages across all touchpoints	App, email, website	Information about benefits and personalised experience
Executives	Clear data on performance and results	Structured and consistent reports	Monthly reports, strategic meetings	Performance analysis and decision-making
Partners	Clearly defined expectations and objectives	Continuous and aligned communication	Meetings, emails, digital platforms	Coordination of services and technological innovation

The communication plan plays a fundamental role in the success of the Stay Smart initiative, particularly in a context of organisational change and digital transformation. Effective communication not only ensures that information is accurately transmitted among stakeholders, but also contributes to building trust, strategic alignment, and continuous engagement.

In the hospitality sector, where customer experience depends directly on the interaction between different departments, clear and consistent communication becomes even more relevant. According to Morrison (2019), well-structured communication strategies are essential to align expectations, improve internal coordination, and strengthen relationships with customers and partners.

In the context of Stay Smart, the use of different communication channels, such as face-to-face meetings, digital platforms, and formal reports, allows the organisation to meet the specific needs of each stakeholder group. For example, frequent communication with employees through weekly meetings helps reduce uncertainty and increase engagement during the change process. Similarly, the use of apps and emails to interact with guests enables continuous and personalised communication, contributing to an improved customer experience.

Organisational communication also presents challenges. Poorly communicated or inconsistent information can lead to confusion, reduce trust, and increase resistance to change. In addition, information overload may make it difficult for stakeholders to absorb important messages.

According to Clampitt (2016), the effectiveness of organisational communication depends not only on the transmission of information, but also on how it is understood and interpreted by different audiences. This highlights the importance of adapting communication to each stakeholder profile, ensuring clarity, relevance, and accessibility.

The communication plan should be viewed as a continuous and strategic process that goes beyond the simple exchange of information. It should support the development of strong relationships, facilitate decision-making, and contribute to the successful implementation of the Stay Smart initiative.

8. RACI Matrix

TABLE 4: RACI Matrix

Activity	IT	General Manager	Operations	HR	Marketing	Employees	Guests	Tech Partners	Regulators
Project planning	C	A	R	C	C	I	I	C	I
Budget approval	C	A	C	I	I	I	I	C	I
Technology development (app/system)	R	A	C	I	C	I	I	R	I
System testing	R	A	C	I	C	C	I	R	I
Staff training	C	A	C	R	I	R	I	I	I
System implementation	R	A	R	C	C	C	I	R	I
Customer communication	I	A	C	I	R	C	I	C	I
Guest feedback collection	I	A	C	I	R	C	R	I	I
Data analysis and improvements	R	A	C	I	R	I	I	C	I
Data protection (GDPR)	R	A	C	I	I	I	I	C	R
Sustainability and efficiency	C	A	R	I	C	I	I	C	I

The RACI matrix clearly demonstrates the distribution of responsibilities among the different stakeholders involved in the Stay Smart initiative. The clear definition of roles contributes to improving coordination, reducing ambiguity, and increasing operational efficiency, particularly in projects involving digital transformation and multiple departments.

This clarity is particularly important in dynamic environments such as the hospitality sector, where different departments — such as technology, operations, and customer service — must work in an integrated manner. By establishing well-defined responsibilities, the RACI matrix helps reduce ambiguity, avoid role overlap, and improve operational efficiency.

According to Walker (2017), a clear definition of roles and responsibilities is essential for the success of projects in the hospitality sector, as it improves coordination among teams and reduces internal conflicts. This is especially relevant in digital transformation initiatives such as Stay Smart, where changes in work processes may create uncertainty among employees.

The RACI matrix is a valuable tool for structuring responsibilities and improving coordination. It should be used alongside effective leadership and continuous communication practices. This ensures greater flexibility and adaptability, particularly in complex and constantly changing environments.

9. Stakeholder Engagement Plan

TABLE 5: *Stakeholder Engagement Plan*

Level	Stakeholder	Strategy
Inform	Guests	Updates
Consult	Guests	Feedback
Involve	Employees	Participation
Collaborate	Partners	Partnerships
Empower	Managers	Autonomy

The stakeholder engagement plan represents a central element for the success of the Stay Smart initiative, as it defines how the organisation interacts with and involves different groups throughout the implementation process. By structuring engagement into levels — such as informing, consulting, involving, collaborating, and empowering the organisation is able to adopt a more strategic approach tailored to the specific needs of each stakeholder.

This model of engagement levels not only improves communication, but also increases stakeholders' commitment to organisational objectives. For example, while the information level ensures transparency and access to updates, more advanced levels such as collaboration and empowerment promote active participation in decision-making, which can generate a stronger sense of responsibility and strategic alignment.

According to Bourne (2015), effective stakeholder engagement depends on the organisation's ability to understand stakeholders' expectations, influence, and levels of interest, adjusting interaction strategies dynamically. This is particularly relevant in complex environments such as the hospitality sector, where different stakeholders have distinct needs and priorities.

In the context of Stay Smart, involving employees in the change process, for example, can significantly reduce resistance to the adoption of new technologies while improving

the quality of implementation. Similarly, collaborating with technology partners allows the development of more effective solutions aligned with the operational needs of the hotel.

Important to recognise that higher levels of engagement also require greater investment in time, resources, and coordination. In addition, managing multiple stakeholders with different interests may make the process more complex and challenging.

According to Bryson (2018), stakeholder engagement should be viewed as a continuous and adaptive process, in which strategies must be constantly reviewed to ensure their effectiveness. This indicates that the engagement plan should not be static, but should evolve according to changes in the organisational environment and stakeholder expectations.

A well-structured engagement plan contributes not only to improving communication, but also to strengthening relationships, reducing conflicts, and supporting the successful implementation of strategic initiatives such as Stay Smart.

10. Conflict Management and Role of Manager

The implementation of the Stay Smart initiative may generate different types of conflicts among stakeholders, particularly related to employee resistance to change, budget limitations, and concerns about data privacy from guests. These tensions are common in organisational innovation processes, especially when they involve digital transformation and changes in work processes.

According to Walker (2017), effective conflict management is essential to ensure proper organisational functioning, as poorly managed conflicts can negatively impact performance, team motivation, and service quality. In this context, the manager's ability to identify, understand, and resolve conflicts becomes a central element for the success of strategic implementation.

Furthermore, the Thomas-Kilmann Conflict Mode Instrument (TKI) model provides a relevant approach for understanding different ways of dealing with conflict. The model identifies five main styles: competing, collaborating, compromising, avoiding, and accommodating. Each of these styles can be applied depending on the context and nature of the conflict.

In the context of Stay Smart, the collaborative approach tends to be the most effective, as it allows different stakeholders to work together to find solutions that meet common interests. For example, by involving employees in the process of adapting to new technologies, the manager reduces resistance to change and promotes a higher level of engagement. This active participation contributes to the creation of a more inclusive and collaborative environment, where employees feel valued and part of the transformation process.

In relation to guests, the manager should adopt an approach based on transparency and trust, particularly regarding the use of personal data. By clearly communicating the benefits of personalisation and ensuring that customers have control over their information, it is possible to reduce privacy concerns and strengthen the customer relationship. This strategy directly contributes to building trust, which is a key factor in the customer experience.

In the case of executives, the manager needs to balance strategic and financial interests. This can be achieved through the presentation of cost-benefit analyses and by clearly demonstrating how stakeholder engagement contributes to organisational performance. In this situation, the compromising style, as suggested by the TKI model, can be particularly useful in aligning different expectations and finding viable solutions.

Regarding partners and suppliers, continuous collaboration is essential to ensure the effectiveness of technological implementation. By establishing relationships based on clear communication, defined expectations, and cooperation, the manager reduces operational risks and improves process efficiency.

In addition to these specific actions, the manager must act as a facilitator, promoting an organisational culture based on trust, open communication, and adaptability to change. This involves not only resolving existing conflicts but also preventing future conflicts through proactive and strategic management.

The role of the manager goes beyond operational responsibilities, requiring effective leadership, emotional intelligence, and decision-making skills to manage complex stakeholder relationships. This integrated approach is essential to ensure that conflicts are transformed into opportunities for improvement and innovation, thereby contributing to the organisation's sustainable success.

11. 3Ps Evaluation

The Triple Bottom Line theory, proposed by John Elkington (1994), emphasizes that organizational performance should be evaluated based on three main dimensions: People (social), Planet (environmental), and Profit (economic). In the context of the InterContinental Hotels Group (IHG), this approach is particularly relevant, considering the increasing pressure for sustainable practices in the hospitality sector.

People (Social)

In the case of IHG, the social dimension is directly related to employee well-being and the guest experience. The implementation of the Stay Smart concept contributes to improving the customer experience through service personalization, while also requiring investment in employee training and development.

In addition, practices such as diversity, inclusion, and professional development strengthen employee engagement. However, an important challenge is ensuring that the adoption of technology does not replace the human factor, which is essential in hospitality.

Planet (Environmental)

The environmental dimension involves the hotel's responsibility to reduce its ecological impact. IHG has initiatives focused on energy efficiency, waste reduction, and operational sustainability, such as the use of smart technologies to optimize energy and water consumption.

In the context of Stay Smart, digitalization can contribute to sustainability by reducing paper usage and improving resource management. However, it is important to consider that technological implementation may also increase energy consumption, which requires strategic balance.

Profit (Economic)

The economic dimension refers to IHG's ability to generate sustainable profit. Service personalization and improvements in customer experience can increase satisfaction, loyalty, and consequently, hotel revenue.

In addition, operational efficiency generated by smart technologies can reduce costs in the long term. However, the high initial investments in technology and training represent a significant financial challenge, especially in an unstable economic environment.

Critical Evaluation

Although the Triple Bottom Line model provides a useful framework for evaluating sustainable performance, its application in the hospitality sector presents challenges. One of the main ones is balancing the three dimensions, since improvements in one area may generate negative impacts in another.

For example, investments in technology may increase efficiency (Profit) and sustainability (Planet), but may also generate resistance among employees (People). This demonstrates that implementing the model requires an integrated and strategic approach.

Therefore, in the case of IHG, the success of Stay Smart depends on the organization's ability to balance the three pillars, ensuring that technological innovation, environmental responsibility, and social well-being are treated in a complementary and not isolated way.

12. Evaluation of Engagement

The evaluation of stakeholder engagement within the Stay Smart initiative demonstrates that different levels of engagement can significantly influence organisational performance. In particular, the strategies of consultation and collaboration play a fundamental role in shaping both operational effectiveness and customer satisfaction.

Consultation, which involves collecting feedback from stakeholders such as guests and employees, allows the organisation to better understand expectations and identify areas for improvement. For example, collecting guest feedback through digital platforms enables the hotel to personalise its services more effectively, resulting in increased satisfaction and loyalty. According to the World Tourism Organization (2023), customer-centred strategies, including feedback mechanisms, are essential drivers of competitiveness in the tourism and hospitality sector. However, although consultation provides valuable insights, it may be limited if stakeholder feedback is not effectively incorporated into decision-making processes. This suggests that consultation alone is not sufficient to achieve long-term strategic impact.

In contrast, collaboration represents a deeper level of engagement, in which stakeholders actively participate in decision-making and implementation processes.

This is particularly relevant in the relationship between management, employees, and technology partners within the Stay Smart initiative. By involving employees in the adoption of new technologies, the organisation can reduce resistance to change and improve operational efficiency. Similarly, collaboration with technology providers enables a more effective implementation of digital solutions. As highlighted by R. Edward Freeman (1984), organisations that actively engage stakeholders in value creation processes are more likely to achieve sustainable success.

Despite these benefits, collaboration also presents challenges. It requires significant investment in time, resources, and coordination, which may increase operational complexity. Furthermore, managing diverse stakeholder expectations may create additional pressure on management. Therefore, while collaboration offers greater potential for long-term value creation, it must be carefully managed to ensure alignment with organisational objectives.

From a critical perspective, the effectiveness of stakeholder engagement depends not only on the level of engagement, but also on how these strategies are implemented and integrated into the organisation's overall strategy. This indicates that a balanced approach, combining consultation and collaboration, is essential to maximise benefits while minimising associated risks.

13. Recommendations

Based on the analysis carried out throughout this report, several strategic recommendations can be proposed to strengthen stakeholder engagement and improve organisational performance within the Stay Smart initiative.

Firstly, it is essential to invest in continuous staff training, ensuring that employees develop the necessary skills to deal with new technologies and digital processes. Well-prepared employees tend to demonstrate greater confidence and engagement, which reduces resistance to change and improves the quality of service delivery.

In addition, the organisation should strengthen local and strategic partnerships, particularly with technology and service providers. Stronger collaborative relationships can facilitate the implementation of innovative solutions and increase operational efficiency, while also promoting greater alignment among external stakeholders.

Another important recommendation is the expansion of sustainable initiatives. Considering the growing concern among consumers regarding environmental issues, the adoption of sustainable practices not only contributes to corporate social

responsibility but also strengthens the organisation's image and competitiveness in the market.

It is also essential for the hotel to develop more effective mechanisms to monitor and analyse guest feedback. The use of digital tools for data collection and interpretation allows the organisation to quickly identify areas for improvement and adapt services to customer expectations, thereby increasing satisfaction and loyalty.

Finally, the organisation must ensure full compliance with the General Data Protection Regulation (GDPR), guaranteeing the protection of customer data. Transparency in the use of information and respect for privacy are fundamental factors in building trust and maintaining long-term relationships with stakeholders.

Furthermore, the organisation must ensure full compliance with the General Data Protection Regulation (GDPR), ensuring the protection of customers' personal data. The GDPR is a European Union regulation introduced in 2018, which establishes strict guidelines on how organisations collect, store, and use personal data. In the context of hospitality, this includes sensitive information such as guest preferences, booking history, and payment data.

According to the European Commission (2023), compliance with the GDPR not only ensures legal conformity but also plays a fundamental role in building trust between the organisation and its stakeholders. Transparency in data usage, combined with giving users control over their information, contributes to a safer and more reliable experience.

However, the implementation of the GDPR also presents challenges, including additional operational costs and the need for robust technological systems. This suggests that, although compliance is essential, it must be strategically integrated into business operations, balancing security, efficiency, and customer experience.

14. Conclusion

The Stay Smart initiative represents a significant strategic shift in the hospitality sector, reflecting the growing importance of digital innovation, personalisation, and sustainability in shaping the customer experience. This report has demonstrated that although technological advancements offer relevant opportunities for competitive

advantage, their successful implementation depends heavily on effective stakeholder engagement.

One of the key insights of this study is that stakeholder engagement should not be treated as a one-time activity, but rather as a continuous and adaptive process. The evaluation of engagement strategies, particularly consultation and collaboration, demonstrated that deeper levels of involvement can significantly improve organisational performance, although they also require greater investment and coordination.

Additionally, the role of the manager was identified as central to the success of the Stay Smart initiative. Effective leadership, clear communication, and conflict management are essential to align stakeholder interests, reduce resistance to change, and ensure the proper implementation of new technologies.

From a critical perspective, this report highlights that the true value of the Stay Smart initiative lies not only in the adoption of innovative technologies, but in the organisation's ability to integrate these changes with effective stakeholder management. Without this alignment, even well-designed strategies may fail to achieve their intended outcomes.

In conclusion, stakeholder engagement should be considered a central strategic priority rather than merely a supporting function. By adopting a proactive, flexible, and inclusive approach, IHG can strengthen its competitive position, improve customer satisfaction, and achieve long-term sustainable success in an increasingly competitive hospitality environment.

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