MANAGEMENT CRISIS IN THE HOTEL INDUSTRY IN TUNISIA AND TERMS OF RESOLUTION

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ABSTRACT

There is an "exploratory" research that attempts to develop an understanding of the management of crises that may occur during the evolution of the hotel industry in Tunisia based on a framework of theoretical reflection that we are trying to test in the field. This study aims to:

- Test the validity of the theoretical model by comparing it with the perceptions of hotel business leaders.
- Develop an understanding of crises.
- Provide benchmarks, methodologies and tools to managers to help them develop management devices intended to prevent crises, to respond, to handle certain situations and make sense of them.
- To further involve leaders in crisis management in order to reduce the frequency, impact and make crisis management almost a normal part of business management.

The research results should enable us, although we can never offer a systematic recipe for each crisis management, to provide recommendations through different types of actions to be taken before, during and after the management of crisis situations.

INTRODUCTION

The launching and orientation of a new business is a significant challenge for an entrepreneur that hopes for success.

Given the high failure rate encountered in the new hotel companies, it is essential for the manager to know, identify and avoid the most serious pitfalls that may damage the operation of his business at various stages of its evolution. In this case we propose a conceptual framework that will allow leaders to identify the most critical types of crises during the course of their business in order to reduce the frequency, impact and make the management of crises virtually normal in the company's management.

According to Jean Robidoux, the typology of crisis management is defined as follows:

1. Launch Crisis
2. Cash Crisis
3. Delegation Crisis
4. Leadership Crisis
5. Funding Crisis
6. Prosperity Crisis
7. Crisis continuity

In this sense it is therefore appropriate to say that in this type of crisis, the head of the company will find landmarks and specific suggestions to minimize the magnitude of the crisis and to use them more in crisis management.

These seven crises are identifiable turning points which often occur during the development of "SME" and the other decisive moments when companies go bankrupt and fall into the rut of failure. It is clear that many companies do not go through each of these crises, any more than that each company undergoes exactly the order or the path suggested above.

Indeed, the company can escape any or several of these crises. Furthermore, another company may be experiencing a combination of two or three of these crises at once.

It is also useful to remember that the seven crises do not always include all the elements that may be harmful to the survival of a company during its existence. It is therefore essential for the manager to grasp the implications of these crises and to respond positively to limit the magnitude and negative consequences.

Thus, the classification of these seven types of crises was made so that liquidity and delegation crises usually hit beginners or small business enterprises. On the other hand, leadership crisis, funding crisis, crisis prosperity and continuity often hit the most advanced companies.

CRISIS MANAGEMENT IN THE HOTEL INDUSTRY

1- Launching Crisis

According J.Robidoux, the launching crisis is mainly due to the accumulation of administrative errors that affect the
company and reduce them to go bankrupt or be limited to an uncertain survival.

In this sense, it should be said that these numerous mistakes that can destroy a large number of new businesses are usually committed during a business launch stage. This stage therefore gives rise to the most crucial crisis for the survival of a business and it results in the greatest number of victims. However, the main mistakes made during the company launch stage are as follows:

- Generally people who are the key management team do not have a balanced experience of business administration in the business sector in which they operate.
- The contractor has the courage to chart his/her own path. He is ambitious and passionately wants to succeed, but his ambition cannot do without either reflection or judgment about his own abilities. Some factors inherent to the contractor will, in fact, directly influence the chances of business success.
- Furthermore, the accounting system is too rudimentary and therefore the basic information required for decision making is lacking.
- The third error concerns the under estimation of start up costs.

2- Cash crisis

The cash crisis within a hotel company essentially results in increased and exaggerated investment by many small business owners in the development phase. However, these investments must be supported by liquidity and high credit margins and if the growing fails to maintain sound financial management, it may experience a cash crisis which could jeopardize its development and survival. In this sense, it is appropriate to say that during the development phase, the leader of the hotel business must necessarily establish policies, procedures and programs affecting key areas of the business. In addition, it must anticipate its cash problems through regular projection of cash flows for the coming months. Furthermore, the cash crisis in a hotel business occurs when the capital is operated in real estate assets: land, heavy equipment ... etc, rather than being placed in reserve and used as working capital.

In short, the cash crisis is due to not setting clear objectives and having inadequate programming processes.

3- Delegation Crisis

According Maxime Cerner, delegating is “the action to assign to each individual a share of tasks with the authority to accomplish and determine one’s own degree of dependence on his immediate superior”.

In this sense it is appropriate to say that the delegation of tasks by a superior to a subordinate must obey the following conditions:

- The assignment of the main tasks into elementary tasks.
- The allocation of power needed to perform these tasks.
- The creation of an obligation by making subordinates responsible for the execution of the task.
- The establishment of a monitoring and evaluation system by the results.

In light of this definition, the delegation crisis of a hotel business is reflected in the inadequate relationship between the manager of the hotel and subordinates. Indeed, delegation requires a special psychological attitude of the hotel manager. An officer who is inclined not to trust his subordinates opt not to delegate and it will only do so if he is obliged and will thus tend to control his subordinates constantly.

Such behavior leads to the failure of delegation in the hotel business. Moreover, to the person delegating, certain factors that can also be an obstacle to delegation are:

- Lack of trust
- The fear of superiors
- Fear of change
- Mismatch between rights and obligations.

In conclusion, the delegation crisis is reflected in the inadequacy of the organization’s management processes.

4- Leadership crisis

According to R. Tannebaum, I.R .Weschler and F. MASSARIK, leadership is defined as "interpersonal influence in any given situation and directed through a communication process towards the achievement of a specific goal." In this sense, it is appropriate to say that leadership is a phenomenon that is established taking into account the following:

- The leader has a set of communication behaviors available that are a means of influence over his followers,
- The staff and their problems, attitudes, needs,
- The situation in which leaders and subordinates are linked with each other.

However, leadership is a process or a function, not a role. Leadership can be considered a quality is not affected by either the position, or by persons directed. Finally, the leadership can be viewed as an emerging phenomenon due to any given situation. So it is the situation which makes a leader and not the contrary.

In the light of these definitions, the leadership crisis occurs when the hotel company reaches a size in its growth that requires modification that the entrepreneur must bring to his management style. In addition, changes in terms of behavior should be done in a much shorter period of time which amplifies the problem. Furthermore, it should be said that a leadership crisis within a hotel business is reflected in the leader’s inability to understand his subordinates and his ability to communicate. However, the inadequacy of these two characteristics leads to an imbalance between the achievement of organizational goals, individual goals and group goals. In conclusion, the crisis of leadership results in inadequate hotel management processes namely in design, implementation and evaluation.

5- Funding crisis

According to the Symposium "Tunisian tourism facing the challenges of 2000," The hotel financing has never proceeded smoothly in Tunisia; the current global economic environment is not solely responsible. Indeed, the hotel industry has characteristics that hinder the funding. Small businesses structure, high degree of immobilization, proportionally significant capital needs, offers essentially offering services, seasonality and vulnerability to fluctuations in the exchange rate for the aspect of the export industry.

This explains why most hotel companies face funding crises in Tunisia. In this sense it is appropriate to say that the funding crisis mainly translates the great needs of capital on the one hand, and restrictions on the granting of capital by donors because of the risks on the other hand constitute the financial dilemma of today’s hotel industry.

It thus results in a funding gap behind the bank financing, which often is even far below the yield value gap.
that needs to be filled by additional capital. When financing an investment, it is a basic economic perspective that all individual and foreign capital remain within the limits of the time value. In hotels, such funding has been an exception to the rule, and this situation has worsened. It is mainly responsible for the fact that almost no funding is provided.

Existing funding possibilities have rarely been exhausted due to low profitability of hotels, which have made very modest cash flow in recent years. Therefore equity from operations lack after the earlier accumulated reserves are gone. Investments that are slow to be realized accumulate and further weaken the ability to cope with international competition.

In conclusion, the financial crisis is reflected in the inadequacy of the mission, objectives, strategic choices, including budget preparation and management control system.

To avoid the appearance of a funding crisis within a hotel company the leader must study well the financing of its business. In other words, the leader must know if capital has to be attained through short term or long term loans it is.

Jean Robidoux and Paul Dell Aniello proposed a series of advice for business leaders wishing to obtain financing for expansion or improvement of their business. A leader should not wait until the last minute to apply for a loan he must prepare in advance to obtain the necessary funds. A prudent leader should always maintain good relations with financial institutions. A leader must often rely on financial advisors who will prepare a comparative analysis of the real needs of the company and costs of different funding options available to their customers. A leader must be well informed on all funding sources before choosing a final alternative. A leader must carefully study its financing file or wait for more favorable economic conditions and lower rates.

When there is a funding crisis, the leader must opt primarily for financial restructuring notably with capital contributions.

6- Prosperity Crisis

According JEAN PAUL ROBIDOUX and DELL ANIELLO, ‘this crisis occurs when there is either excessive complacency or the desire to expand too rapidly.’ In light of this definition, the complacency problem is quite common in family hotel companies that have experienced a significant level of prosperity for many years. However, this problem mainly results in the lack of anticipation and the refusal to change strategies that have worked well in the past even though the competitive situation is constantly changing.

In this sense, it is appropriate to say that the exaggerated complacency problem is due to the fact that when a hotel company reaches a certain stage in its evolution, beyond the main obstacles of departure and saves repeated financial success at this time it is not uncommon to find some leaders who leave their businesses and rely on the advice of their subordinates even if they abandon the execution of their task.

Rapid growth can simply be luck that plays an important role in the short-term success. If the leader believes that his success is only temporary it would be unwise to think irrationally increase in activities on the assumption that everything will be fine in the long run. Prosperity crisis is reflected in an inadequate implementation and evaluation phases.

7- Continuity Crisis

The crisis of continuity of a hotel company can occur at any time of its life cycle.

This crisis is quite common in family-oriented hotel companies as soon as the owner thereof is suffering from total disability or death. These events greatly disrupt the continuity of the operation of the business.

Furthermore, the crisis of continuity is also reflected in the fact that many leaders can not adopt a purely rational attitude that is that every leader knows that his company will face these problems sooner or later.

At this point, someone must be ready to assume the duties of the manager therefore requiring a person who has all the qualities of an entrepreneur. However, the lack of competence of the main leaders in the technical areas, in management and in succession issues of a hotel business is the main cause of the crisis of continuity. In short, the crisis of continuity results in a mismatch between the design phase and implementation.

If continuity crisis occurs in a growing company following the death of the leader and the succession is not prepared, the decision is often the disposal of the organization by the heirs. Furthermore, if there is a well-trained and qualified successor for the office of the company that is very familiar with the company and the industry in which it operates it can save the company from the crisis.

EMPIRICAL STUDY AND RESEARCH RESULTS

1-HYPOTHESIS

This research is based on the following hypothesis: The nature of the crisis depends on the life cycle of the hotel business.

2-JUSTIFICATION OF SECTOR CHOICE

The tourism sector plays a major role in the Tunisian economy both in terms of participation in GDP, 6%, and as it has positive effects on other sectors. Besides these features, the tourism sector is of paramount importance due to its significant contribution in the creation of around 375,000 direct and indirect jobs, added value that has reached more than 936 MTD for 2014 with over 2 billion Tunisian Dinars in foreign currency in 2014. In addition, this sector covers 66% of the trade deficit, but it’s also the weakness observed by the training and professionalism of the leaders in the hotel industry.

However given the wide scope of the tourism sector we decided to focus our study on one of its most important sub sectors; the hotel sector.

3-METHODOLOGY OF DATA COLLECTION

- POPULATION:

The population is the set of all individuals or statistical units, which seeks one or more characteristics. In our case, this is the case of all hotel companies in Tunisia.

To determine the primary population, we contacted the Ministry of Tourism and Recreation and craftsmanship that provided us with a list of hotel companies in our country.

Tunisia has 736 institutions (ie 197 000 beds) as follows:

- Nabeul – Hammamet : 25 %
- Jerba – Zarzis : 22%
- Sousse : 21%
- Monastir- Skanes : 10%
- Tunis- Zaghoun : 9 %
- Mahdia- Sfax : 5 %
In column: Start of Crisis

- Gaôsa – Tozeur : 5 %
- Tabarka – Ain- Draham : 1,8%
- Bizerte – Béja : 1%
- Sheïla – Kasserine : 0,2%

**SAMPLE**

By definition the sample is a set of one or more individuals collected in a primary population. As part of our research, the target sample is a set of all hotel companies in the Sousse region ie 100 establishments. This choice is explained by the following reasons:

- The large number of beds compared to other tourist areas (Sousse occupies the 3rd place after Nabeul- Jerba-Zarzis Hammamet allowing for 21% of the total number of beds). The exceptional performance improvement of this region in terms of overnight stays. Moreover, we believe that the information collected on this sample can be generalized to the entire population as it is representative. Only 44 hotel companies out of 100 responded to our questionnaire. This limitation is due to the following reasons:
  - *Manages absolute refusal to respond.
  - *Unavailability of leaders to answer questions and a reticence to answer certain points in our questionnaire.

### 4- RESEARCH RESULTS

- **HOTEL CHARACTERISTICS**

The results of the survey are:
- (37.21%) more than five years old, 30% were 20 and older.
- 60.47% of the hotels are located on the coast, the rest are city hotels.
- 67.44% of the hotels have a workforce of over 250 employees.
- 38.64% of hotels have a capacity greater than 700 beds.
- The majority of hotels (81.92%) are three and four star hotels.

- **MANAGERIAL BEHAVIOR:**

More than half of the executives are risk lovers. This behavior is often common for the success of some leaders, but it can also be the main cause of failure. Only 2% of managers who have hotel training which indicates the blatant failure of their professionalism.

**CRISIS PERCEPTION:**

More than half of the executives define crisis by the failure of a company to find in his repertoire adequate responses to a new problem.

In this sense, it should be said that the crisis is a concept fundamentally linked to the perception that leaders can have, as the same situation can be seen by some as a crisis, and by others as a mere disturbance to everyday business. However, the ambiguity of the concept to describe all kinds of situations in which causes and effects are revealed ambiguous creates the problem of the definition for different situations that leaders have to manage. In short, to recognize a crisis, it is above all to know how to define the word crisis.

### CRISIS IN FUNCTION OF THE LIFE CYCLE OF THE HOTEL COMPANY

- **Impact (launch, prosperity and continuity crises) on the lifecycle of the hotel:**

<table>
<thead>
<tr>
<th>Weight</th>
<th>Modality 1</th>
<th>Modality 2</th>
<th>Modality 3</th>
<th>Modality 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>% column</td>
<td>33</td>
<td>97.06</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td>% line</td>
<td>89.19</td>
<td>2.70</td>
<td>2.50</td>
<td>5.00</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>33.33</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td>1.294</td>
<td>33.33</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td>50.00</td>
<td>50.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>1</td>
<td>85.00</td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>7.50</td>
<td>.00</td>
<td>.00</td>
</tr>
</tbody>
</table>

\[ X^2 = 18.82 \]
\[ \alpha = 5\% \]
\[ DL = 6 \]
\[ P \left( X^2 > 18.82 \right) = 0.004 \]

For a risk equal to 5% the test if significant because \( X^2_c < X^2 \).

**In Column:**
- Modality 1 = start up phase
- Modality 2 = growth phase
- Modality 3 = expansion phase
- Modality 4 = maturity phase

**In Line:**
- Modality 1 = crisis of strong intensity
- Modality 2 = crisis « M »
- Modality 3 = crisis « f »

This table shows that 85% of hotels have been affected by a crisis. This occurred during the start up phase of their life cycle. 97.06% of hotels underwent the crisis with strong high intensity.

We can explain these results mainly by the occurrence of errors that affect the company and reduce them to bankruptcy or an uncertain limited survival. These errors can be summarized as follows:

- **STRATEGY ERRORS**
  - One of the mistakes made by leaders is not to diversify their customer base, this move indeed enables the distribution of risk.
  - Another serious strategic error committed by an officer of a new hotel company is to underestimate the violence of certain markets. In this case it may misidentify customer needs.

- **FINANCING MISTAKES**
  - Leaders of fledgling hotel companies often commit the imprudence of investing too much too early. This leads to high fixed costs that weigh heavily on the young company.
  - A second mistake made in the context of funding is inadequate up front initial funding and therefore the capital does not cover any unexpected situations.

- **MANAGEMENT ERRORS**
  - The main mistake is to go into business without any experience of hotel management.
  - A second mistake made by leaders is hastily recruit without going through the assessment test as well, recruitment can cause problems.
  - Another failure is the inability of management to control or predict changes in its particular business and the environment in general.

- **LEGAL AND ADMINISTRATIVE ERRORS**

One of the most serious committed by the leaders of the new hotel business mistakes is to get into an industry without mastering the regulations governing this sector.

Finally, we note as well that it is in the startup phase of a business and particularly ranging in age from two to five years that a launch crisis can most often occur and with strong intensity.

**Impact of delegation or leadership crises on the hotels lifecycle:**
to be 50% of high or 50% medium intensity.

crisis often occurs and when they do occur they are likely in the growth phase where a leadership or delegation crisis is in the growth phase where a leadership or delegation crisis. In conclusion we can say that it is in the growth phase where a leadership or delegation crisis. In conclusion we can say that it is in the growth phase where a leadership or delegation crisis occurred during the growth phase. Of the 2/3 hotels underwent a medium intensity crisis that occurred during the growth phase. Of the 2/3 hotels underwent a medium intensity crisis that occurred during the growth phase. Of the 2/3 hotels underwent a medium intensity crisis that occurred during the growth phase. Of the 2/3 hotels underwent a medium intensity crisis that occurred during the growth phase. Of the 2/3 hotels underwent a medium intensity crisis that occurred during the growth phase.

Of the 9 other hotels that were affected by a leadership crisis or delegation of high intensity, 6 hotels (66.67%) saw the beginning of the crisis during the growth phases. In other words 2/3 of the hotels underwent a high intensity crisis that occurred during the growth phase.

Of the 9 other hotels that were affected by a leadership crisis or medium intensity delegation crisis, 6 hotels (66.67%) saw the beginning of this crisis and this also during the growth phase which means that 2 / 3 hotels underwent a medium intensity crisis that occurred during the growth phase. Of the 66.67% of the hotels having a crisis during the growth phase, it was at 50% intensity and 50% of medium intensity. In conclusion we can say that it is in the growth phase where a leadership or delegation crisis often occurs and when they do occur they are likely to be 50% of high or 50% medium intensity.

Impact cash or financing crises in a hotels lifecycle:

Table 3: In Line: (cash and financing crises) In column: Start of Crisis

Table: 1
⇒ The crisis affects mostly the hotel companies during the start-up phase and is in most cases of high intensity. 

Table: 2
⇒ Whatever the extent of their intensity, the leadership or delegation crises usually affect the hotel industry in the growth phase and it is therefore imperative to well manager a hotel company to go through the growth phase successfully.

Table: 3
⇒ The cash and funding crises usually affect hotel companies with high intensity during the start up phase of their life cycle. Financing therefore has a direct impact on the development stage of each hotel company.

THE CAUSES THAT TRIGGER DIFFERENT CRISSES:

a) The cause of a launch crisis:

Table1 : Reliable market data

Table2 : Quality of hired personnel

Table3 : Dimension of the business

The launch crisis affected almost all companies surveyed. This is explained by the fact that a young company in its early days go through two important phases of its growth cycle. During the first phase, the new company is particularly vulnerable because it has to show vitality. The breakeven point is usually reached after twelve to sixteen months, then in a second phase, the consolidation and implementation of structures results in increased fixed costs that must be adhered to.

The launch phase and orientation of a new business is a significant challenge for the leader who wishes that his efforts are successful and is aware at this stage that such a crisis is likely to be triggered.

This is the basis for many small business bankruptcies. The problem lies in the fact that many new business owners are confused by leaders and try to go into business with insufficient down payments initially. The hotel businesses likely to be most affected are those launching startups, so between two and five years.

Companies of less than a year as well as long standing businesses likely to be most affected are those launching startups, so between two and five years. Of the 78.57% of the hotels that have had a crisis during the starting phase, 81.82% of those were of high intensity.

In conclusion we can say that the cash or financing crisis usually affects hotels during the start up phase and it occurs in most cases with high intensity.

5-SYNTHESE

Table1 : Reliable market data

Table2 : Quality of hired personnel

Table3 : Dimension of the business

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The launch phase and orientation of a new business is a significant challenge for the leader who wishes that his efforts are successful and is aware at this stage that such a crisis is likely to be triggered.

This is the basis for many small business bankruptcies. The problem lies in the fact that many new business owners are confused by leaders and try to go into business with insufficient down payments initially. The hotel businesses likely to be most affected are those launching startups, so between two and five years.

Companies of less than a year as well as long standing companies are the least affected.

Several reasons can explain this crisis due to the fragility and the age of the business. In light of these tables, we can say that almost half the leaders explain the launch...
c) Causes for Crisis delegation

**Table 5**

<table>
<thead>
<tr>
<th>Cause</th>
<th>Important</th>
<th>A bit important</th>
<th>Not important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absence of coordination</td>
<td>97.73</td>
<td>2.27</td>
<td>0</td>
</tr>
<tr>
<td>Centralized Organisation</td>
<td>90.91</td>
<td>4.55</td>
<td>4.55</td>
</tr>
<tr>
<td>Decentralized Organisation</td>
<td>40.91</td>
<td>43.18</td>
<td>15.91</td>
</tr>
<tr>
<td>Leaders refusal to delegate authority</td>
<td>93.18</td>
<td>6.82</td>
<td>0</td>
</tr>
<tr>
<td>The company has grown so that one person is incapable of managing</td>
<td>93.18</td>
<td>4.55</td>
<td>2.27</td>
</tr>
<tr>
<td>Incapacity of a leader to delegate</td>
<td>90.91</td>
<td>6.82</td>
<td>2.27</td>
</tr>
<tr>
<td>Lack of technical competence of leaders</td>
<td>93.18</td>
<td>4.55</td>
<td>2.27</td>
</tr>
</tbody>
</table>

It is noted that the delegation crisis is essentially explained by the lack of coordination between the members of the company is 97.18% centralized organization, the importance of company size, the refusal of Chief Executives to delegate authority and lack of some technical competence of leaders. It is to say that during the development phase, the services offered by the hotel company are being accepted on the market and they are subject to growing demand. This growth means a larger number of employees. As the leader, he still carries the responsibility for all hotel activities planning.

However, with the rapid development of the company, the increase in staff, the complexity of procedures and laws, it becomes necessary to delegate some authority to avoid delegation crisis, entrusting these activities to other people.

As a result, delegation crisis is essentially explained by the refusal of entrepreneurs to delegate some authority because they are psychologically unprepared to face it and they view their business as their personal little kingdom. It is therefore extremely difficult to persuade entrepreneurs to cede some of their authority to anyone else who would be called upon to lead an activity that affects so closely.

d) Causes for leadership crisis

**Table 6**

<table>
<thead>
<tr>
<th>Cause</th>
<th>Important</th>
<th>A bit important</th>
<th>Not important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directing (eliminates participation in decision making)</td>
<td>59.09</td>
<td>22.72</td>
<td>18.18</td>
</tr>
<tr>
<td>Participatory (total absence of guideline)</td>
<td>11.36</td>
<td>27.27</td>
<td>61.36</td>
</tr>
<tr>
<td>Negotiated (tight)</td>
<td>65.00</td>
<td>20.00</td>
<td>15.00</td>
</tr>
</tbody>
</table>

The leadership crisis is essentially explained by the centralization or tugging at the decision of crisis. In light of these results we can say that more than half of surveyed executives prefer to negotiate before making their decisions.

This choice seems to be dictated by the need to involve other officials in decision-making. This first allows them to collect different views on the issue then facilitate the accession of their employees to the final decision. 59% of leaders make the decision alone and participation in decision-making is very low 1.36%. In this sense, the leadership crisis was mainly due when the hotel company reached a significant size which requires a number of managers because it is no longer possible for two or even three to take charge of the business. In our study 59% of managers centralize the decision which leads to a leadership crisis.

e) Causes for prosperity crisis

**Table 7**

<table>
<thead>
<tr>
<th>Cause</th>
<th>Strong</th>
<th>Average</th>
<th>Weak</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disproportionate growth</td>
<td>72.73</td>
<td>18.18</td>
<td>9.09</td>
</tr>
<tr>
<td>Rapid Change of CAP</td>
<td>45.45</td>
<td>45.45</td>
<td>9.09</td>
</tr>
<tr>
<td>Intense competition between tour operators</td>
<td>22.73</td>
<td>52.27</td>
<td>25.00</td>
</tr>
</tbody>
</table>

In light of these results we can say that the prosperity crisis is mainly due to disproportionately strong growth, around 72.73%, and secondarily by a change in strategy.

The disproportionate growth problems can cause deterioration and cash unavoidable sources of difficulties that are accompanied by phenomena such as the lack of control over financial management, error in investments, deteriorated operating cash.

Indeed, there is a relationship between a company’s growth rate and the rate of return on equity, the company using its normal debt capacity, the rate of expansion provided that the sales are always at or below the rate of return on equity, also the prosperity crisis of the companies surveyed is reflected in part by the change in CAP or fast direction of the company.

However, all decisions following strategic choices have financial impacts.

If the choices are incorrect, decision making will lead the hospitality business towards major difficulties because the financial strategy that results is analyzed in terms of profitability and generation of cash needs or surpluses.

f) Causes of funding crisis

**Table 8**

<table>
<thead>
<tr>
<th>Cause</th>
<th>Strong</th>
<th>Average</th>
<th>Weak</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under capitalization</td>
<td>79.55</td>
<td>15.91</td>
<td>4.55</td>
</tr>
<tr>
<td>Increased Investment</td>
<td>75.00</td>
<td>22.73</td>
<td>2.27</td>
</tr>
<tr>
<td>Rapid Expansion</td>
<td>61.36</td>
<td>25.00</td>
<td>13.64</td>
</tr>
</tbody>
</table>
We see that the funding crisis is essentially explained by under-capitalization i.e. 79.55% from insufficient funding, increased investment by 75% or by a rapid expansion, 61.36%.

These results can be explained by errors committed by the leaders and are distributed as follows:

Most hotel companies are formed with a lower minimum capital, it does not deal with the unexpected. This insufficiency of capital is often compounded by the willingness to self-finance its entire development. Furthermore, the second failure which can lead to funding crisis is the imprudence committed by the leaders to invest too much too early. This leads to high fixed costs that weigh heavily on the company’s development.

g) Causes for continuity crisis:

<table>
<thead>
<tr>
<th>Principal</th>
<th>Secondary</th>
<th>Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional circumstances: i.e. death of the leader</td>
<td>68.18</td>
<td>22.73</td>
</tr>
<tr>
<td>Changes in the international environment</td>
<td>72.73</td>
<td>20.45</td>
</tr>
<tr>
<td>Changes in the direction of tourists</td>
<td>84.09</td>
<td>9.09</td>
</tr>
<tr>
<td>Policy changes by tour operators</td>
<td>97.73</td>
<td>0</td>
</tr>
<tr>
<td>Changing preferences of tourists</td>
<td>40.91</td>
<td>34.09</td>
</tr>
</tbody>
</table>

The continuity crisis is mainly explained by the inability of the executive to predict or control the changes not in only his company but also its environment including: changes in the international environment 72.73%, the policy changes made by tour operators 97.73% and the change in tourists preferences 84.09%. Furthermore, it can be explained mainly by the death of the leader and this largely for family firms 68.18%. It must be said that most leaders do not want to plan from the start, their succession and continuity of their business under such circumstances from the start because this can become very expensive and fatal.

MODALITIES FOR RESOLVING DIFFERENT CRISIS

1- Managing a launch crisis:

Each officer, before starting a company, must normally make a first review of the technical feasibility of the product to develop, evaluate the possibility of having the financial resources; identify strengths and weaknesses of his future competition. It is therefore necessary to develop a business plan. According SYLVIE SAMMUT it is in fact a plan showing how one should start and run a small business in the first three to five years

a) Professional experience:

Persons wishing to create hospitality companies should have sufficient business experience to master each fundamental activity of their future project. An entrepreneur must be prepared and trained to deal with current challenges. Technical advances, legal requirements, the contingencies of socio-economic world make it more difficult to succeed and earn a profit than in the past.

b) Training

Also a good general education, a solid professional experience, both technical and managerial, are essential to reasonably reduce risk. Sustainable success is indeed impossible without adequate knowledge management. But if the acquired training is a guarantee of success, the best way to remain competitive and relevant in terribly changing and diverse conditions is to adapt his knowledge and expertise with new cases as they arise. In our time, the computer has become an essential tool. As for language practice, it is not a factor to neglect in the light of market openings.

c) Talent

One of the talents of an entrepreneur, after having simplified all data, is to make the right decisions intuitively. This talent is innate but can be enriched by technical knowledge. Likewise, education considerably affects the ability to make a decision in the sense that:

Having the sense of opportunity also remains a distinctive feature of the contractor. When the will of man coincides with the nature of things, minimum effort provides maximum results.

For action-oriented and concrete results, the entrepreneur often has to take risks. However, if he is aware of and carefully measures, this taste for calculated risk will generally be profitable. In addition, making an effective entrepreneur is the ability to handle failure, the possibility of a setback is inherent in risk taking. The core task of the entrepreneur is the research, development and stimulation of talented employees. Human knowledge and the ability to focus well on them is an indispensable quality. Indeed, in the business, there is one great source of energy: MAN.

d) The motivation of the leader:

If the most common reason given for starting a business is the desire for independence, it must nevertheless important to be convinced that starting a business can also be a way to thrive and achieve personal goals. We must ensure that it is a desired choice, which corresponds to its capabilities; because to successfully undertake, we must have eliminated the illusions, selected an idea that seems most promising and build a project, given the individual and means available.

e) Market study:

The contractor must beware of already existing studies and given very general information, it must therefore necessarily achieve at least part of the market study by meeting potential customers directly.

f) Choice of associated:

The leader has to choose its partners based on their actual skills, not only in terms of friendship or family ties.

g) Staff selection:

The leader should not hastily recruit employees since cheap labor and disqualified staff affects the investment and hinders the development of the hotel.

2) Managing a Cash Crisis:

To have a stable cash flow the hospitality business must not only find a stable situation, but also the financial resources needed to finance the plan.

Second, leaders must:

Decrease working capital requirements (WCR). This measurement involves:
- Reduction of stocks, outstanding, finished products;
- Reduction of customer receivables;
- Restructuring production to reduce loss of productivity, outstanding, but especially increase quality;
- Renegotiation of terms with certain suppliers, etc.

Then improving working capital

This is done by:
- Decrease in non-operating assets through disposals.
- Reduced operating assets towards activities of poor profitability.
- Transformation of certain short-term debt into medium-term debt, etc.

3-Managing a delegation crisis:
To manage a delegation crisis, a hotel owner may have recourse to the recruitment of a second very competent partner. Resorting to this solution is a difficult option to achieve because it addresses the psychological resistance of a leader.

However, the competent partner should excel in areas where the contractor is low. In this sense, it is very difficult for the founder of a company to recognize his own weaknesses and admit that a subordinate may be more competent than himself in some ways. For all these reasons, it is preferable to this decisive phase in the evolution of a company to use a Management Consultants office that decides on the selection and recruitment of a compatible partner.

Firstly, the commitment of an experienced partner can provide several benefits to a company in crisis. It helps to lighten the workload of the founder, to help the company overcome a difficult situation and to ensure to form a well managed team. The latter also takes over; assists the founder and holds several different positions. Furthermore, when the partner has experience in the areas where the founder is low, he will bring the renewal which will improve many aspects of corporate performance. And it will help to resolve conflicts within the organization and the problems of lack of balanced management experience. Thus, a good partner will bring to the company an element of security and confidence in the event of the death of the founder. However, a trial period is desirable during the break-in period of a partner in a company, in order to reduce risks as the integration of a partner is extremely crucial but very difficult.

According to Carole Gresse, management of a delegation crisis may result in a merger of two companies. This strategy may have the opportunity to give each company a wider range of products and more diversified. Thus, companies being merged must be strictly compatible in terms of culture and financial objectives. In this sense, it is essential that the ongoing operations of the business are precisely monitored.

4-Leadership crises
According Robidoux and Paul: "leadership is measured by the openness required of the leader of a company in its daily contact with his immediate staff." In light of this definition it is appropriate to say that now the leader must change his behavior by avoiding biased attitudes namely:
- Giving too much attention to detail and appropriate all the final decisions.
- Multiply the study panels without sufficient reason
- Merely see only one side of the coin
- Being ubiquitous
- Always be available to all comers to discuss very secondary questions to the smooth running of the business.

The behaviors just described are due to three causes:
- it is a routine developed over the years.
- A faulty attitudes rooted in the behavior of the leader.
- Total refusal of a leader to change his work behavior.

To deal with a leadership crisis, is imperative for the hotel owner to learn a whole new set of rules of administrative behavior, since the work to be performed by the manager takes a completely different turn, prior success is does not a guarantee further success in a growing company. According J. Robidoux the leadership crisis gives rise to three imperatives for the leader.

* Further delegation:
To solve the leadership crisis in a growing company, the leader must be willing to delegate authority to four or five employees who eventually will cover the main core activities of the business (Management, marketing, production, finance and accounting).

* Increased Leadership:
The business leader should gradually become a leader: He must cease to be a performer who takes in hand all the administrative details. Moreover, several companies have been set up by a single leader or by the owner and his wife. However, the owner was originally to take control of all the main functions of its business, but as it was gaining momentum, the owner began to seek other collaborators.

In short, the leader must become a planner, an anticipator who must think several months and even years in advance to the evolution of its business. He must also ensure that the ongoing operations of the business are profitable.

* Control through written reports:
When the hotel company reaches a certain stage in its evolution it becomes impossible for the business executive to maintain a total level of control over the activities of his business by monitoring order fulfillment, preparing bids himself and being very close to the customers in order to know all the reactions of competitors.

The leader must now manage in collaboration with four or five immediate collaborators. Written reports are often complicated to interpret and frustrating for business owners who have often questioned their usefulness in the past preferring instead to verify the performance of work of their own eyes. In sum, the three point highlight the main challenges that a leader must face to overcome the leadership crisis.

5-Managing a funding crisis:
To prevent a funding crisis occurs within a business, a leader must study well the funding of projects in question. In other words, he must know whether the project requires funds to be obtained by short or medium-term loans.

Jean Robidoux and Paul Dell Aniello proposed a series of guidelines for business leaders wishing to obtain unding for expansion or improvement of their business.

- A leader should not wait until the last minute to apply for a loan he must prepare in advance to obtain the necessary funds.
- A prudent leader should always maintain good relations with financial institutions
- A leader must often rely on financial advisors who will prepare a comparative analysis of the real needs of the company and costs of different funding options available to their customers.
- A leader must be well informed on all funding sources before choosing a final alternative
- A leader must carefully study its financing file or wait for a more favorable economic conditions and lower rates.

Monitoring some indicators is essential in times of crisis. According Carole Gresse two ratios must be closely monitored:
The ratio of financial autonomy: debt / funds
- Repayment Ratio: annual repayment / net cash flow with net cash flow = profit + depreciation and amortization.

In times of crisis, financial independence criteria become paramount and requires special attention if business leaders want to continue to maintain control of their units.

Furthermore, when there is a funding crisis, the leader must opt primarily for financial restructuring notably with capital contributions.

6- Managing a prosperity crisis:
To avoid a prosperity crisis, leaders must demonstrate a relentless vigilance; needs to focus on the competitive aspect of their business, day to day, and prepare alternatives for the future.

7- Managing a continuity crisis:
To avoid the crisis of continuity officer must plan the succession in a very early stage since the executive management in a "SME" is multifaceted, selection and training a successor, or a team of people which will be produced for this successor and it is a job that takes time. It's not often that someone from the outside is able to quickly assume the succession, but we never know exactly when we will need such a successor, so we must be prepared for any eventuality in this direction.

If continuity crisis occurs in a growing company following the death of the leader and the succession is not prepared, the decision is often the disposal of the organization by the heirs. Furthermore, if there is a well-trained and qualified successor for the office of the company that is very familiar with the company and the industry in which it operates it can save the company from the crisis.

CONCLUSION
The empirical study on management and crisis resolution arrangements could help to identify the following salient details: Almost all hotel companies experienced a launch crisis; prosperity, continuity, financing or cash crises as well, especially in the starting phase.

More than half of the hotel industry experienced a leadership or delegation crisis in the growth phase. These results find their explanations in several factors but in particular, the lack of professional experience and expertise in the business sector. (resulting from very few (2%) of executives having vocational training).

In order to fully understand the relationship between crises and the company's life cycle, the model Jean Robidoux offers a conceptual framework for leaders to identify the types of the most critical crises during the course of their business. The analytical model study showed that during its evolution, a company mainly involves the following steps and this by analogy to the evolution of a human being:
- Launch Phase
- Growth Phase
- Prosperity Phase
- Maturity phase

The proposed hypothesis is therefore validated.

The research results have enabled us to provide recommendations through different types of actions to be taken before, during and after crisis situations. The leader of a new business will therefore be able to identify and quickly become familiar with the most common problems faced in daily management. Specific suggestions will also allow him to anticipate many situations before they escalate into insurmountable problems.

REFERENCES