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Evaluating the COVID-19 pandemic changes on hotel organizational culture

Christos Kakarougkas  
University of the Aegean, ch.kakarougkas@aegean.gr

Theodoros Stavrinoudis  
University of the Aegean, tsta@aegean.gr

Moschos Psimoulis  
University of the Aegean, m.psimoulis@aegean.gr

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Authors
Corresponding Author
Theodoros Stavrinoudis, 8 Michalon Str. 82132, Chios, Greece

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The strong negative consequences caused by the outbreak of the COVID-19 pandemic created the need for a scientific investigation of changes that occurred in the organizational culture of the hospitality industry. This research paper, using the Delphi method, served three purposes. It first assesses the changes that the COVID-19 pandemic has brought to selected cultural components (product, external relations, and entrepreneurship strategy) that shape a hotel's organizational culture, and determines how it interacts with other stakeholders on an inter-organizational level. Secondly, it links these changes to the three directions of change: formal/revolutionary, informal/evolutionary, and hybrid. Thirdly, it suggests specific policies that help hotel managers better cope with the challenges posed by the COVID-19 era for the organizational culture of their hotel. The impact of the pandemic on the selected cultural components of a hotel's organizational culture is extensive and to address them (by reducing the negative and strengthening the positive effects), hotels must implement policies aligned with the three directions of change. This research is scientifically original as it bridges a knowledge gap and holds practical value by helping hotel executives gain a deeper knowledge of strategies and tactics that will help them deal with the negative impacts of COVID-19 in specific areas of the organizational culture of their hotels.

Keywords
human resources management, stakeholder theory, change management, formal/revolutionary direction of change, informal/evolutionary direction of change, hybrid direction of change

Revisions

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Evaluating the COVID-19 Pandemic Changes on Hotel Organizational Culture

Christos Kakarougkas¹, Theodoros Stavrinoudis², and Moschos Psimoulis³

Department of Tourism Economics and Management
University of the Aegean, Greece
¹ch.kakarougkas@aegean.gr
²tsta@aegean.gr
³m.psimoulis@aegean.gr

Abstract

The strong negative consequences caused by the outbreak of the COVID-19 pandemic created the need for a scientific investigation of changes that occurred in the organizational culture of the hospitality industry. This research paper, using the Delphi method, served three purposes. It first assesses the changes that the COVID-19 pandemic has brought to selected cultural components (product, external relations, and entrepreneurship strategy) that shape a hotel’s organizational culture, and determines how it interacts with other stakeholders on an inter-organizational level. Secondly, it links these changes to the three directions of change: formal/revolutionary, informal/evolutionary, and hybrid. Thirdly, it suggests specific policies that help hotel managers better cope with the challenges posed by the COVID-19 era for the organizational culture of their hotel. The impact of the pandemic on the selected cultural components of a hotel’s organizational culture is extensive and to address them (by reducing the negative and strengthening the positive effects), hotels must implement policies aligned with the three directions of change. This research is scientifically original as it bridges a knowledge gap and holds practical value by helping hotel executives gain a deeper knowledge of strategies and tactics that will help them deal with the negative impacts of COVID-19 in specific areas of the organizational culture of their hotels.

Keywords: human resources management, stakeholder theory, change management, formal/revolutionary direction of change, informal/evolutionary direction of change, hybrid direction of change

Introduction

The outbreak of the COVID-19 pandemic has brought unprecedented negative consequences for the hospitality industry (Baum & Hai, 2020; Gössling et al., 2020; Ogumnokun & Ikhide, 2022), resulting in the creation of a new reality with multiple challenges (Kaushal & Srivastava, 2020; Sigala, 2020). Hotels need to be able to overcome these challenges, and they must place particular emphasis on managing the change of various organizational culture (OC) components such as their relationships with other stakeholders at the inter-organizational level (Melián-Alzola et al., 2020). This created the need for a scientific investigation of the changes that have taken place in the OC of the hospitality industry at the inter-organizational level due to COVID-19. Additionally, this research investigates how OC has changed to better adapt to the new reality of the social and economic environment (Spicer, 2020) like the enforcement of social distancing (Greenstone &
Nigam, 2020), the sharp decline in demand for the hospitality product (Dube et al., 2020), changes in the supply chain (Karmaker et al., 2021), and others.

The aim of this research paper, through a synthesis of three theoretical pillars of OC, change management and stakeholder theory, and field research using the Delphi method (McPherson et al., 2018), is stated as

- To evaluate the changes brought about by the spread of the COVID-19 pandemic to specific cultural components (i.e., hotel services, the relationship of hotels with their external environment, and entrepreneurship strategy) that shape the OC of a hotel (Bavik 2016; Stavrinoudis & Kakarougkas, 2017a) and to determine how a hotel interacts with other stakeholders at an inter-organizational level (Chen et al., 2012; Stavrinoudis & Kakarougkas, 2017b);
- To link these changes to the three directions of change: formal/revolutionary, informal/evolutionary, and hybrid (Mak & Chang, 2019; Rosenbaum et al., 2018; Stouten et al., 2018);
- To propose specific policies to help hotel managers better cope with the challenges that COVID-19 is presenting for the OC of the hospitality industry.

The scientific originality of this research is found in the knowledge gap that it bridges (Miles, 2021) since no previous research has yet focused on investigating the changes that occurred in the OC of the hospitality industry (Baum & Hai, 2020; Gössling et al., 2020; Krishnan et al., 2020; Ogunmokun & Ikhide, 2022) due to the COVID-19 pandemic. On a practical level, the results of the survey help hotel managers gain a deeper knowledge of strategies and tactics that will help address the negative impact of COVID-19 on specific areas of hotels’ OC.

**Literature Review**

*Hotel Organizational Culture Change and Stakeholder Theory at the Inter-Organizational Level*

Organizational culture (OC) is reflected in what is valued, the dominant leadership styles, the language and symbols used, the processes and routines implemented, and the definition of success that makes each organization and sector of the economy unique (Cameron & Quinn, 2011). Strati (2017) added that the culture of an organization is a mixture of organizational intangible elements such as business processes, values, attitudes, internal and external communication, and others, but also the tangible and material organizational elements such as the technology, workspace design, employee appearance, and more. Driskill (2018), Jourdan and Smith (2021), and Warrick (2017) argued that the culture of an organization or a sector of the economy is changing dynamically over time in response to challenges in the internal, inter-organizational, and social environment. Melián-Alzola et al. (2020) added that hotels need to place greater emphasis on managing the change of their OC to become more resilient to the effects that periods of crisis and drastic change such as those created by the COVID-19 pandemic. Varnum and Grossmann (2017) and Stavrinoudis and Kakarougkas (2017b) argued that there are multiple, often conflicting, theories and approaches to how the culture of an organization like a hotel can be changed successfully since the theories and approaches to change can be grouped into three directions.

The first direction is *formal/revolutionary*, where the main responsible for the change is the management of an organization. In that case, the management of an organization on the occasion
of an organizational shock or crisis could impose a program of immediate and major changes in structures, systems, people, and so on. (Cummings et al., 2016; Deborah, 2018; Rosenbaum et al., 2018). For example, the management of a hotel to respond to the intense negative conditions that Covid-19 created and to avoid the risk of bankruptcy may be forced in a very short period of time to reduce the number of employees, change the services delivery systems, and more. Another direction presents the informal/evolutionary direction, where changes in OC are not imposed through a specific program but gradually and over time. These changes occur due to human social contact, competition, and a common positive vision (Cheishvili et al., 2017; Mak & Chang, 2019; Toves et al., 2016). Finally, the third direction of change is hybrid which includes elements of both formal/revolutionary and informal/evolutionary change, seeking to keep each organization in a continuous state of transformation (Al-Ali et al., 2017; Hassan, 2018; Stouten et al., 2018). González-Rodríguez et al. (2019) argued that OC plays a key role in the relationships that hotels develop with other stakeholders on an inter-organizational level. Following this, the studies of Bavik (2016), Cameron and Quinn (2011), Deal and Kennedy (2000), Stavrinoudis and Kakarougkas (2017a), Stavrinoudis and Simos (2016), Weber and Yedidia Tarba (2012), and Yahyagil (2015) concluded that three cultural components (product, an organization’s relationship with their external environment, and entrepreneurship strategy) are particularly important for shaping a hotel’s OC in relation to the way it interacts with other stakeholders at the inter-organizational level (Modica, 2015). Therefore, the following analysis is based on the stakeholder theory in which the main purpose is to study the impact of the decisions made by the management of organizations on employees, suppliers, competitors, and other stakeholders (Freeman et al., 2020). The analysis also presents key features of the cultural components of hotel organizations, which are particularly important in shaping hotel OC at the inter-organizational level (Iuliana et al., 2016; Rhou & Singal, 2020).

Regarding the cultural component product, Bavik (2016) argued the importance of focusing on the specific needs of the guests, who are considered one of the most important types of stakeholders (Guix et al., 2018). Seetharaman (2020) suggested that the sharp decline in demand for hotels due to the COVID-19 pandemic has forced hotels to develop alternative and innovative products that will attract reluctant guests again, helping to strengthen demand. Therefore, Gursoy and Chi (2020) considered it particularly important that hotels incorporate features into their product (e.g., implementation of health protocols, staff use of protective equipment, contactless transactions, and services provided by robots) to help prospective visitors feel safer (Gursoy et al., 2020). Finally, Kakarougkas and Stavrinoudis (2021) and Ma et al. (2020) added that to increase sales in the hospitality industry, it is important to enhance the quality of the hotel product by strengthening relations between the hotel and guests and by engaging guests in the co-creation of the hotel product. These led to the formulation of the first research question:

- What impact has the spread of COVID-19 had on the cultural component product of hotels?

Regarding the cultural component relationships of organizations with their external environment, Jones et al. (2018) posited that the appliance of stakeholder theory can provide a sustainable competitive advantage. Analytically, Pasamehmetoglu and Gokoglu (2020) and Yahyagil (2015) suggested that an organization’s relationship with the natural environment is particularly important. This is particularly important to the hospitality industry, which consumes significant quantities of energy and water (Rhou & Singal, 2020). Therefore, policies that reduce the environmental footprint of a hotel may reinforce its image as an environmentally responsible hotel
organization (Martínez García de Leaniz et al., 2019). In the long term, it might also lead to reduced operating costs (Anguera et al., 2017). Another crucial element is that of partnerships, which includes the level of competition and the relationships that an organization develops with other organizations such as suppliers (Cameron & Quinn, 2011). Fantazy et al. (2010) and Shi and Liao (2013) argued that the quality of partnerships in the hospitality industry is based on strengthening cooperation and mutual trust between organizations operating both within and outside the hotel sector. But beyond partnerships, Weber and Yedidia Tarba (2012) and Yahyagil (2015) argued that an organization’s relationships with the wider social environment are also important. Rhou and Singal (2020) stressed that in times of instability and crisis, hotels must invest in social support policies since these policies can have a positive impact on several stakeholders and employees (Kim and Pennington-Gray, 2017; Stavrinoudis & Livadioti, 2011; Zhang, 2018).

This led to the second research question:

- What impact has the spread of COVID-19 had on the cultural component relationship of hotels with their external environment?

The entrepreneurship strategy cultural component is strongly influenced by the specific organizational characteristics of hotels and the entrepreneurs operating them (Fu et al., 2019). Iuliana et al. (2016) added that small and medium-sized family-type enterprises run by entrepreneurs without much experience or training in the hospitality industry constitute the main supply of the sector. Cameron and Quinn (2011) and Xuhua et al. (2018) argued that small and medium-sized enterprises should emphasize and seek to develop new ideas and opportunities within the established business environment to develop a competitive advantage according to stakeholder theory (Bischoff, 2021). Deal and Kennedy (2000) argued that the entrepreneurship strategy is also directly related to an organization’s strategic planning, while Kaliappen and Hilman (2017) reported the existence of two central categories of strategic planning in the hospitality industry. The first category includes strategies that seek a direct, short-term competitive advantage through the reduction of production costs. The second category includes strategies that seek long-term competitive benefits through innovation development. Tajeddini et al. (2020) added that to develop a successful entrepreneurship strategy a hotel needs to strengthen its interconnection with other organizations through technological networks, while Huang-Yin et al. (2019) underlined the key role of online travel agencies in this area. Similarly, Lv et al. (2020) and Toh et al. (2011) emphasized the high degree of dependence many hotels have on these agencies, especially those classified as small or medium-sized. This led to the third research question:

- What impact has the spread of COVID-19 had on the cultural component entrepreneurship strategy?

Methods

The effects of the spread of the COVID-19 pandemic on areas of economic and social life, including tourism, have been analyzed in previous research (Baum & Hai, 2020; Gössling et al., 2020; Krishnan et al., 2020; Ogunmokun & Ikhide, 2022). However, none of this research analyses the impact of the pandemic on the OC of the hospitality industry. The Delphi method was chosen as most appropriate for data collection in an area or subject where little is known (McPherson et al., 2018). The method is also appropriate when complex issues need to be investigated and decisions on a strategic level that will consider all reasonable aspects of the tourism industry must be considered (Conlin & Rice, 2019; Konu, 2015). The Delphi method usually involves three rounds of data collection and analysis where each is based on the findings of the previous round.
An exception is the first round of research which should be based on existing knowledge of the subject under investigation (Remington & Kitterlin-Lynch, 2018). Hence, the design of the first round of research (and later the discussion of findings) was based on three separate theoretical pillars (OC, change management, and stakeholder theory) which were analyzed in the literature review. The first section summarizes the main findings of earlier research related to the areas of OC (Cameron & Quinn, 2011; Driskill, 2018; Jourdan & Smith 2021; Warrick, 2017) and its change (Hassan, 2018; Mak & Chang, 2019; Rosenbaum et al., 2018). The second section is based on the stakeholder theory and analyzed three cultural components (product, an organization’s relationship with its external environment, and entrepreneurship strategy), all important in shaping OC at the inter-organizational level (Iuliana et al., 2016; Rhou & Singal, 2020). To complete the survey, (a) three rounds of qualitative and quantitative data collection were carried out using Google forms and email and (b) each research round explored the views of a team of experts consisting of recognized academics, hotel education professionals, and hospitality industry executives (Asselin & Harper, 2014; McPherson et al., 2018). The selection of this sample of experts reduced potential bias created by the abstraction of low-quality data that could result from a lack of understanding of the subject under investigation (Tourangeau et al., 2000).

Twenty-four out of 55 questionnaires were collected during the first round of research (May 27 – June 22, 2020). This round aimed to present the central research goal to the participants and to obtain qualitative data on the characteristics of the three cultural components (product, relationship of hotels with the external environment, and entrepreneurship strategy), which all shaped the OC of a hotel and its interaction with other stakeholders at the inter-organizational level prior to the COVID-19 pandemic. This questionnaire had three sections asking participants to record five keywords that best outline the three data groups under investigation prior to the COVID-19 pandemic. Sixty-five keywords were collected and coded to the relevant cultural components (McPherson et al., 2018).

In the second round of research (June 29 – July 13, 2020), 20 questionnaires were collected out of 24 sent to the experts who completed the first round of the survey. The second round of research presented the central findings of the first round to the participants and drew quantitative data on the degree of strengthening or weakening of the elements that shaped the OC of the hospitality industry before COVID-19. The questionnaire in this round was based on the results of the first round of the study and consisted of three sections with a total of forty Likert-scale items derived from the 65 keywords recorded by the experts in the first round of the research. Only those keywords with a recording frequency greater than or equal to two \( (f \geq 2) \) were included in the second-round questionnaire. Descriptive statistics were applied to draw conclusions according to Hasson et al. (2000).

During the third round of research (July 24 - August 13, 2020), 15 questionnaires were collected from a total of 20 experts who completed the second phase of the survey. Based on these results, the questionnaire for the third round consisted of three sections, with each flanked by three Likert-scale items and four open-ended questions. The Likert-scale items asked participants to assess whether the findings of the second round of the survey constituted: (a) very insignificant or very significant development, (b) very negative or very positive development, and (c) a great threat or great opportunity. The three open-ended questions per section asked participants to explain or justify their responses to the Likert-scale items, while the fourth asked the experts to explain what
strategic decisions should be adopted to reduce the negative and strengthen the positive impact of the effects of the COVID-19 crisis on the OC of Greek hotels, specifically in relation to the way they interact with other stakeholders at the inter-organizational level. For the third-round data analysis, a combination of content analysis (frequency measurement) and descriptive statistics were used (Hasson et al., 2000; McPherson et al., 2018). The qualitative results had a minimum recording frequency of two and were employed to draw conclusions.

Findings

The Impact of the Spread of the COVID-19 Pandemic on the Hotels’ Products

The results of the first and the second rounds of research (see Table 1) suggest that the hospitality industry, due to the COVID-19 pandemic, tends to move away from mass tourism, the dominant model to date, and is gradually turning to a tourism model aimed at providing qualitative hotel products with a strong, customer-oriented approach at all levels (standardization, measurement, and evaluation of the final product, and hygiene and safety assurance.) However, this change is not accompanied by a corresponding strengthening of an element of high price, but rather by a strengthening of low-price. Survey participants supported a moderate attitude towards this development as they considered this to be marginally significant and a marginal opportunity.

Table 1. The Impact of the COVID-19 Pandemic on the Hotels’ Products

<table>
<thead>
<tr>
<th>#</th>
<th>Variable</th>
<th>First Research Round Result</th>
<th>Second Research Round Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Recording Frequency</td>
<td>Mean</td>
</tr>
<tr>
<td>11.1</td>
<td>Mass tourism</td>
<td>17</td>
<td>1.65</td>
</tr>
<tr>
<td>11.2</td>
<td>Quantity</td>
<td>12</td>
<td>1.50</td>
</tr>
<tr>
<td>11.3</td>
<td>Minimum evaluation of the final product</td>
<td>8</td>
<td>1.70</td>
</tr>
<tr>
<td>11.4</td>
<td>Employee-customer friendly relations</td>
<td>7</td>
<td>2.70</td>
</tr>
<tr>
<td>11.5</td>
<td>Measurable results</td>
<td>7</td>
<td>3.50</td>
</tr>
<tr>
<td>11.6</td>
<td>High prices</td>
<td>7</td>
<td>2.60</td>
</tr>
<tr>
<td>11.7</td>
<td>Intensely customer-oriented approach</td>
<td>6</td>
<td>3.60</td>
</tr>
<tr>
<td>11.8</td>
<td>Minimal customer-oriented approach</td>
<td>6</td>
<td>1.90</td>
</tr>
<tr>
<td>11.9</td>
<td>Commitment to the result - target</td>
<td>6</td>
<td>4.00</td>
</tr>
<tr>
<td>11.10</td>
<td>Low prices</td>
<td>6</td>
<td>3.30</td>
</tr>
<tr>
<td>11.11</td>
<td>Commitment to the process</td>
<td>5</td>
<td>4.10</td>
</tr>
<tr>
<td>11.12</td>
<td>Typical employee-customer relationships</td>
<td>5</td>
<td>3.15</td>
</tr>
<tr>
<td>11.13</td>
<td>Minimum health and safety assurance</td>
<td>5</td>
<td>1.60</td>
</tr>
<tr>
<td>11.14</td>
<td>Intense evaluation of the final product</td>
<td>4</td>
<td>4.05</td>
</tr>
<tr>
<td>11.15</td>
<td>Intense health and safety assurance</td>
<td>3</td>
<td>4.30</td>
</tr>
<tr>
<td>11.16</td>
<td>Quality</td>
<td>3</td>
<td>3.60</td>
</tr>
<tr>
<td>11.17</td>
<td>Non-measurable results</td>
<td>2</td>
<td>2.10</td>
</tr>
</tbody>
</table>

Third Research Round Quantitative Results

<table>
<thead>
<tr>
<th>#</th>
<th>Above Evolution: 1- Very insignificant, 5- Very significant</th>
<th>1.18</th>
<th>3.77</th>
<th>4</th>
<th>3</th>
<th>1.013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Above Evolution: 1- Very negative, 5- Very positive</td>
<td>1.19</td>
<td>3.23</td>
<td>3</td>
<td>3</td>
<td>1.013</td>
</tr>
<tr>
<td></td>
<td>Above Evolution: 1- Great threat, 5- Great opportunity</td>
<td>1.12</td>
<td>3.62</td>
<td>4</td>
<td>3*</td>
<td>.870</td>
</tr>
</tbody>
</table>

Note. 1 = Intense weakening, 3 = Neither weakened/Nor strengthened, 5 = Intense strengthening; *Multiple modes exist. The smallest value is shown, Bold: Marks variables that are strengthened, Italic: Marks variables that are weakened.

This is supported as participants consider it too early to draw a conclusion on this matter and because they argue that this development has had both negative and positive dimensions. Hotels have reacted negatively due to their efforts to respond to low demand due to a decrease in income resulting from the COVID-19 pandemic; as well as to the pressure from tour operators to reduce prices. The positive dimension is based on the hope that these developments will enhance the promotion and development of a tourism model of higher quality based on alternative forms of tourism.
The participating experts argued that to reduce the negative elements and enhance the positive ones resulting from the COVID-19 pandemic, the following strategic decisions should be taken: First, hotels should emphasize offers of high-quality products, the redesign of activities and procedures, the utilization of new technologies, and innovation and the exploitation of funding opportunities to meet the increase in prices in the ensuing years. Second, strategic marketing plans should be developed to maintain market share. Third, human resource development must be strengthened. Fourth, public stakeholders must improve their cooperation with hotels and provide incentives and symmetrical financial support to help and encourage them to qualitatively upgrade their products. Finally, hotels should satisfy the differentiated needs of their guests (see Table 1.)

**The Impact of the COVID-19 Pandemic on the Relationship Between Hotels and Their External Environment**

The results of the second round of research are presented in Table 2. The data suggest that, due to the COVID-19 pandemic, hotels have further intensified their competition and cooperation with other enterprises and institutions within and outside the tourism sector compared to the pre-pandemic era. Simultaneously, they have maintained a neutral attitude towards the local community compared to the pre-COVID-19 era. This conclusion was drawn from a combination of results from the following two elements: (a) minimal bonds created with local communities with minimal support for the local economy and (b) weakened social responsibilities that have neither weakened nor strengthened the element of *intense support of the local economy and social responsibility*. Finally, in the field of environmental protection, hotels are holding the same position as in the pre-COVID-19 era. As a result, the element *minimum environmental protection* remained stronger.

The participating experts have maintained a cautious attitude toward these developments. The socially neutral attitude of hotels towards the local community and the deterioration of the value of environmental protection was an expected development which reflects their efforts to survive. Moreover, this effort has reinforced the values of change, healthy competition, and cooperation of all parties involved (businesses, institutions, and the scientific community) as drivers of development, evolution, diversification of the tourism product, and the implementation of more effective health protocols. To reduce the negative elements and strengthen the positive impacts of the COVID-19 pandemic on the relationship of the hotels with their external environment, the experts proposed the following policies: In the field of environmental protection, the operation of hotels must be made environmentally sustainable on the basis of strategic planning; employee creativity must be recruited; the cooperation between hotels, the State, and institutions should be strengthened; State incentives should be provided; and guests should be supportive. At the social level, hotels must reach out and link to the local community by strengthening their corporate social responsibility through work and the pursuit of partnerships with local organizations. At the organizational level, hotels need to strengthen their competitiveness through branding strategies, the development of a suitable State strategy, and the pursuit of strategic partnerships with competitors and enterprises in the tourism sector. At the product supply level, the survey participants suggested that hotels should focus on domestic tourism by offering quality products based on environmentally friendly alternative forms of tourism.
Table 2. The Impact of the COVID-19 Pandemic on the Relationship Between Hotels and Their External Environment

<table>
<thead>
<tr>
<th>#</th>
<th>Variable</th>
<th>First Research Round Result</th>
<th>Second Research Round Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Recording Frequency</td>
<td>Mean</td>
</tr>
<tr>
<td>I2.1</td>
<td>Intense competition between hotels</td>
<td>15</td>
<td>3.70</td>
</tr>
<tr>
<td>I2.2</td>
<td>Minimum bond with local communities</td>
<td>12</td>
<td>2.50</td>
</tr>
<tr>
<td>I2.3</td>
<td>Minimum protection of the environment</td>
<td>11</td>
<td>2.80</td>
</tr>
<tr>
<td>I2.4</td>
<td>Minimum cooperation between hotels</td>
<td>9</td>
<td>2.90</td>
</tr>
<tr>
<td>I2.5</td>
<td>Minimum cooperation with other enterprises and bodies in the tourism sector</td>
<td>9</td>
<td>2.40</td>
</tr>
<tr>
<td>I2.6</td>
<td>Minimum support for the local economy and social responsibility</td>
<td>8</td>
<td>2.50</td>
</tr>
<tr>
<td>I2.7</td>
<td>Intense cooperation with other enterprises and operators in the tourism sector</td>
<td>7</td>
<td>3.55</td>
</tr>
<tr>
<td>I2.8</td>
<td>Strong support for the local economy and social responsibility</td>
<td>6</td>
<td>3.10</td>
</tr>
<tr>
<td>I2.9</td>
<td>Minimum cooperation with other enterprises outside the tourism sector</td>
<td>5</td>
<td>2.55</td>
</tr>
<tr>
<td>I2.10</td>
<td>Intense environmental protection/Sustainability</td>
<td>4</td>
<td>2.90</td>
</tr>
<tr>
<td>I2.11</td>
<td>Intense bond with local communities</td>
<td>4</td>
<td>3.05</td>
</tr>
<tr>
<td>I2.12</td>
<td>Intense cooperation with other enterprises outside the tourism sector</td>
<td>2</td>
<td>3.25</td>
</tr>
</tbody>
</table>

Third Research Round Quantitative Result

| I2.13| Above Evolution: 1- Very insignificant, 5- Very significant              | 3.92                      | 4    | 4      | .760 |
| I2.14| Above Evolution: 1- Very negative, 5- Very positive                      | 3.08                      | 3    | 3*     | 1.115 |
| I2.15| Above Evolution: 1- Great threat, 5- Great opportunity                   | 3.69                      | 3    | 3     | .855 |

Note. 1 = Intense weakening, 3 = Neither weakened/Nor strengthened, 5 = Intense strengthening; *Multiple modes exist. The smallest value is shown, Bold: Marks variables that are strengthened, Italic: Marks variables that are weakened.

The Impact of the Spread of the COVID-19 Pandemic on the Entrepreneurship Strategy of the Hotels

Table 3 show the results of the second round of the survey and suggests that hotels continue to hold and further strengthen several features present prior to the spread of COVID-19 including heavy reliance on booking platforms and travel organizations (e.g., online travel agencies and seasonal operation); intense concentration of hotels in specific regions of Greece; and short-term planning and strategy. Simultaneously, certain characteristics of hotel OC prior to the COVID-19 pandemic such as small businesses, family businesses, and the pursuit of expansion have been weakened.

The survey participants treated this development moderately. Many suggested this development had not brought about any significant changes in hotel structure, though it was too early to draw conclusions. They believe that the hospitality industry relies poorly on strategic planning and strongly on reliable solutions that lead to short-term results, such as strong reliance on online travel agencies and the supply of a product based exclusively on the sun and the sea (intense seasonality). However, experts consider that these developments, combined with a good response to the health crisis and the parallel establishment of new institutional frameworks (developed with the active participation of tourism enterprises) can be an opportunity for structural change and development in the sector. Experts argued that it is too early to formulate a strategy, but they believe that to reduce the negative elements and strengthen the positive impacts of the COVID-19 pandemic on the entrepreneurship strategy of hotels, strategic decisions must be made in three areas. First is a gradual change in the operational model of the hotels through the development of appropriate planning and business objectives while investing in new technologies. Second, cooperation
between tourism enterprises and the creation of business network clusters between small tourism enterprises must be strengthened. Third, emphasis must be placed on human resource training and development through the establishment of academies within hotels to promote innovation and emphasize employer branding.

Table 3. The Impact of the COVID-19 Pandemic on the Entrepreneurship Strategy of Hotels

<table>
<thead>
<tr>
<th>#</th>
<th>Variable</th>
<th>First Research Round Result</th>
<th>Second Research Round Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recording Frequency</td>
<td>Mean</td>
<td>Median</td>
</tr>
<tr>
<td>I3.1</td>
<td>Heavy reliance on booking platforms and travel organizations e.g., online travel agencies</td>
<td>16</td>
<td>3.65</td>
</tr>
<tr>
<td>I3.2</td>
<td>Seasonal operation of hotels</td>
<td>15</td>
<td>3.70</td>
</tr>
<tr>
<td>I3.3</td>
<td>Intense concentration of hotels in specific regions of Greece</td>
<td>13</td>
<td>3.75</td>
</tr>
<tr>
<td>I3.4</td>
<td>Short-term planning and strategy</td>
<td>12</td>
<td>3.45</td>
</tr>
<tr>
<td>I3.5</td>
<td>Small businesses</td>
<td>12</td>
<td>2.35</td>
</tr>
<tr>
<td>I3.6</td>
<td>Family businesses</td>
<td>12</td>
<td>2.50</td>
</tr>
<tr>
<td>I3.7</td>
<td>Independent operation of hotels</td>
<td>5</td>
<td>2.95</td>
</tr>
<tr>
<td>I3.8</td>
<td>Seeking to expand hotel businesses</td>
<td>3</td>
<td>2.55</td>
</tr>
<tr>
<td>I3.9</td>
<td>Strategic alliances</td>
<td>3</td>
<td>3.25</td>
</tr>
<tr>
<td>I3.10</td>
<td>Minimum reliance on booking platforms and travel organizations e.g., online travel agencies</td>
<td>2</td>
<td>1.95</td>
</tr>
<tr>
<td>I3.11</td>
<td>Long-term planning and strategy</td>
<td>2</td>
<td>2.45</td>
</tr>
</tbody>
</table>

Third Research Round Quantitative Result

<table>
<thead>
<tr>
<th>#</th>
<th>Variable</th>
<th>Result</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>I3.12</td>
<td>Above Evolution: 1- Very Insignificant, 5- Very Significant</td>
<td>3.54</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>.776</td>
</tr>
<tr>
<td>I3.13</td>
<td>Above Evolution: 1- Very Negative, 5- Very Positive</td>
<td>3.00</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>.817</td>
</tr>
<tr>
<td>I3.14</td>
<td>Above Evolution: 1- Great Threat, 5- Great Opportunity</td>
<td>3.23</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>.832</td>
</tr>
</tbody>
</table>

Note. 1 = Intense weakening, 3 = Neither weakened/Nor strengthened, 5 = Intense strengthening; *Multiple modes exist. The smallest value is shown, Bold: Marks variables that are strengthened, Italic: Marks variables that are weakened.

Conclusions

The Impact of the COVID-19 Pandemic on the Cultural Component Product of Hotels

The results of the survey, in line with Seetharaman (2020) and Gursoy and Chi (2020), suggested that the changes brought about by COVID-19 in the product cultural component of hotel OC are numerous and are primarily directed towards the informal/evolutionary direction of change, as supported by Cheishvili et al. (2017), Mak & Chang (2019), and Toves et al. (2016). This conclusion supports the finding that the changes made present a positive and negative dimension which contradict each other. The positive dimension (Seetharaman, 2020; Gursoy & Chi, 2020; Gursoy et al., 2020; Kakarougkas & Stavrinoudis, 2021; Ma et al., 2020) is supported by an expert opinion that the hospitality industry, due to the COVID-19 pandemic, is turning towards a business model aimed at providing a more highly customer-oriented hotel product that emphasizes hygiene and safety issues. The negative dimension is in the reduction of the prices of hotel products. The conclusion does not support, in practice, Gursoy et al.’s (2020b) argument that hotel guests are willing to pay higher prices for a more qualitative and safer hotel product in the COVID-19 era. Hence, the survey participants maintained a relatively neutral attitude towards the changes caused in the product and cultural component of hotel OC.

As a result, to reduce the negative changes and reinforce the positive ones brought about by COVID-19 in the hotels’ products medium to long-term, several strategic decisions must be taken which in their majority belong in the formal/revolutionary direction of change (Cummings et al., 2016; Deborah, 2018; Rosenbaum et al., 2018). Analytically, hotel management must work closely
with the State to finance investments that will support the exploitation of new technologies, the redesign of activities and processes, the development of new strategic marketing plans, and others. Finally, experts suggest that the elements related to the informal/evolutionary direction of change (Cheishvili et al., 2017; Mak & Chang, 2019; Toves et al., 2016) such as human resource training and continuous adaptation to guests’ needs must be considered as well.

The Impact of the COVID-19 Pandemic on the Cultural Component Relationship Between Hotels and Their External Environment

Experts argued that the changes made to the cultural component relationship of hotels with their external environment due to the spread of the COVID-19 pandemic were significant, but they did not offer a clear view of the extent to which they consider these changes to be positive or negative and pose a threat or opportunity. This cautious attitude of the experts was supported by the changes caused to this component possessing a number of negative and positive elements, as well as a finding which supported the adoption of the informal/evolutionary direction of change (Cheishvili et al., 2017; Mak & Chang, 2019; Toves et al., 2016). In more detail, in the field of environmental protection (Pasamehmetoglu & Gokoglu, 2020; Yahyagil, 2015), the COVID-19 pandemic had a negative impact since the hotels emphasized other areas they believed would enhance their economic viability. This development was considered negative by experts and supported previous studies (Anguera et al., 2017; Martínez García de Leaniz et al., 2019; Rhou & Singal, 2020). Regarding social relations, experts considered it positive that the COVID-19 pandemic reinforced the value of the relationships between hotels and local society element of hotel OC, a view reinforced by Rhou and Singal (2020), Kim and Pennington-Gray (2017) and Zhang (2018). In the field of partnerships, experts welcomed intensified competition between Greek hotels and the strengthened cooperation of hotels with other organizations inside and outside the tourism industry, which is also supported by Fantazy et al. (2010) and Shi and Liao (2013).

Following these findings, participants proposed a series of measures that belong to the hybrid direction of change (Al-Ali et al., 2017; Hassan, 2018). They address negative changes and strengthen the positive in the OC of the hotels. To strengthen environmental protection, strategic environmental planning must be developed through the cooperation of hotels with organizations inside and outside the tourism industry and employees as well. The further rapprochement of the hospitality industry with local communities can be supported by strengthening employment through quality jobs linked to the establishment of new hotels. Finally, positive change can also be further strengthened in the field of partnerships linked to branding strategies and synergies between organizations inside and outside the tourism industry with a view toward developing new, environmentally-friendly products that will also meet the needs of the domestic tourism market, along with limiting the negative effects on the tourism sector (Baum & Hai, 2020; Gössling et al., 2020; Ogunmokun & Ikhide, 2022).

The Impact of the COVID-19 Pandemic on the Cultural Component Entrepreneurship Strategy

The participating experts in the study supported a strongly moderate attitude toward the impact of the COVID-19 pandemic on the cultural component entrepreneurship strategy. They suggested that due to the pandemic, no substantial changes had occurred in the field of entrepreneurship in the hospitality industry. The results of the first and second rounds of research showed that with
few exceptions, most of the cultural elements that prevailed before the outbreak of COVID-19 had been further strengthened due to the pandemic. The elements that were strengthened include a strong reliance on booking internet platforms and travel organizations, the seasonal operation of hotels, the strong concentration of hotels in specific regions of Greece, and short-term planning and strategy. The experts placed particular emphasis on the strengthening of the component's strong reliance on booking internet platforms and travel organizations, as they considered this element to be a pathogen of the hospitality industry, a conclusion partly supported by Toh et al. (2011) and Lv et al. (2020). The participating experts in the study considered that this development is due both to the short-term planning and strategy adopted over time by the Greek hospitality industry and also to the lack of establishing alternative tourism products. Following this, they argued that to address these pathogens, all strategic actions should follow the hybrid direction of change (Al-Ali et al., 2017; Hassan, 2018; Stouten et al., 2018). These actions concern several fields related to businesses and entrepreneurs, the wider business environment of the destination, and the product offered, also found in Fu et al. (2019), Iuliana et al. (2016), and Tajeddini et al. (2020). The participating experts proposed (a) a change to the institutional framework in which hotel entrepreneurship develops and (b) the establishment of business networks or clusters between small tourism enterprises. At a hotel’s level, changes in the business objectives are required while investing in new technologies, but also strengthening and developing human resources through educational processes and the creation of teams of excellence to promote innovation.

**Theoretical Implications**

This research paper, through the Delphi method and the study of the three theoretical pillars (OC, change management, and stakeholder theory), bridged a twofold knowledge gap on a scientific level. First was the investigation of the impact of the COVID-19 pandemic on specific cultural components (product, relationship of hotels with their external environment, and entrepreneurship strategy) that shape the OC of a hotel and determine the interaction with other stakeholders on an inter-organizational level. The second is the connection between the three directions of change (formal/revolutionary, informal/evolutionary, and hybrid) with the changes caused in the OC of the hospitality industry due to COVID-19. The findings are an important contribution to the ongoing global scientific dialogue on the impact of the COVID-19 pandemic on the hospitality industry, as no other research to date has explored the changes that the COVID-19 pandemic has brought upon the cultural components that shape the OC of a hotel, nor has determined how hotel OC will interact with other stakeholders at an inter-organizational level. Thus, the findings of this research can be used as a stepping stone for similar research in the future.

**Practical Implications**

On an empirical level and by covering the knowledge gap on a scientific level, this research managed to draw conclusions and offer practical advice that can support hotel managers address the changes that the COVID-19 pandemic has brought on the OC of their hotels at a strategic level, focusing on the three directions of change. This research leads to a practical, in-depth understanding of the changes that the COVID-19 pandemic has brought to hotel OC and the way these changes can be positively incorporated into the hotel's strategy and planning. Specifically, to address the effects of the COVID-19 pandemic on the hotels’ products, it is important for hotel management to work closely with the state and local authorities to secure funding sources and also with employees to improve the services and experiences offered. Moreover, to strengthen the
relations of their hotels with external environment stakeholders, hotel management must invest in collaborations with other bodies (i.e., Tourism and Hotel Associations), which will promote the formulation of partnerships, strategic environmental planning, and the creation of quality jobs. Finally, to create a competitive entrepreneurship strategy, it is important to improve the institutional framework in which hotel entrepreneurship develops, to set up business networks or clusters between small and medium tourism enterprises, and to promote innovation through appropriate training and human resource development.

**Limitations and Future Research**

The main limitation of this research is the limited views explored through the Delphi method of only a group of academics, hotel education professionals, and experienced hospitality industry executives. In the future, the views of a representative and random sample of executives and employees at the forefront of the hospitality industry should be explored. In addition, the present research was based on the synthesis of three theoretical pillars (OC, change amazement, and stakeholder theory); thus future research could incorporate additional theoretical frameworks such as resource-based theory to help understand better the effects of the COVID-19 pandemic on hotel OC. Finally, this research focused on the Greek hospitality industry, future investigation could focus respectively on the hotels of other countries. The combination of the results of these surveys would contribute to a better and deeper understanding of the changes that COVID-19 pandemic has caused on the overall OC of the international hospitality industry while allowing comparisons between countries with different tourism development models or different tourism industry characteristics.

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