e-ISSN: 2454-924X; p-ISSN: 2454-8103

# The Effect of Strategic Decision-Making Processes in Determining the Strategic Orientation of Hotel Organizations: A Field Study in a Sample of Iraqi Hotels of the Highest Class

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# ABSTRACT

The research aims to shed light on the most important theoretical and field features of the concept of strategic orientation and to indicate the dimensions and indicators through which the hotel organization can be judged that it adopts the optimal strategic orientation. On facing and overcoming problems in hotel work in light of recent changes, and consequently, these organizations have become in a position to adopt modern approaches to strategic decision-making processes. Its views through a questionnaire prepared for this purpose and one of the most important conclusions is that the strategic orientation translates the nature of the vision and mission of the organization and the nature of the strategic goals. Therefore, the administrations face an important imperative that appears in the necessity of deepening the understanding of this dimension, which is missing by many Iraqi hotel administrations; which is what the researcher touched through the field study and one of the most prominent Recommendations: It is necessary for hotel administrations to support efforts to deepen understanding of the content of strategic decision-making processes My strategy, in a systematic scientific way, is far from improvisation and emotion, which can be accomplished through the adoption of developmental training policies and forums for the dissemination of strategic thought and research and scientific work.

Keywords: strategic decision-making, strategic orientation, Iraqi premium class hotels.

# THE FIRST TOPIC - METHODOLOGY

# First - The Problem:

The intellectual and field controversy related to the performance of Iraqi hotel organizations is characterized by being more complex if it moves towards the future, as the confusion that the hotel work environment has witnessed during the past years and the weakness of the form and content of the strategic orientation in the thought of working departments was one of the reasons for the decline in performance in these organizations, which appeared through the low rates of Hotel occupancy, poor financial performance in the stock market, lagging investment experiences and other indicators, so the traditional pattern in the mechanisms, programs and curricula of making vital decisions at

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### (MIJ) 2022, Vol. No. 8, Jan-Dec

work has become unable to confront and overcome problems in hotel work in the light of recent changes and thus these organizations have become in a position that requires them Adopting modern approaches to strategic decision-making processes in order to build modern non-traditional organizations to eventually create an organization that can be described as having a distinct strategic orientation and capable of achieving the set strategic goals.

### Secondly, The Questions:

1- To what extent do hotel managements operating in the excellent class classification have the knowledge and understanding related to the methodological and practical mechanisms to be adopted in the strategic decision-making processes?

2- What is the level of awareness of the Iraqi hotel administrations of what the strategic orientation is and what are the philosophical frameworks for adopting the appropriate orientation for the hotel organization?

3- What is the level of correlation and influence between the two variables (strategic decision making) and (strategic orientation)?

#### Third - Importance:

It can be stated in the following points:

1- The current research is a contribution to the presentation of a number of administrative literature that sought to frame the concepts of strategic decision-making and strategic orientation for hotel organizations.

2- The research can be considered a scientific attempt that helps hotel administrations in understanding the practical approaches and the foundations adopted in the decision-making processes with a strategic dimension, which can be considered the most important and decisive in

### e-ISSN: 2454-924X; p-ISSN: 2454-8103

determining the future shape of the organization and the sector as a whole.

3- The research derives its importance from the importance of the sector that absorbed the field space for the study, which is the excellent class hotels, which are of economic and social importance and an indicator of the development of countries and societies in general.

4- The importance of the research can be considered derived from the nature of the variables that it deals with, which belong to the strategic dimension, which mainly focuses on the image of the future and the statement of the mechanisms that ensure its formation in a sophisticated and distinctive form.

#### Fourth - Objectives:

Through the research, the researcher seeks to achieve a set of objectives, the most prominent of which can be clarified in the following points:

1- Clarifying the fact that Iraqi hotel administrations use modern methods and mechanisms in strategic decision-making processes and to what level these administrations adopt modern technical means in the joints of strategic work with the state of global technical development.

2- Shedding light on the most important theoretical and field features of the concept of strategic orientation and showing the dimensions and indicators through which the hotel organization can be judged that it adopts the optimal strategic orientation.

3- To test the relationship and influence between strategic decision-making and strategic orientation.

4 - Presenting a set of ideas based on applied mechanisms that help hotel administrations to consolidate practical and systematic frameworks and programs for making strategic decisions that lead to the adoption of the appropriate strategic orientation in the work environment.

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# Fifth : Research Hypothesis:

e-ISSN: 2454-924X; p-ISSN: 2454-8103

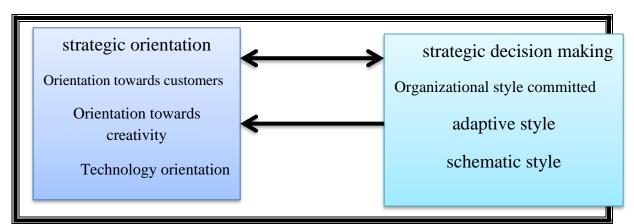


Figure (1) The hypothesis of the research

community Research sample: (130)and questionnaires were distributed, with (26) forms for each hotel, and (124) were recovered from them, which is that the statistical analysis was conducted according to its data and (6) forms were considered invalid. Through the statistical indicators, this sample is considered sufficient to some extent and representative of the nature And the characteristics of the studied society, and it must be noted that the researcher chose a sample of hotels operating within my classification (5) stars exclusively as they are characterized by service, productivity and structural specifications that can accommodate the study's variables).

# THE SECOND TOPIC - THE THEORETICAL FRAMEWORK FOR RESEARCH

# First - The Strategic Decision-Making Processes

1- Concept: The pioneers of strategic management consider that the strategic decision-making process represents the essence of strategic management and its beating heart and the element on which the success of organizations depends or not. There are many opinions regarding the nature of the process that involves making decisions of senior management that affect the lives of organizations in general and therefore the base of ideas varies. In this regard, Wally & Baum, 2019:133) defined it as (the structure of the processes that are related to diagnosing the problem or situation, collecting data and information, developing alternatives, and then evaluating them and recommending the best alternatives). The researcher believes that the strategic decision-making process can be defined procedurally as (the main axis in the whole The performance of hotel administrations and related to the overall structure of administrative procedures for determining the best options and alternatives that determine the strategic hotel organization shape, which is reflected in a set of procedural policies and programs that ultimately reach the strategic goals and objectives and at the level that ensures the provision of hotel service in a manner that ensures the achievement of the maximum level of satisfaction among clients hotel organization)

2- The progressive approach to decision-making (Mintzberg entrance):

Henry Mintzberg and his colleagues at McGill University adopted an approach to strategic decision at the level of organizations, which is completely different from previous approaches that focused on studying strategic decisions, and they called it (the gradual decision approach), which is noted on this approach that it does not focus much on political and social factors While it gives great attention to the special sequence of activities that have been followed since the discovery of the problem until reaching a final solution to it, the model consists of the following methods: (Anwer Ahmed et al, 2014: 18)

# A- The organizational style (committed): It means that the strategy is made and developed by one person with authority and vision. The focus is on new opportunities and problems are secondary, and the strategy is led from the point of view of a person or the vision of the owner, and is represented by courageous or great decisions

B- The adaptive method: Sometimes it is called the delving and confused method, and this method is distinguished for effective solutions (reaction) to existing problems after their occurrence and not before they occur, that is, they are responsive to the problems that occur to the organization more than searching or seizing new opportunities and according to this type of strategies There is no clear goal because of the division of power between the departments and members of the organization. Decision-making is carried out according to multiple steps because it operates in a complex environment. Decisions are taken as a result of the agreement of many forces allied with each other.

C- The planning method: It includes giving an organized, appropriate and sufficient set of information as much as possible to analyze the cases and to create suitable alternative strategies and a suitable and reasonable selection of the most appropriate strategies that include the effective solution to the existing problems that in this method planning is used to carry out activities that lead to achieving the desired goals. Therefore, a set of decisions are taken, which depend on one another, and the focus is on organized analysis and evaluating costs and benefits for alternatives, which achieves the integration of the decisions taken.

The researcher believes that within the hotel work environment, the importance of understanding the strategic decision-making process increases, due to the hotel activity being affected by many environmental factors and the high uncertainty curve that puts the management in a position of uncertainty, which requires the hotel management to absorb, understand and adopt the mechanisms that guarantee the process of making strategic decisions streamlined that ensure the state of Responding to the conditions of fluctuation in the demand curve

# e-ISSN: 2454-924X; p-ISSN: 2454-8103

due to the seasonal factor, for example, as well as the establishment of a sober mechanism in choosing the hotel strategic decision ensures a state of general acceptance among the members of the organization, which is an important element in the hotel sector, as the hotel team's agreement on a specific goal within the structure of strategic alternatives necessarily means Their ability to achieve it, and therefore the hotel strategic decision-making process is critical to the jurisprudence and priorities of successful hotel managements.

# Second - Strategic Orientation:

1- Concept: The strategic orientation is one of the important variables in the business world. It is related to the way the organization chooses for survival and competition activity within the business environment. It stems from the results of strategic thinking to determine its manifestations that guide the organization's management in determining its strategic goals, giving priority to the goals of organizational survival and responsibility. Social and growth within the framework of a long-term vision, and Jalab (2013:44) defined it as (an organizational philosophy in which the organization works to alert decision makers to environmental opportunities by focusing attention on the important aspects in the environment as far as the field of that organization is concerned and that this The organization is based on important foundations that are market, entrepreneurial, and technological.

The strategic orientation can be defined procedurally as (the process through which the management of the tourism and hotel organization intends to form and formulate the organization's strategy, which represents the way that enables the hotel management to present a vision of the realistic translation of the mission and objectives of the organization in a manner that ensures the achievement of a response to the variables of the tourism market)

2- Dimensions: The most prominent of these dimensions can be clarified through the following points: (Al-Khatib and Ma'ayah, 2009:443).

A- Orientation towards customers (guests): It represents a sufficient understanding of targeting customers and ensuring superior values for them.

B- Orientation towards creativity: It is the sum of the ideas and practices presented by managers and employees, which lead to finding new administrative processes, and more efficient and effective ways and methods in achieving the company's goals, and more serving the complex. It represents the organization's openness to new ideas and the tendency to change by adopting techniques. skills resources, and new management systems.

C- Orientation towards technology: This is represented by the administration's focus on following up on modern technologies in the sector, which reflects the philosophy of technological payment, which is based on the idea that customers always prefer technologically advanced products.

It can be said that the work environment of hotel organizations represents a rich space with which it can absorb the manifestations of different strategic orientations. For example, no administration can work in this environment without a true understanding and understanding of the needs of customers (guests) and analyzing the forces

### e-ISSN: 2454-924X; p-ISSN: 2454-8103

affecting them. The guest in the world of the hotel industry represents the justification for the existence of the organization and from It gives it the legitimacy of continuity and survival, on the other hand, no hotel organization will be able to work with traditional mechanisms for long periods, and thus it always needs a creative thought that provides the same services in modern forms or provides innovative services through which it seeks to satisfy the needs and desires that are always renewed. Finally, the tourism and hotel sector is one of the The most prominent sectors for absorbing technical outputs, digital formats and programs, from reservation programs to hotel management systems with modern technologies, and therefore the absorption of modern technology is an important phenomenon in this sector.

# The Third Topic - The Field Study

# *First - Description and Diagnosis of the Study Variables:*

This part focuses on analyzing the data, which were collected by the questionnaire forms prepared for this purpose, and analyzing the opinions of the researched sample to identify their responses, as follows.

Dimensional order	Variation coefficient	Relative importance %	standard deviation	Arithmetic mean	The dimension	
Second	0.28	67.22	1.26	4.47	Organizational style committed	
Third	0.38	68.15	1.38	3.59	adaptive style	2
the first	0.24	72.33	1.10	4.42	schematic style	3
	0.29	69.23	1.24	4.16	strategic decision making	4

Table (1) Statistical description of the dimensions of strategic decision-making

As it becomes clear that the variable in general has achieved a clear response by the researched sample because the arithmetic mean has reached (4.16), which is higher than the hypothetical mean of (3),

and the value of the standard deviation, which shows the deviation of the values from their arithmetic mean, has reached (1.24) while it reached Relative importance (69.23%) and with a coefficient of

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#### e-ISSN: 2454-924X; p-ISSN: 2454-8103

variation (0.29), and at the level of the subdimensions, the schematic method came in the first order with a coefficient of variation (0.24) and an arithmetic mean (4.42) greater than the hypothetical mean (3) and with a standard deviation (1.10) and a relative importance (72.33%), which It indicates that the departments of hotel organizations, the research sample, focus on adopting this method, which requires taking a system of sequential decisions, which one depends on the other to form an integrated structure that presents the image and form of strategic decision-making processes, which is important in an environment such as the hotel sector, as a result of the nature of hotel work, which is characterized by intense Capital and the existence of a wide range of hotel services as well as the problem of seasonality and the high level of wages for the human element, which means wide problems facing any hotel organization at the strategic level if it is unable to determine the general lines For related and sequential decisions and to ensure better service provision, it came after the adaptive method in the third rank with an arithmetic mean (3.59), a standard deviation (1.38), a relative importance (68.15%) and a coefficient of difference (0.38).

# Table (2) Statistical description of the dimensions of the strategic orientation

Dimensional order	Variation coefficient	Relative importance %	standard deviation	Arithmetic mean	The dimension	ت
Second	0.28	78.64	1.24	4.37	Orientation towards clients guests	
Third	0.29	75.08	1.11	3.74	creative orientation	2
the first	0.24	70.00	1.07	4.41	technology orientation	
	0.27	69.95	1.14	4.17	strategic orientation	4

It is clear from the above table that the strategic orientation has achieved a clear response by the researched sample, because the arithmetic mean has reached (4.17), which is higher than the hypothetical mean (3), and the value of the standard deviation, which shows the deviation of the values from their arithmetic mean, has reached (1.14). While the relative importance reached (69.95) and coefficient of difference (0.27), these results show that the paragraphs through which the variable was measured were clear and understandable to the sample members. Arithmetic (4.41) is greater than the hypothetical mean (3), with a standard deviation (1.07), relative importance (70%), and a coefficient of variation (0.24), which shows that the approach adopted in strategic work in hotel organizations, the research sample, is based on optimal investment and follow-up of all technical developments. And that

any job in the hotel organization is the starting point for adopting digital mechanisms and formulas as much as possible, due to the nature of the modern hotel service, which depends in many of its functions on advanced technological programs and entrances, which arrived in the organizer Global trends reached highly developed levels, and the creative orientation came in third place, with a mean of (3.74), a standard deviation of (1.11) and a relative importance of (75.08%) and a coefficient of variation (0.29)

#### **CORRELATION HYPOTHESIS TESTING:**

The first sub-hypothesis test indicates that there is a significant correlation between the organizational style (committed) in strategic decision-making and the strategic orientation of Iraqi hotel managements

of the first degree. There is a positive and moral direct relationship between the strategic decisionmaking variable and strategic orientation (0.90) and the value of (t) (6.392), which is a significant function. Therefore, these results indicate that the first main research hypothesis can be accepted, and the values in the above table show the realization of the dimensions. The sub-hypotheses of the independent variable have significant associations with the dependent variable and therefore the hypothesis can be accepted with 100%.

# ANALYZE AND TEST THE INFLUENCE RELATIONSHIPS BETWEEN RESEARCH VARIABLES:

Through the test of the second main hypothesis: There is a significant impact relationship of strategic decision-making processes in determining the strategic orientation of the Iraqi excellent hotel managements) and with regard to the tests of the strategic decision-making variable in crystallizing and determining the shape of the strategic orientation in the hotels of the study sample, the tests revealed the following results According to the regression model No. 4, where the F value for this model was 30.365\*\* with a significant level of 0.01 and the calculated T value was 5.600 with a significant level of 0.01 and each of the two calculated values was higher than the tabular and this confirms the validity of the main hypothesis and this significant effect is explained by the coefficient of determination R<sup>2</sup> of 0 575. This shows that the percentage of the impact of strategic decisionmaking in determining the nature of the strategic orientation in the hotels in question is no less than 57%, and the value of  $\beta$  has reached 0.766, which indicates that the change that occurs in the adoption of strategic decision-making processes by one unit leads to a change in determining The strategic orientation is determined by the influence factor, and therefore the second main hypothesis can be accepted.

# THE FOURTH TOPIC: CONCLUSIONS, RECOMMENDATIONS AND SUGGESTIONS

**First - Conclusions:** 

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1- The ability of hotel organizations to survive and continue in the mission environment and continue their activities depends on the quality of the practices adopted in strategic decision-making.

2- The strategic orientation translates the nature of the vision and mission of the organization and the nature of the strategic goals. Therefore, the administrations face an important imperative that appears in the necessity of deepening the understanding of this dimension, which is missing by many Iraqi hotel administrations, which is what the researcher touched through the field study.

3- The results of the field study showed that there is a strong correlation between the overall methods and curricula of strategic decision-making processes and the form and features of strategic orientation in hotel organizations, the research sample.

4- It was found through the results of the field study that there is an influence relationship to the nature of the method adopted in strategic decision-making in determining the image and quality of the strategic orientation adopted by the hotel administrations, the research sample.

# Second - Recommendations:

1- The need for hotel administrations to support the efforts that lead to deepening the understanding of the content of strategic decision-making processes in a systematic scientific way, away from improvisation and emotion, which can be completed through the adoption of developmental training policies and forums for the dissemination of strategic thought and research and scientific work.

2- An administrative philosophy and organizational methods that support the strategic orientation should be adopted by the management in hotels by providing an appropriate climate that stimulates the behavior of employees, and supporting teamwork and other mechanisms that ensure the dissemination of a solid organizational culture that strengthens the assimilation of the adopters of different strategic orientations.

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3- The necessity of adopting modern information and communication technology systems in order to provide sufficient data and information as inputs to the strategic decision-making processes and work to establish management information systems to provide the necessary information in a timely manner that guarantees reliable outputs for these operations.

4- Providing an appropriate climate for creativity and creative thinking in hotel organizations by motivating employees to present creative ideas and avoiding routine and bureaucracy at work, and organizing competitions and workshops through which creative ideas related to marketing, services and other aspects of hotel work are presented, and providing material and moral incentives.

#### Third - Suggestions:

The most prominent of these proposals for future studies can be stated in the following points:

1- The impact of strategic orientation on setting strategic goals in hotel organizations.

2- The role of strategic decision-making processes in determining the marketing orientation of hotels.

3- The impact of strategic decision-making processes on strengthening strategic sovereignty.

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