MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
SUMY NATIONAL AGRARIAN UNIVERSITY
FACULTY OF ECONOMICS AND MANAGEMENT

Management Department named by Professor L.I. Mykhailova

QUALIFICATION WORK

by first (bachelor) level of higher education

of the topic: **Improvement Of The Management System At Enterprise (EKO HOTEL AND SUITES)**

Performed by: a student of higher education in a specialty

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Sumy – 20__

SUMY NATIONAL AGRARIAN UNIVERSITY

Faculty Economics and Management

In recent years, Eko Hotel has made significant strides in improving its management practices, focusing on enhancing customer satisfaction, operational efficiency, and staff development. Several strategic initiatives have been

implemented to elevate the guest experience, streamline internal operations, and foster a positive work culture.

4. Contents of settlement and explanatory notes (the list of issues to develop):

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5. Date of assignment: December, 15 2024

CALENDAR PLAN

№	Name of the diploma project's stages	Dates of project stages' performance	Note
1	Definition and approval of the thesis, preparation of the plan - schedule of work		
2	Selection and analysis of literary sources, the preparation of the first theoretical chapter		
3	Preparation and presentation of draft of the first chapter of the thesis		
4	Collection and processing of factual		

	material, synthesis analysis of application issues in the enterprise		
5	Making the theoretical part of the thesis, summarizing the analytical part		
6	Design options improve the research problem		
7	Completion of the project part of the thesis, design chapters		
8	Previous work and its defense review		
9	Checking the authenticity of the thesis		
10	Deadline for student completed the thesis		
11	Defense of the thesis		

Student _____ **OLAYIWOLA SARAFADEEN OLASILE**

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Checking the authenticity conducted.

Thesis allowed for defense _____ ***Nadiya Baranik***

(signature)

SUMMARY

Olayiwola Sarafadeen Olasile. Improvement the management system of the enterprise

Qualification work in the specialty 073 “Management” SP “Management”, SNAU,

Sumy-2025 - Manuscript.

The first chapter examines the theoretical principles of enterprise management, the role of efficiency improvement and their ways. An analysis of the main methods for encouraging and analyzing employee performance is also conducted.

The second section examines the organizational and economic characteristics of the enterprise and its financial condition, analyzes and assesses the competitiveness of the enterprise's services, analyzes employee incentives at Eko Hotel and Suites (Nigeria) and assesses the strategic capabilities of the enterprise.

In the third section, a methodological approach to the personnel management system is proposed based on the correspondence of the enterprise development strategy to its life cycle. The motivation and incentive system is defined as an indicator of labor performance assessment in the enterprise personnel management system. Directions for improving the personnel management system in the context of ensuring the economic security of the enterprise have been identified.

Key words: management system, organizational structure, management process, efficiency.

АНОТАЦІЯ

Олаївола Сарафадін Оласіле. Удосконалення системи управління підприємством

Кваліфікаційна робота зі спеціальності 073 «Менеджмент» ОП «Менеджмент», СНАУ, Суми-2025 р. – Рукопис.

У першому розділі розглядаються теоретичні засади управління підприємством, роль підвищення ефективності та їх шляхи. Також проведено аналіз основних методів для заохочення та аналізу роботи працівників.

У другому розділі розглянуто організаційно-економічну характеристику підприємства та його фінансовий стан, проведено аналіз та оцінку конкурентоспроможності послуг підприємства, здійснено аналіз заохочення працівників в Eko hotel and suites (Нігерія) та оцінку стратегічних можливостей підприємства.

У третьому розділі запропоновано методичний підхід щодо системи управління персоналом на основі відповідності стратегії розвитку підприємства його життєвому циклу. Визначено систему мотивації та стимулювання як індикатор оцінки результатів праці у системі управління персоналом підприємства. Визначено напрями удосконалення системи управління персоналом у контексті забезпечення економічної безпеки підприємства.

Ключові слова: система управління, організаційна структура, процес управління, ефективність.

CONTENT

INTRODUCTION

Actuality of the topic. The current environment in which enterprises operate is difficult to predict and very volatile. The last decade demonstrates the instability of the economic situation in Ukraine, increasing uncertainty of the external environment, and the presence of multiple causes of risks in the activities of enterprises of various industries and forms of ownership. Moreover, the emergence of new factors (for example, quarantine restrictions imposed in hundreds of countries have led to a decline in the business activity of a significant part of enterprises) affects the efficiency of their activities, including management. Therefore, each enterprise needs to study and improve its management system, which, in turn, is the basis for improving the efficiency of the enterprise. Modern enterprises strive to be competitive, attractive to investors, profitable, able to conquer new markets. Such enterprises can be those that use the latest technologies, have an effective management system and high innovative potential.

In order to improve the efficiency of the enterprise, it is necessary to constantly assess and improve the factors on which it depends. One of such factors is management, which defines in a certain way both the economic results of the enterprise's activity and the results in which the personnel, public authorities and the population of the country are interested. That is why for a long time different approaches have been used to assess the state of management and opportunities for its improvement. It is not enough to have a good organizational structure for the effective activity of an enterprise. There is also a need for a well-thought-out management system, which could serve as a reliable basis for managing the enterprise and supporting improvements. In order to ensure the effectiveness of the management system, it is necessary to take into account factors that can affect the activities of the enterprise. These factors include organizational characteristics of the enterprise, internal and external relations, competition, strategic issues and business effectiveness. This research work embarks on the improvement of the management system at enterprise Eko hotel and suites as a case of study which the result will cut across all the enterprises.

The state of studying the problem. A significant contribution to the study of the features of enterprise management was made by such scientists as: Aithal A. [1],

Dubey R. [4], Hillb C. W. [7], Grant R. M. [5], McKinsey [13], Rumelt R. [21], Shao Z. [23].

Purpose and objectives of the study. The purpose of the qualification work is to study the features of managing business entities in modern conditions and develop measures to form an effective enterprise management system to ensure long-term business performance and promote its development.

The work on improvement of management is carried out in **objectives**:

- study of the methodology for forming an enterprise management system;
- characteristics of production and economic activity of Eko hotel and suites;
- assessment of the effectiveness of the management system at the enterprise;
- formation of measures to optimize the management structure at the enterprise;
- development of directions for increasing the effectiveness of the management system at the enterprise.

Research object. The object of the study is the structure and processes of the management system of Eko hotel and suites.

The subject of the research. Improvement of the management system at enterprise (Eko hotel and suites).

Research value. The practical significance of the results obtained by the research is that the research carried out can improve the: formation and functioning of such a managed system that meets the requirements of the external environment of the enterprise; concentrate attention on the decision of the revealed problems and more rationally use available resources of the enterprise; control costs both at the level of subsystems and at the level of the management system; minimize risks, connected with acceptance of administrative decisions.

Research methods. To solve the tasks set, general scientific and special research methods were used: abstraction and comparison, analysis and synthesis, graphic methods, deductions, the method of economic and mathematical modeling, observation and comparison, and the logical method. The information basis of the research is the data of the activity of Eko hotel and suites.

Information base. The sources of information for writing the qualification work were regulatory and legislative acts, founding documents, financial statements

of Eko hotel and suites for 2022-2024; scientific articles, theses, textbooks, manuals on the topic of research.

Approbation of the results of the qualification work. The results of the study were approved at an international scientific and practical conference:

1. Olayiwola Sarafadeen Olasile. Improvement of the management system at enterprise : materials of the all-Ukrainian scientific conference of students and postgraduates, dedicated to International Student Day (November 18-22, 2024). Sumy, 2024. C.377-378.

Publications. Based on the materials of the qualification work, a scientific conference thesis was published in a collection of scientific papers.

Structure and scope of work. The qualification work consists of an introduction, three sections, conclusions, the references from 25 names, appendixes. The text of the bachelor's qualification paper is laid out on 54 pages of computer text, the work contains 5 tables, and 7 figures, appendixes.

CHAPTER 1

THEORETICAL BASIS OF IMPROVEMENT THE MANAGEMENT SYSTEM OF THE ENTERPRISE

Given the current economic climate, influenced by various environmental factors, the manufacturing sector needs to significantly improve its management. This means adopting new management strategies and tools to boost the quality and competitiveness of industrial businesses in both domestic and international markets. Enhancing the competitiveness of industrial businesses through better management and increased production efficiency is especially crucial as the national economy becomes more integrated into the global economy. A pressing challenge for industrial enterprises today is effectively coordinating strategic and tactical development priorities. Strategic goals, at the micro-level of industrial economic systems, focus on increasing business capitalization, ensuring sustainable development, and achieving long-term competitiveness in a constantly evolving environment [5].

Conversely, operational management of industrial businesses has traditionally aimed at maximizing current profits and economic efficiency. Given the ongoing transformations in industrial businesses and markets, it's clear that industrial enterprises urgently need to explore new, effective management approaches. These new directions must aim for the highest possible efficiency while simultaneously ensuring the sustainable development of the enterprise [12].

Effective management of a production facility traditionally relies on modern management technologies and advanced organizational structures. The concept of business processes, in particular, gained prominence in the late 20th century. This was largely due to the influential book "Reengineering the Corporation: A Manifesto for Business Revolution" by Michael Hammer and James Champy, published in 1993. In their work, Hammer and Champy defined a business process as "a set of different types of activities, within which at the entrance one or several types of resources are used, and as a result of this activity, the 'output' is a product that has a certain value for the consumer" [19].

Today, business restructuring centered on business processes has become a widely adopted practice among leading companies worldwide. Numerous enterprises have demonstrated that even modest improvements to an organization's business processes can lead to a significant 10-20% increase in production. However, to achieve truly transformative results, such as a dramatic, tenfold increase in efficiency and fundamental improvements in key performance indicators, a complete re-evaluation and radical redesign of business processes are necessary [3].

Building on the concept, Michael Porter and Victor Millar defined business processes as a series of internal activities, beginning with one or more inputs and culminating in the creation of a product that meets customer needs in terms of cost, durability, service, and quality. They further elaborate that this encompasses the entire sequence of events within the system, detailing how a client initiates, conducts, and concludes their interaction with the business (Porter, Millar, 1985). At the management level of an industrial enterprise, management activity, when based on a process approach, involves the continuous execution of a set of interconnected activities and general management functions. It's important to note that even individual tasks and management functions are viewed as processes. In essence, a general process is a series of continuously performed, interconnected actions that transform various inputs (like resources or information) into desired outputs and results. This very concept of continuous transformation lies at the fundamental core of the process approach to management [16].

The essence of business process management (BPM) lies in an organization's ability to effectively respond to demands from both its external and internal environments, free from rigid stereotypes. BPM is becoming an increasingly vital component of modern organizational management.

According to Robson and Ullah (1997), the key prerequisites for implementing management based on business processes include [23]:

- Employee understanding: All employees must comprehend the entire workflow, their specific roles within it, and their level of responsibility.
- Maximum employee autonomy: Providing employees with significant freedom in their actions.

- Robust communication: Ensuring reliable and effective communication at every point where business process elements intersect.
- Real-time information exchange: The ability to share information instantaneously.
- Process element flexibility: The capacity to reconfigure business process elements as needed to address specific organizational challenges.
- Versatile employees**:** Employees should be capable of solving a broad range of tasks.
- Freedom from management stereotypes: Breaking away from traditional, rigid management approaches.
- Non-standard, creative thinking: Fostering innovative and unconventional thought among employees.
- Initiative and improvisation over rigid adherence: Encouraging proactive behavior and adaptability rather than just diligent compliance.
- Strong and guaranteed motivation: Ensuring a robust and assured system of employee motivation.

Improving business processes in industrial enterprises offers a significant block of strategic advantages, leading to a higher level of competitiveness. Here's how [14]:

1. Agile Response to Change: A management system built on business processes enables swift adaptation to shifts in the external environment. This means industrial enterprises can react quickly to new market demands, technological advancements, or economic changes.

2. Enhanced Management Clarity: Management becomes much clearer because it allows for evaluation of efficiency at every stage of both production and the enterprise's overall economic activities. This granular insight helps pinpoint areas for improvement and optimize performance.

3. ISO 9000 Compliance: The process approach aligns directly with the requirements of ISO 9000 standards, facilitating certification and demonstrating a commitment to quality management.

In a volatile and unpredictable external environment, the dynamic nature of the market economy necessitates that industrial enterprises continuously adapt their management processes and reorient themselves to meet evolving market demands. This, in turn, calls for a systematic and ongoing improvement of management practices. Crucially, this management improvement should first and foremost focus on optimizing the enterprise's organizational structure. Shifting an organization to a process-based approach for constructing management structures fundamentally improves key enterprise indicators, fosters a more optimized management system, and significantly increases its flexibility [8].

A process-oriented management model-one that centers on business processes-necessitates that these processes meet modern requirements. This involves [10]:

- Naming the specific type of work: Clearly identifying what the process entails.
- Defining its beginning and end: Establishing clear boundaries for the process.
- Assigning a "process owner": Designating an individual accountable for the process's outcome.
- Determining the required result: Specifying the desired output, including quality and efficiency metrics (Kondratev, 2007).

Modern conditions for the functioning of business entities require the improvement of the management processes at the enterprise. First of all, this concerns the optimization and streamlining of management influences on the economic sphere, the choice of alternative options for achieving the set goals. At the same time, the level of efficiency, reliability of accounting and control, the quality of analysis of the financial and economic activities of the enterprise should be so high that it becomes necessary to create a unified information support for these management functions and their integration into a single system. One of the most important directions in the development of the theory and practice of management and improvement of the organization of planning, accounting, control and analysis of the financial and economic activities of the enterprise is the concept of controlling, the implementation of which allows to provide the necessary information at various levels of management in the right time and with high quality [17].

To date, six concepts of controlling have been formed:

– management accounting (80s);

– management information system (late 1980s);

– planning and control (early 90s);

– coordination (90s);

– management (late 90s);

– coordination of the decision-making process (2000s)

The possibilities of controlling in exercising control over management functions in order to coordinate the management system at the enterprise are provided through the creation of an information system for supporting the adoption of managerial decisions on the basis of data coming from the structures of the enterprise. These information flows provide the planning and control processes on which result-based management is based. The source of obtaining information resources is a system of quantitative indicators developed to set and measure the achievement of management goals [20].

On the one hand, the need to apply control in order to manage the results of an enterprise's performance is due to the need for coordinating control, and the need to regulate and formalize management procedures to achieve the desired results, on the other. It is worth noting the conformity of management and controlling in view of the presence of a coordinating component in both, while coordination as an interregional function within the management process was called the "essence of management". Due to the division of the management system into two independent subsystems – coordination and controlling – the need for coordination is increasing. Although some management subsystems, like organization and planning, perform specific coordinating tasks in relation to the operational system, there remains a further coordination task within the management system itself as a separate management system [13].

The experience of leading international companies operating in the manufacturing sector has convincingly proven that the stability of business development and improvement of management efficiency are impossible without the active use of risk management tools as an integral part of the company's

management system, regardless of its size, scale and specifics of production or provision of services (Stupakov, Tokarenko, 2005). A. Shapkin and V. Shapkin note that “the general conceptual approach to managing economic risk is [4]:

– identification of possible consequences of entrepreneurial activity in a risky situation; – development of measures that do not allow, prevent or reduce damage from the exposure to not fully considered risk factors, unforeseen circumstances;

– implementation of such an adaptation system

– entrepreneurship to risks, with the help of which the negative probable results can be compensated for, but also the chances of obtaining a high entrepreneurial income can be maximally used” (Shapkin A., Shapkin V. 2013).

The risk management system within an industrial enterprise must strive for a crucial balance: maximizing profit while simultaneously minimizing economic losses. To be truly effective, this system shouldn't be an isolated function; instead, it needs to be fully integrated into the organization's overarching management system. This means it should be woven into the company's general policies, business plans, and daily operations. Only when risk management is an intrinsic part of the enterprise's strategic and operational fabric can its application be considered genuinely effective. An effective risk management system for an industrial enterprise must involve a structured and comprehensive approach.

This includes [22]:

• Establishing a Risk Culture and Infrastructure: Creating an environment and the necessary organizational framework that supports identifying the root causes and key factors contributing to risks.

• Risk Identification, Analysis, and Assessment: Systematically pinpointing potential risks, evaluating their likelihood and potential impact, and then prioritizing them based on this assessment.

• Decision-Making: Forming clear decisions based on the thorough risk assessment.

• Developing Anti-Risk Control Actions: Designing and implementing strategies and measures to mitigate or prevent identified risks.

• Reducing Risk to an Acceptable Level: Taking actions to bring the level of risk down to a predetermined, tolerable threshold.

• Organizing Program Implementation: Structuring and executing the planned risk mitigation programs.

• Monitoring Implementation: Continuously tracking the progress and effectiveness of the planned actions.

• Analyzing and Evaluating Results: Reviewing the outcomes of the risk decisions and adjustments to learn and improve the system.

In essence, it's a continuous cycle of identifying, assessing, responding to, and monitoring risks, supported by a strong organizational culture that prioritizes risk awareness and proactive management [1].

Establishing and maintaining a robust risk management system is crucial for an industrial enterprise's long-term success. Such a system ensures development stability, improves the soundness of decisions made in uncertain situations, and ultimately enhances the financial health of the company by keeping all operations under controlled conditions [6].

Risk management in the industrial enterprise should be based on general management principles: scientific management, a systematic approach, management optimality, management efficiency, regulation, formalization, material and moral incentives, correct selection and placement of personnel, responsibility, continuity of management decisions, etc. Special principles of risk management include the principle of loyalty to risks, information content, predictability, integration and documentation.

The content of the risk management process is made up of functions that represent separate activities in the general cycle of risk management: planning, organization, coordination, motivation and control (Bublik, Silantev, 1999). It is important to note that risk management is associated with both negative and beneficial consequences [6].

The essence of risk management is to identify potential deviations from the planned results and manage these deviations to improve prospects, reduce losses and improve the soundness of decisions. Managing risk means identifying

opportunities for improvement, and avoiding or reducing the likelihood of unwanted developments. Risk management implies a thorough analysis of the conditions for making decisions and should be a logical and systematic process that can be used to choose a way to further improve activities and increase the efficiency of the organization's business processes. In the process of management, the parameters and properties of risk change, while knowledge about the current situation and trends in its change is formed, a new algorithm of actions is formed, the directions and means of economic activity of an industrial enterprise are adjusted.

CHAPTER 2

ANALYSYS OF MANAGEMENT SYSTEM OF ECO HOTEL AND SUITES

2.1 Global improvement of management system of Eko Hotel and Suites

Between 1995 and 2016, Latvia lagged behind its Baltic neighbors in ISO 9001 certifications. While 9,893 Latvian enterprises obtained certificates, Lithuania saw 13,906 certifications and Estonia 11,149 during the same period. This means Latvia had almost 29% fewer certified enterprises than Lithuania and about 11% fewer than Estonia. Over the entire period, Lithuania certified 4,013 more enterprises than Latvia and Estonia combined.

Looking at individual years, Latvia's highest number of ISO 9001 certifications was in 2015, with 1,115 certificates issued. However, this dropped to 866 in 2016, a decrease of 249 certified enterprises. A significant dip occurred in 2007, when only 342 Latvian enterprises were certified, marking a 45% decrease from the previous year. In contrast, data from the ISO 2016 survey indicates that both Lithuania and Estonia experienced an almost consistent year-on-year increase in certified enterprises.

The table clearly indicates that businesses seek ISO 9000 certification for a variety of reasons. Since the ISO 9000 series was first introduced in 1987, extensive research has explored the "motivational factors for obtaining ISO certification". A common approach in this research categorizes these motivations into two main types: internal and external.

- Internal factors are those driven from within the organization, such as a desire for improved productivity, increased profitability, reduced costs, and enhanced product or service quality.
- External factors, on the other hand, stem from outside pressures or opportunities, including demands from clients or suppliers, the desire to improve the company's image, and so on.

An analysis of Latvian enterprises that have adopted a Quality Management System (QMS) based on ISO 9000 standards reveals diverse motivations for their implementation. These enterprises can generally be categorized into the following groups:

- International Market Promotion: Businesses that implemented QMS to facilitate the promotion of their products or services in international markets.
- Domestic Image Enhancement: Enterprises primarily focused on improving their reputation and image within the local market.
- Internal Management Optimization: Companies whose management sought to streamline operations, adopt modern management techniques, and enhance overall efficiency.
- Product and Service Quality Improvement: Businesses that pursued QMS implementation and certification with the explicit goal of elevating the quality of their offerings.
- Compliance with Foreign Directives: Local branches of international companies that were instructed or recommended by their parent organizations to obtain ISO 9000 series certification.

Each of these stated motives is typically characteristic of specific types of organizations and yields distinct benefits. Crucially, possessing an international QMS certificate significantly aids in securing work orders. This is because it enhances the perception of an enterprise's reliability and trustworthiness among potential clients, thereby substantially mitigating the risks associated with poor performance. Collaborating with an enterprise holding an international ISO 9000 series certificate is considered less risky due to two primary factors:

- Internal structuring and orderliness of the enterprise, coupled with greater transparency of the management system;
- The presence of periodic external control by an independent auditor.

While certified Quality Management Systems (QMS) offer clear benefits, survey participants also highlighted several challenges encountered during their implementation and certification.

Initially, both management and employees approach the QMS project with considerable enthusiasm. However, this enthusiasm often wanes significantly after the first internal audit. This is because the audit typically uncovers numerous inconsistencies, weaknesses, and problems within the enterprise. Furthermore,

employees, often lacking a deep understanding of the QMS methodology, struggle to comprehend how to apply the audit findings to their work.

As the initial excitement of implementing a quality system wanes, particularly in smaller enterprises, employees often shift their focus away from systemic problems. This usually happens as the certification audit deadline approaches and the quality system's readiness is deemed low. During the crucial document development phase, employees are frequently bogged down with numerous urgent tasks, leading to constant disruptions in the process of meeting ISO 9001 requirements. This highlights a common challenge: maintaining momentum and addressing the day-to-day realities of a business while striving for certification.

For employees of Small and Medium-sized Enterprises (SMEs), truly grasping the methodology of a quality system only happens through practical application. However, under the circumstances described, where attention shifts away from underlying issues, they cannot fully comprehend the system's purpose. While implementing a quality system in an SME can take as long as it would in a large enterprise-up to a year and a half-a protracted implementation period actually decreases the likelihood that the SME's existing problems will be adequately addressed and reflected in its processes and documentation.

The protracted implementation of quality systems in small enterprises often leads to employees forgetting the initial goals for QMS improvement even before the certification audit. Furthermore, during such extended preparation periods, the leaders of these small enterprises frequently lose interest in the project, failing to see its continued purpose or tangible results. This is largely because it's exceptionally difficult to effect external changes within a small enterprise's operations.

The core issue in this scenario is that a prolonged QMS improvement project in a small enterprise significantly diminishes the motivation of both the company's management and staff. Even more critically, small enterprises frequently lack the necessary budget to fund the implementation of ISO 9001 requirements.

A study conducted in Latvia identified the primary factors that posed the greatest challenges during the introduction of quality systems in small and medium-sized enterprises (Table 2.1).

Table 2.1 – Problems associated with the implementation of QMS

Name of problem	Number of respondents who noted the importance of the factor
Significant financial costs associated with the training of personnel, the development and implementation of QMS	47
Significant financial cost for certification	33
Long-time implementation of QMS	31
The need to train the requirements of the ISO 9001 standard for managers and specialists of production units	24
Significant financial costs associated with maintaining QMS	28
Decrease in the motivation of the company's management and staff	17

Source: Field survey 2024

Small and medium-sized enterprises (SMEs) are inherently driven by the pursuit of innovative methods. This innovative spirit needs to be sustained for continuous improvement, even when they're implementing a quality system project. To achieve this, several key tasks must be addressed:

1. Streamline Implementation Timelines: The timeframe for implementing ISO 9001 requirements can and should be significantly compressed. Often, the bulk of QMS implementation work in an SME is crammed into the final months before certification. For instance, forming a dedicated working group for ISO 9001 implementation in a small enterprise is often pointless. Since virtually all employees are involved in the process anyway, such a group won't accelerate the pace of work.

2. For small enterprises, it's more practical to integrate discussions about Quality Management System (QMS) issues into employees' regular workspaces, rather than holding separate, dedicated meetings that pull them away from production. Conducting training programs identical to those in large enterprises is challenging due to the higher workload and more intensive work pace of employees in smaller firms.

Given the smaller scale of operations in small enterprises, the sequence and duration of QMS improvement project stages should be adapted. While traditional ISO 9001 implementation often starts with a diagnostic phase (a common practice

for consultants across management areas), this approach is generally more suitable for larger organizations.

At a small enterprise, first of all, it is necessary to set the goal to implement the project in the shortest possible time so that the staff can quickly understand how to solve the arising problems.

3. In a small enterprise, the project to implement a quality system should ideally kick off with a diagnostic phase in the form of an initial internal audit. This approach allows for an immediate demonstration to all staff of how the principles embedded in the quality system can directly address existing company problems identified during the audit.

This type of hands-on training empowers both staff and management to view long-standing issues from a fresh perspective. By conducting this initial audit collaboratively with employees, and simultaneously educating them on the quality system's methodology during the diagnostic process, several benefits emerge:

- Increased Staff Interest: Employees become more engaged as they see the direct relevance of the quality system to their daily work.
- Improved Collaboration: The audit fosters better communication and interaction among team members.
- Identification of Key Contributors: Suitable assistants or "champions" for the quality system can be identified.
- Deeper Consultant Understanding: Crucially, the consultant or invited quality manager gains a much better and more practical understanding of the small enterprise's operations.

4. When implementing a Quality Management System (QMS) in a small enterprise, it's advisable to minimize discussions about the historical development of quality management science. While general lectures on the benefits Toyota reaped from quality management might be interesting and broaden the knowledge of staff and managers, they won't adequately explain *why* their specific small enterprise needs such a system. Toyota is a large corporation, and the implementation context for a small enterprise is vastly different. Therefore, starting the QMS improvement project in a small enterprise with an internal audit is a more effective approach. This

allows staff to immediately grasp the practical meaning of what's happening, prepares them for a certification audit, and enables them to identify and resolve some of the enterprise's existing problems before the QMS certification process. This practical, problem-solving focus is far more relevant and motivating for a small business.

For small enterprises, a key to successful QMS implementation is its transparency for staff. Employees shouldn't feel like outsiders; they need to be immediately involved in the quality system. While drawing on examples from other companies can be helpful during the project, it's far more effective to use examples directly from the enterprise's own operations. These can be gathered by a consultant or quality manager right at the start of the project, making the QMS feel relevant and tangible to everyone involved.

Shortening the duration of an ISO 9001 implementation project will directly reduce its overall cost and enable the allocation of resources to address genuine problems. To maintain and consistently boost the motivation of a small company's management for QMS implementation, the project technology in a small enterprise can be structured as follows:

1. Initial Diagnostic Audit and Hands-on Training: A consultant, working alongside key employees of the small enterprise (who have received some preliminary training), conducts an internal or diagnostic audit. During this process, the employees are simultaneously taught how to perform audits themselves, and how to report on their specific findings and requirements.

2. Defining Business Processes and Strategic Alignment: Determine the appropriate level of detail needed for describing the enterprise's business processes. Identify these processes and clearly define their relationship and contribution to the overall strategy of the enterprise.

3. Sustaining Motivation: Continuously monitor the motivation levels of management and plan ongoing support throughout the entire project to keep enthusiasm high.

4. Adaptive Project Management: Systematically analyze the progress of each work stage and make adjustments as needed, based on the outcomes achieved in the preceding stage. This ensures flexibility and responsiveness.

5. On-the-Job, Real-World Training: Conduct training for employees and management directly in their workplace. This training should be based on the results of QMS improvements already implemented, using concrete examples drawn from the enterprise's own activities. Facilitate employee meetings in their usual gathering spots, such as the dining room or during routine operational briefings, to integrate QMS discussions seamlessly into their daily routines.

6. Streamlining QMS Documentation: Thoroughly consider and account for all opportunities to reduce the volume of documentation required for the Quality Management System (QMS).

7. Second Internal Audit and Motivation Assessment: Conduct a second internal audit to evaluate the QMS's progress and assess the current level of management motivation.

8. Top Management Review: The top management should analyze the QMS implementation process and critically evaluate the improvements that have been achieved.

As customer demands for quality, price, and service continuously rise, the most effective way for small businesses to build customer confidence is by implementing a structured and certified Quality Management System (QMS). This undertaking isn't as intimidating as it might seem for a small business, as the QMS should ideally be built upon the business's existing operational systems.

From a small enterprise manager's perspective, the investment of time and money in implementing a QMS should be viewed like any other business investment. To be viable, this effort must yield a return, manifesting as improvements in the organization's processes and increased marketability of its products and services. The foundational decisions made during the initial stages of introducing and developing your QMS will significantly impact these crucial areas.

While certification can reassure customers that your products and services meet their expectations—and may even be a prerequisite for collaborating with certain

clients—many organizations still derive significant advantages from simply applying the standard's principles without seeking formal certification.

It is becoming exceedingly difficult to compete solely on price in today's market. Consequently, world-class companies distinguish themselves through product quality. Modern consumers are willing to pay more for a superior product from a competitor. Moreover, a more effective quality system directly leads to lower production costs.

It is often argued that the most effective strategy to win over consumers and capture market share is to compete not with other companies, but with their quality systems. A properly functioning quality management system can serve as a genuine tool for continuous improvement within small and medium-sized enterprises, ultimately becoming a significant source of economic benefits.

By consistently documenting, monitoring, analyzing, and periodically reviewing key production and management processes-all in line with international standards-companies can ensure transparency, enhanced manageability, and continuous improvement in their operations.

Table 2.2 - Eko Hotel and Suites Revenue Overview (2021 - 2023)

Year	Room Revenue (₦)	Food and Beverages Revenue (₦)	Event Revenue (₦)	Total Revenue (₦)
2022	1,5000,000,000	800,000,000	300,000,000	2,600,000,000
2023	1,800,000,000	1,000,000,000	400,000,000	3,200,000,000
2024	2,200,000,000	1,200,000,000	600,000,000	4,000,000,000

Source: Field survey 2024

Room Revenue: Income generated from room bookings.

F&B Revenue: Revenue from food and beverage services, including restaurants, bars, and catering.

Event Revenue: Income from hosting events, conferences, and weddings.

Total Revenue: The sum of all revenue streams.

Table 2.3 – Assets

Eko Hotel and Suites Assets	

Current Assets	
Chequing/Savings	
Bank	-80,338.21
Total savings	-80,338.21
Account Receivable	
Account Receivable	154,077,31
Total Account receivable	154,077,31
Other Current Assets	
Undeposited funds	13,690.71
Total Other Current Assets	13,690.71
Total Current Assets	87,429.81
Fixed Assets	
Vehicles	28,000.00
Total Fixed Assets	28,000.00
Total Assets	115,429.81

Source: Field survey 2024

Eko Hotel and Suites is one of the premier luxury hotels in Lagos, Nigeria. Situated in Victoria Island, a commercial and financial hub of Lagos, Eko Hotel stands out for its world-class amenities, stunning views, and exceptional services. It's an ideal destination for both business and leisure travelers, offering a combination of modern facilities, elegant accommodations, and a variety of dining and entertainment options.

Table 2.4 - Balance Sheet

Balance Sheet	
Assets	167,971
Cash	5,100
Inventory	7,805
Property, plant, and equipment	45,500
Total assets	226,376
Liabilities	
Account payable	3,903
Debt	50,000
Total liabilities	53,903
Shareholder's Equity	
Equity Capital	170,000
Retained Earning	2,474
Shareholder's Equity	172,474
Total liabilities and shareholder's equity	226,374

Source: Filed survey

This includes physical cash, bank accounts, and short-term investments. Accounts Receivable: Amounts owed by guests for services provided but not yet paid. Inventory: Stock of food and beverages, linens, and other supplies used in hotel

operations. Prepaid Expenses: Payments made in advance for services or goods to be received in the future (e.g., insurance premiums, rent). Other Current Assets: Any other short-term assets that can be converted into cash within a year.

2.2 Analysis of the enterprise management system

Eko Hotel and Suites, one of Nigeria's premier hospitality brands, likely employs a variety of information technology (IT) and information systems (IS) to enhance their operations, improve guest experience, and manage their business processes. While specific details may vary and might not always be publicly available, here are some types of IT and IS typically used in such a large-scale hospitality business:

1. Property Management System (PMS):

Opera PMS (by Oracle) is a commonly used software in hotels to manage bookings, check-ins, check-outs, guest profiles, and room assignments. It helps automate front-desk operations and ensures smooth management of reservations and guest data.

2. Booking and Reservation Systems:

Online Booking Platforms: Integration with global distribution systems (GDS) such as Amadeus, Sabre, and Travelport, or online travel agencies (OTAs) like Booking.com, Expedia, and Airbnb to handle online reservations.

Hotel Website Booking Engine: A custom web-based system or platform that allows customers to book directly through the hotel’s website.

3. Point of Sale (POS) Systems:

POS Systems like Micros POS (also by Oracle) are used at restaurants, bars, and retail outlets within the hotel to manage sales transactions, inventory, and customer preferences.

4. Customer Relationship Management (CRM):

Salesforce or similar CRM software can be used to maintain customer profiles, track interactions, and personalize the guest experience. This ensures better service, promotional offers, and loyalty programs.

5. Enterprise Resource Planning (ERP) Systems:

An ERP system such as SAP can help integrate key business processes across finance, HR, procurement, inventory management, and more. This allows for seamless communication across various departments.

6. Wi-Fi and Network Infrastructure:

High-speed internet and Wi-Fi networks are crucial for guest services in modern hotels. A secure, high-speed network infrastructure is likely in place, with dedicated Wi-Fi for guests in both public areas and rooms.

7. Digital Payment Systems:

Integration with platforms such as PayPal, Stripe, or Quickteller to handle seamless payments for reservations and other services.

Mobile payment options like Apple Pay, Google Pay, and card payment systems for a smoother, contactless checkout experience.

8. Smart Room Technology:

Smart thermostats, lighting, and room controls (e.g., RoomRaccoon or RoomKeyPMS) to automate in-room functions and enhance guest comfort.

Integration of mobile apps for guests to control their room environment or request services.

9. Security and Surveillance Systems:

Advanced CCTV surveillance and security monitoring systems are essential for ensuring the safety of guests and staff.

Keycard Access Control systems to restrict access to rooms and specific areas within the hotel.

10. Business Intelligence (BI) and Analytics:

Tools like Power BI or Tableau may be used to analyze operational performance, revenue management, guest preferences, and trends to make data-driven decisions.

11. Human Resource Management Systems (HRMS):

Workday or ADP Workforce Now are examples of HR systems used for employee management, payroll, benefits administration, and performance tracking.

12. Event Management and Conference Systems:

For conferences, meetings, and large events, systems like Cvent or Eventbrite are used for event registration, room scheduling, and managing logistics.

13. Social Media and Marketing Tools:

The hotel likely uses platforms such as Hootsuite, Sprout Social, or Buffer for social media management, engaging with guests, and running targeted marketing campaigns.

14. In-Room Entertainment Systems:

Integration with systems like Netflix, YouTube, or Chromecast for in-room entertainment.

Interactive TV Systems that allow guests to order room service, check their bill, or learn more about hotel amenities directly from their TV screen.

15. Guest Feedback and Survey Tools:

TrustYou, Revinate, or SurveyMonkey are often employed to collect guest feedback and ensure that the hotel maintains high satisfaction levels.

These are some of the IT and IS solutions that large hotels, like Eko Hotel and Suites, would typically employ to streamline operations and improve guest experience.

Calculating the economic effect of Information Technology (IT) and Information Systems (IS) in a hotel like Eko Hotel and Suites involves analyzing how the adoption and implementation of these technologies contribute to the hotel's financial performance, cost reduction, and overall operational efficiency. Below are the key areas where IT and IS would have economic effects, and ways to quantify these effects:

1. Increased Operational Efficiency

Economic Effect: Cost Reduction and Improved Productivity

Automation of Processes: Using systems like Property Management Systems (PMS), Point of Sale (POS), and ERP software helps automate repetitive tasks such as check-in/check-out, reservations, billing, and inventory management. This reduces the need for manual labor, improving productivity, and reducing human error.

Quantification:

Savings on labor costs (e.g., reduction in front desk staff or housekeeping).

Faster check-in/check-out times leading to improved guest turnover rates.

Reduced time spent on administrative tasks.

2. Revenue Management and Pricing Optimization

Economic Effect: Increased Revenue

Dynamic Pricing Systems: With IT and IS solutions such as Revenue Management Systems (RMS), Eko Hotel can optimize room pricing based on demand, time of booking, and market conditions. This leads to higher revenue from rooms, especially during peak periods.

Booking Channels Integration: Systems that connect Eko Hotel to global distribution systems (GDS), online travel agencies (OTAs), and direct booking engines enable the hotel to capture a wider range of customers. Additionally, the ability to optimize pricing on these platforms increases room sales.

Quantification:

Incremental increase in average daily rate (ADR) and revenue per available room (RevPAR).

Incremental revenue from direct bookings through the hotel's website (reducing commission fees to third-party platforms).

3. Cost Reduction in Operations

Economic Effect: Reduction in Operational Costs

Energy Management Systems: Implementing smart room technology (e.g., smart thermostats, lighting controls) helps in reducing energy consumption in guest rooms and common areas. This lowers utility bills, contributing to significant cost savings.

Inventory Management: Using IT systems for inventory control helps optimize stock levels for hotel supplies (e.g., toiletries, food and beverages) and prevent overstocking or understocking, reducing waste and spoilage.

Quantification:

Cost savings in utilities due to smart energy management (e.g., reduced electricity consumption).

Savings in procurement costs due to optimized inventory and waste reduction.

Improved Guest Experience and Loyalty

Economic Effect: Increased Customer Retention and Satisfaction

Customer Relationship Management (CRM): CRM systems help Eko Hotel maintain detailed guest profiles, track preferences, and offer personalized services. This leads to higher guest satisfaction, repeat visits, and positive reviews, which in turn enhances reputation and drives bookings.

Loyalty Programs: IT systems enable the creation and management of loyalty programs, which encourage guests to return, thus increasing customer lifetime value (CLV).

Quantification:

Higher customer retention rate, translating to increased revenue from repeat business.

Incremental revenue from loyal guests through upselling and cross-selling (e.g., spa services, restaurant bookings).

Positive online reviews leading to increased future bookings.

5. Increased Sales from Additional Services

Economic Effect: Higher Ancillary Revenue

Upselling and Cross-Selling: IT systems allow the hotel to provide additional services (e.g., room upgrades, restaurant reservations, event bookings, spa services) through automated systems, such as in-room tablets or mobile apps. These systems increase the chances of upselling and cross-selling additional services to guests.

Quantification:

Incremental revenue generated from upselling services.

Revenue from automated add-on services offered via digital platforms or mobile apps.

6. Improved Marketing and Customer Engagement

Economic Effect: Expanded Market Reach and Higher Booking Rates

Digital Marketing: IT systems help Eko Hotel target potential guests via online advertising (e.g., Google Ads, social media marketing) and promotions. CRM systems also help tailor email marketing campaigns, offer personalized discounts, and target specific guest segments.

Social Media and Online Presence: Engaging with customers through social media platforms and responding to reviews can increase the hotel's visibility and attract a larger audience.

Quantification:

Increased direct bookings from personalized digital marketing efforts.

Increased booking volume as a result of positive online reviews and social media engagement.

7. Data Analytics for Strategic Decision-Making

Economic Effect: Better Decision Making and Forecasting

Business Intelligence (BI): Using data analytics tools like Power BI or Tableau, Eko Hotel can analyze customer behavior, market trends, and performance metrics (e.g., occupancy rates, RevPAR, guest preferences). This allows for better decision-making regarding staffing, inventory, marketing, and service offerings.

Quantification:

Cost savings and revenue improvements from data-driven decisions (e.g., staffing optimizations, marketing campaign adjustments).

Improved forecasting accuracy, leading to better planning and resource allocation.

8. Security and Risk Management

Economic Effect: Reduced Risks and Costs Associated with Security

Security Systems: Implementation of IT systems for surveillance, keycard access control, and guest identity management helps reduce security risks. This minimizes the likelihood of incidents that could lead to financial losses, such as theft or liability claims.

Quantification:

Savings on insurance premiums due to reduced security risks.

Cost avoidance from potential security breaches or incidents.

Quantifying the Overall Economic Effect:

To calculate the economic effect of IT and IS in Eko Hotel and Suites, a combination of cost savings and revenue increases should be analyzed:

Cost Savings:

Labor cost reductions due to automation (e.g., reduced staff in reservations or administrative tasks).

Energy savings from smart room technology and energy management systems.

Inventory savings from better management and waste reduction.

Revenue Increases:

Increased occupancy rates and RevPAR from optimized pricing and distribution channels.

Higher guest satisfaction leading to more repeat business and positive reviews.

Ancillary revenue from upselling, loyalty programs, and additional services.

Formula for Economic Effect Calculation:

Economic Effect = (Revenue Increases) - (Cost Reductions) + (Improved Guest Satisfaction Value)

By comparing the before-and-after scenarios (pre-IT/IS implementation vs. post-implementation), Eko Hotel can get a clear picture of how IT systems contribute to its economic success.

2.3 Evaluation of performance indicators and market position

The concept of an "Eco Hotel and Suite Management System" is interpreted in various ways, but two primary approaches stand out:

1. Subject-Object System: This view defines it as a system comprising two distinct subsystems: a subject of management (e.g., the management team, decision-makers) and an object of management (e.g., the hotel's operations, resources).

2. Interconnected Enterprise Services: Alternatively, it can be understood as a collection of all the enterprise's services (or departments), its various subsystems, and the communications linking them, alongside the processes that ensure the enterprise's overall functioning. For example, an Eco Hotel and Suite Management System could be defined as "a set of all enterprise services, all subsystems and communications between them, as well as processes ensuring enterprise functioning."

An enterprise management system, particularly for an "Eco hotel and suite," is composed of interconnected subsystems, each measurable by specific indicators, and whose collective impact determines the overall system's efficiency. This integrated approach allows for a comprehensive evaluation of the management system and enables its flexible and efficient construction.

However, it's crucial to recognize that the specific structure of an Eco hotel and suite management system and the relative importance (weight) of each of its subsystems will vary depending on:

- The specific environmental goals and sustainability commitments of the hotel: A hotel aiming for net-zero emissions will have a different emphasis on energy management subsystems than one primarily focused on waste reduction.
- The size and scale of the hotel operation: A small boutique eco-hotel will have different management complexities and subsystem needs compared to a large eco-resort.
- Its location and local environmental context: A hotel in a water-stressed region will prioritize water conservation subsystems more heavily.
- Its target market and customer expectations: Hotels catering to highly environmentally conscious guests may need more sophisticated and transparent eco-management features.
- Regulatory requirements and certifications: Compliance with specific eco-labels or environmental regulations will influence the structure and priorities of the management system.
- The technology infrastructure available and adopted: The level of smart room controls, energy monitoring systems, and other green technologies will shape the relevant subsystems.
- The overall business strategy and financial objectives: Balancing sustainability goals with profitability will influence resource allocation and the weighting of different management functions.
- The existing organizational culture and employee engagement: The readiness and willingness of staff to adopt eco-friendly practices will impact the effectiveness of related subsystems.

After reviewing various scholarly perspectives on the structural elements of an enterprise's management system (as presented in Table 2.5), it's clear that there's no universal consensus among scientists regarding the precise allocation of subsystems. This divergence highlights a lack of a common vision for how management system structures should be formed and improved.

However, one consistent conclusion emerges: as an enterprise's internal and external operating factors and conditions change, there's an objective need to adapt and improve its management system. This often involves modifying its structure or strengthening the role of specific subsystems already in place during a particular period. For instance, incorporating a risk management subsystem into the enterprise's overall management framework is crucial in today's dynamic environment.

Table 2.5 - Variants of structural of the Eko Hotel and suites management system

Source	Subsystem
	Management, financial, operating, marketing, information, logistics, innovation, and investment.
	Industrial, financial-economic, social, marketing, innovative
	Target, security, functional, control, scientific and methodological, external environment of the control system.
	Technical, technological, organizational, economic, social.
	Information and communication technologies, strategic planning and development, marketing, functional, motivational, controlling.

Source: summarized by the author

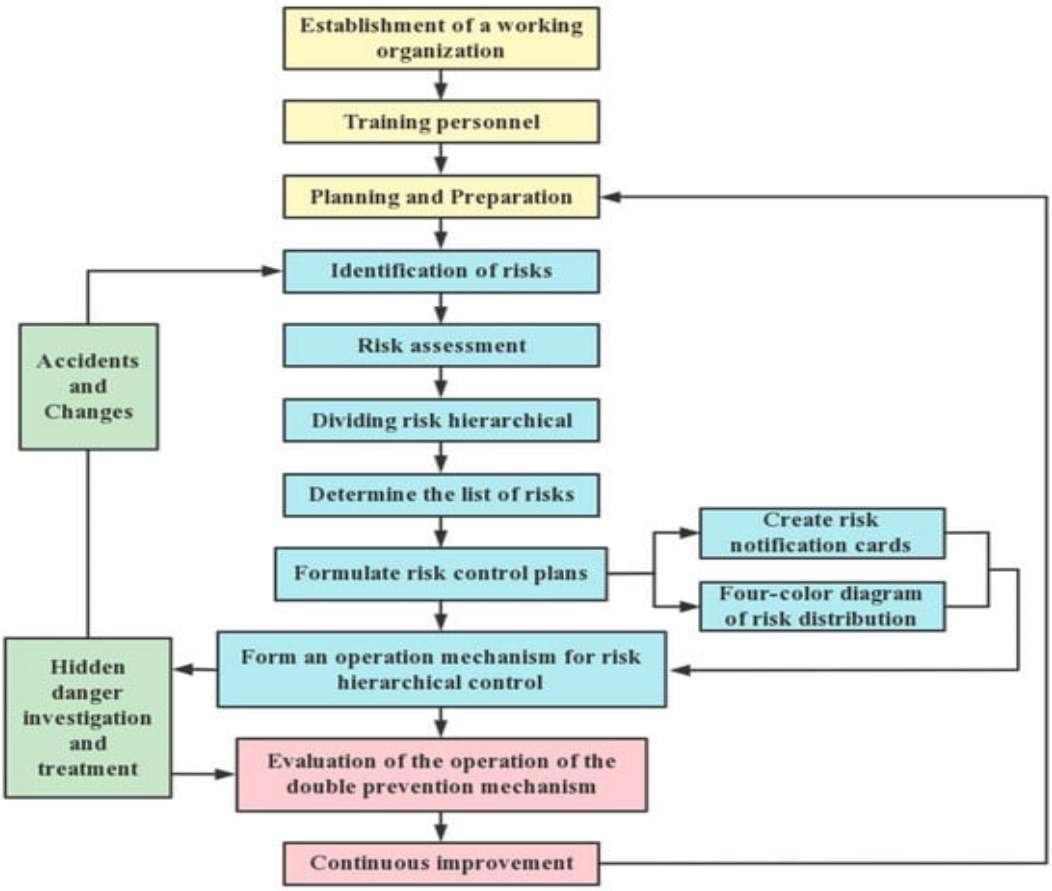
In developed nations, the management of business risks has long been an embedded component of enterprise management systems. This integration stems from the critical need for meticulous analysis, identification, assessment, and subsequent adjustment of risk levels when making strategic, innovative, and investment decisions, as well as during market forecasting and research, among other activities.

Most large corporations employ dedicated risk managers who share accountability for risky decisions with other departmental managers (e.g.,

marketing, human resources, sales). Within the realm of risk management theory and practice, risks are categorized based on numerous characteristics, including:

- Sphere of Occurrence: Differentiating between external and internal risks.
- Duration of Exposure: Classifying risks as permanent or temporary.
- Possibility of Elimination: Distinguishing between systematic (market-wide) and unsystematic (company-specific) risks.
- Possibility of Foresight: Categorizing risks as forecasted or unpredictable.

And many other attributes are used for comprehensive risk classification.



Picture 2.1 – Risk management

Source: American consulting firm

Also risks can be classified by management level:

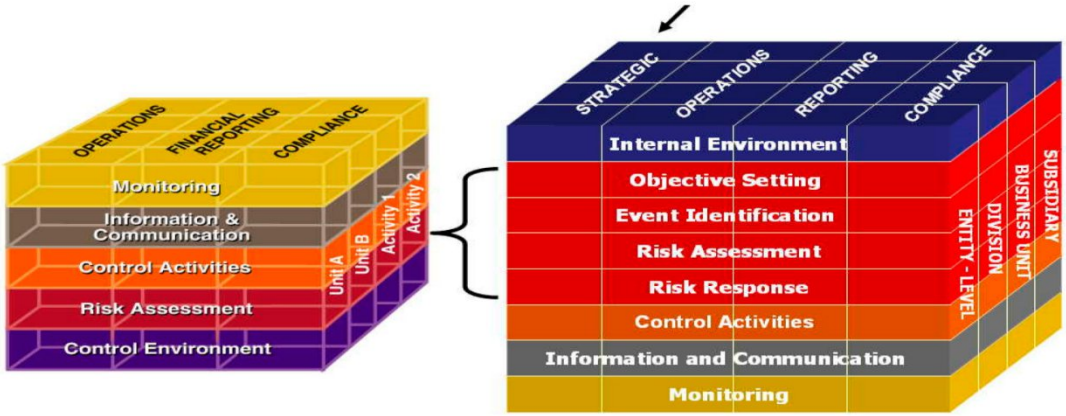
1) the first level of structuring foresees differentiation of risks into three groups:

a) group I risks – risks that are managed by the top management of the enterprise (include financial, environmental, socio-political and industry risk groups);

b) group II risks – sub-structural risks related to the activities of managers of the respective areas (include marketing, commercial and administrative risks);

c) group III risks – personal risks associated with the activities of each member of the organization include qualification risks, loyalty, human resources and occupational safety);

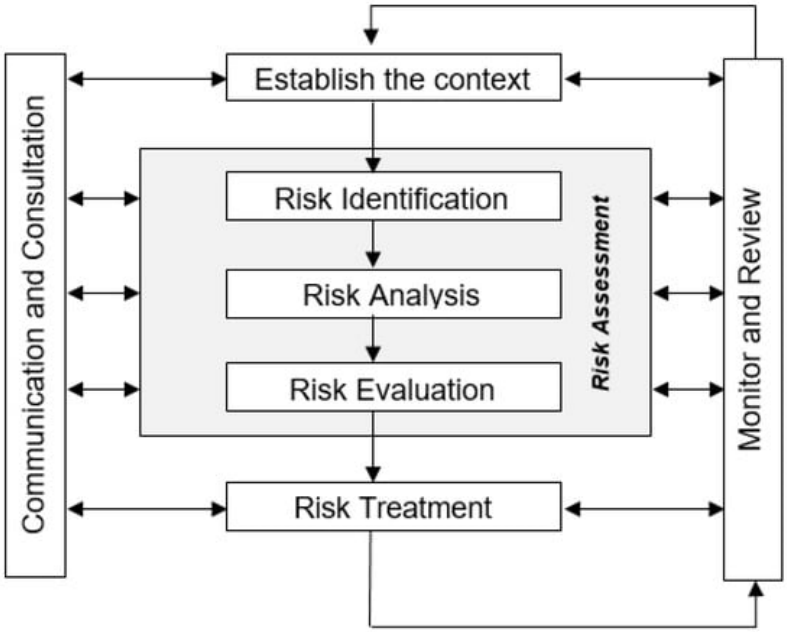
The second level of risk structuring involves categorizing risks into groups. The management of each group can be defined by specific methods, the organizational structure of the management units, and their impact on the enterprise's software supply activities. It's possible for the areas of activity of these risk groups to partially overlap at different levels. This overlap typically occurs due to varying objectives and timeframes for risk management.



Picture 2.2 –Risk management

Source: American consulting firm

In today's business environment, it is crucial for enterprises to utilize a management system that incorporates risk management as a dedicated subsystem for effective operations. This approach is supported by findings from a survey conducted by the American consulting firm Protiviti and the NC State ERM Initiative at the University of North Carolina in Raleigh. The survey asked respondents to evaluate 30 different macroeconomic, strategic, and operational risks.



Picture 2.3 –Risk management

Source: American consulting firm

The diagram presented illustrates a comprehensive and structured approach to risk management, based on the ISO 31000 standard. This model provides a systematic framework for identifying, analyzing, evaluating, and treating risks within an organization. It also emphasizes the importance of continuous monitoring and communication, which are essential to making risk management an integral part of organizational processes.

The first step in this framework is “Establish the Context”. At this stage, an organization defines both internal and external parameters that can influence risk. These include the organization’s objectives, environment, stakeholders, and regulatory requirements. Establishing the context creates the foundation upon which the entire risk assessment process is built.

The core of the process is known as “Risk Assessment,” which includes three critical sub-steps: Risk Identification, Risk Analysis, and Risk Evaluation. In the Risk Identification phase, potential sources of risk and events that could impact objectives are identified. This may involve brainstorming sessions, historical data analysis, or expert consultations. Once risks are identified, the process moves to Risk Analysis, where each risk is examined in terms of its likelihood and potential

consequences. This can be done qualitatively, semi-quantitatively, or quantitatively depending on the available data. The final sub-step, Risk Evaluation, involves comparing the analyzed risks against established risk criteria to determine which risks are acceptable and which require treatment.

Following the assessment, the diagram presents the “Risk Treatment” phase, where strategies are developed to mitigate, eliminate, transfer, or accept risks. Treatment decisions should be cost-effective and aligned with the organization’s objectives and risk appetite. It is important that these actions are documented and implemented with accountability.

Two additional components frame the entire risk management process: “Communication and Consultation” and “Monitor and Review.” These elements are shown interacting with every stage of the process. Effective communication ensures that stakeholders are informed and involved in decision-making, which enhances the quality and acceptance of risk management strategies. Monitoring and reviewing ensure that risks are continually assessed in the face of changing environments and that the treatment measures remain effective and relevant.

In conclusion, the diagram offers a clear, logical structure that reflects the dynamic and iterative nature of risk management. It emphasizes that risk management is not a one-time activity, but a continuous process that must be integrated into the organization's overall governance, strategy, and operations. By following such a model, organizations can better prepare for uncertainty and make more informed, resilient decisions.

CHAPTER 3

WAYS TO IMPROVE THE MANAGEMENT SYSTEM OF ECO HOTEL AND SUITES

The research examined various interpretations of the "enterprise control system" concept and explored different scientific approaches to its constituent components. It's important to note that an enterprise management system is a complex of interrelated subsystems. Based on the research, such a system should encompass: planning, information, operating, marketing, logistics, commercial, financial, social, innovation, investment, risk management, controlling, change management.

This comprehensive view also suggests the inclusion of new, emerging subsystems as needed.

This intricate collection of subsystems is designed to guarantee the enterprise's competitiveness within a dynamic and ever-shifting economic landscape. Furthermore, it's advisable to recognize that the role and relative importance (weight) of each subsystem within the overall enterprise management system will fluctuate. This fluctuation depends on shifts in the external and internal environments, the enterprise's strategic objectives, the adoption level of modern technology, various risks, and similar influencing factors.

Special attention is given to the risk management subsystem. This involves a detailed description of risks across all three management levels, outlining the main objectives of risk management, and defining the directions for risk management efforts. Implementing this subsystem will significantly boost the efficiency of both the management system itself and the overall enterprise activities.

An analysis of current approaches to assessing management effectiveness reveals that no single, universal, and flawless method exists. These approaches vary considerably depending on the specific object being evaluated, which could be the control system, the management apparatus, or production itself. A significant

drawback of most existing approaches is their limited scope of assessment objects and the absence of a universal control system.

The study provides compelling evidence for the crucial role of information technology in enterprise management. The adoption of modern software products is highlighted as a key strategy for operating an enterprise efficiently and substantially boosting its competitiveness.

The quality of information system use has been evaluated using the Technology Acceptance Model (Perceived Usefulness and Perceived Ease of Use). The quality of information technology use in enterprise management has been evaluated on the following technologies: Enterprise Resource Planning, Customer Relationships Management, Supplier Relationships Management, Supply Chain Management, Manufacturing Execution System, Warehouse Management System, Computerized Maintenance Management System, Enterprise Asset Management, and Supervisory Control and Data Acquisition.

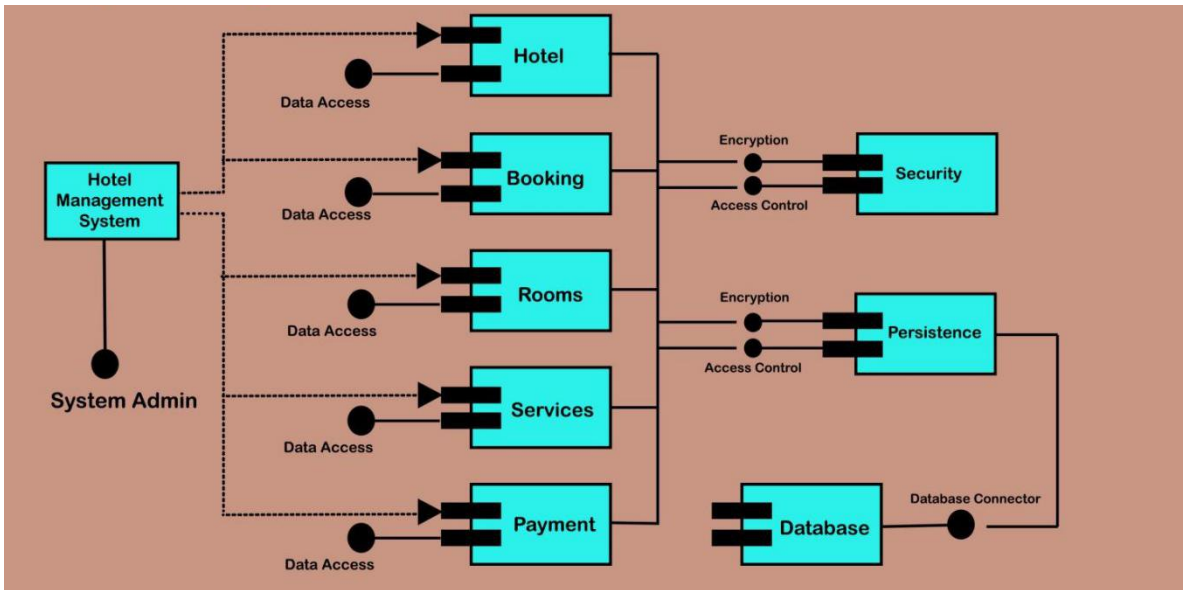
The expert responses were used to construct indicators and an object-characteristic matrix. The low correlation coefficients (below 0.33) confirm the independence of these indicators. The symmetry measure was found to be 0.2, and the kurtosis measure was 1.2. This methodology enabled the quantification of indicators within the ITS quality management system, achieving a reliability coefficient of 0.89. Therefore, prior to selecting an information system for managerial decision-making, it is crucial to evaluate the effectiveness of existing information systems primarily through mathematical approaches and calculations. This practice will significantly reduce errors encountered during the adaptation of technology to a company's operational needs. Consequently, companies will achieve greater accuracy in information processing, minimize the impact of the human factor, and eliminate emotional biases from the managerial decision-making process, ultimately benefiting corporate efficiency.

This research confirms that enterprises, following a natural progression, continuously evolve and develop. Their goal is to enhance their operations and boost stability in the face of an unpredictable and changing external environment. The successful operation of any economic entity hinges on the implementation and high-

quality execution of all components within its business process system. The effectiveness of each individual component should be measured by its specific contribution to achieving the overarching goals of the entire organization.

Ultimately, an enterprise's performance is a product of a collective effect, even though individual processes may vary in their effectiveness. In today's intensely competitive landscape, the management of industrial structures must implement appropriate measures that yield the greatest possible return. These successful strategies can then be adopted and replicated by other organizations.

The design and implementation Hotel management system of Eko Hotel and Suites begins with gathering requirements and examining the background of the hotel. Although the current is a manual and fil based one, we realized the system we must build must provide a solution for the waste of time and space which affects the efficiency of the daily activities performed in the Hotel. We have decided to use the model prototype to develop the management system.

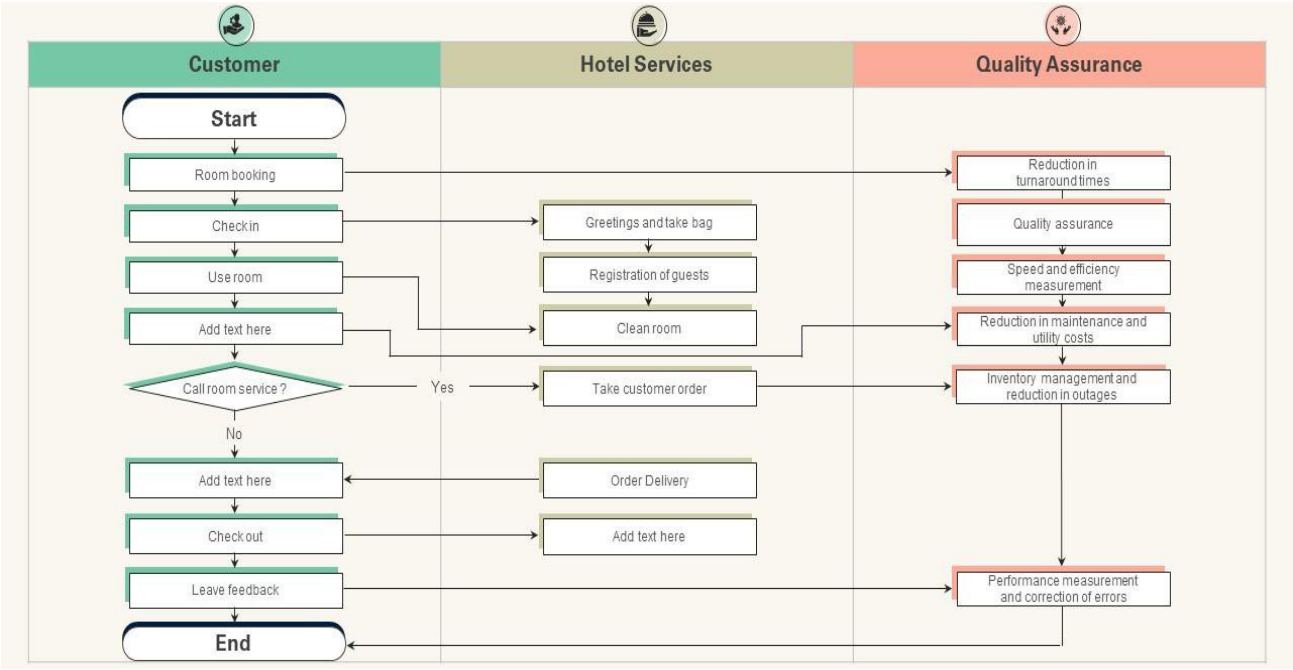


Picture 3.1 -Hotel management system of Eko Hotel and Suites

Source: Field survey

The Hotel Management System (HMS) at Eko Hotel and Suites would typically be a sophisticated, integrated software solution designed to streamline and automate various hotel operations, improve guest experiences, and optimize the management of resources. Such a system would handle numerous facets of hotel management,

from room bookings and check-ins to accounting, housekeeping, and customer relationship management (CRM). Below is an overview of how a typical Hotel Management System might operate at a large establishment like Eko Hotel and Suites.



Picture 3.2 -Hotel management system of Eko Hotel and Suites

Source: Field survey

The hotel has implemented several energy-efficient technologies and strategies to minimize its environmental impact and reduce energy consumption. A high-performance building envelope, featuring double-glazed windows with low-emissivity coatings, enhances thermal insulation and reduces heat gain and loss, thereby decreasing the need for heating and cooling. Additionally, the integration of Variable Speed Drives (VSDs) into the HVAC system enables air handling units to adjust fan speed according to real-time cooling and heating demands, optimizing energy use.

Furthermore, a comprehensive LED lighting retrofit project replaced traditional incandescent bulbs with energy-efficient LED lights throughout the hotel, resulting in significant reductions in lighting energy consumption. To further enhance energy management, the hotel employs a centralized Building Management System (BMS) that monitors and controls various aspects of energy consumption, including

lighting, HVAC, and water usage. This system enables real-time data analysis, facilitates the identification of inefficiencies, and allows for adjustments to optimize energy use, thereby contributing to the hotel's overall sustainability efforts.

Eko Hotels & Suites reports a 20% reduction in overall energy consumption since implementing these measures. The high-performance building envelope, VSD-controlled HVAC system, and LED lighting are likely the major contributors to these savings. The BMS plays a crucial role in ongoing monitoring and optimization of energy use.

The hotel faces several challenges in its efforts to integrate energy-efficient technologies and strategies. Firstly, the high upfront investment required for implementing these technologies poses a significant hurdle, necessitating a long-term perspective on return on investment (ROI) to justify the initial costs. Additionally, ongoing maintenance and optimization of these systems demand continuous efforts, including staff training and potential upgrades as technology evolves over time.

Moreover, effectively raising guest awareness about the hotel's sustainability efforts and encouraging responsible practices, such as turning off lights and air conditioning when not in the room, is essential for maximizing energy savings and minimizing environmental impact. Overcoming these challenges requires a concerted effort from hotel management, staff, and guests to prioritize sustainability and commit to ongoing improvement in energy efficiency practices. Eko Hotels & Suites demonstrates a significant commitment to energy efficiency in a largescale hotel setting. The case study highlights the potential for substantial energy savings through strategic investments in building envelope improvements, efficient HVAC systems, LED lighting, and a centralized BMS for ongoing monitoring and control.

The General Manager is responsible for the overall operation of the hotel, ensuring guest satisfaction, managing budgets, and overseeing staff performance. They report to the corporate headquarters or ownership groups.

Each major department within the hotel typically has a head or director who manages daily operations. Key departments often include:

Front Office Manager: Oversees the front desk operations, reservations, and guest relations.

Food and Beverage Manager: Manages dining services, including restaurants, bars, and room service, ensuring high-quality food and service.

Housekeeping Manager: Responsible for cleanliness and maintenance of guest rooms and public areas, overseeing housekeeping staff.

Sales and Marketing Manager: Focuses on promoting the hotel, attracting guests, and managing sales strategies.

Human Resources Manager: Handles recruitment, training, employee relations, and compliance with labor laws.

Each department usually has supervisors or team leaders who directly manage staff and report to the department heads. They ensure operational standards are met and assist in training new employees.

The operational staff includes front desk agents, wait staff, kitchen staff, housekeeping personnel, and maintenance workers. These team members are crucial for daily operations and guest satisfaction.

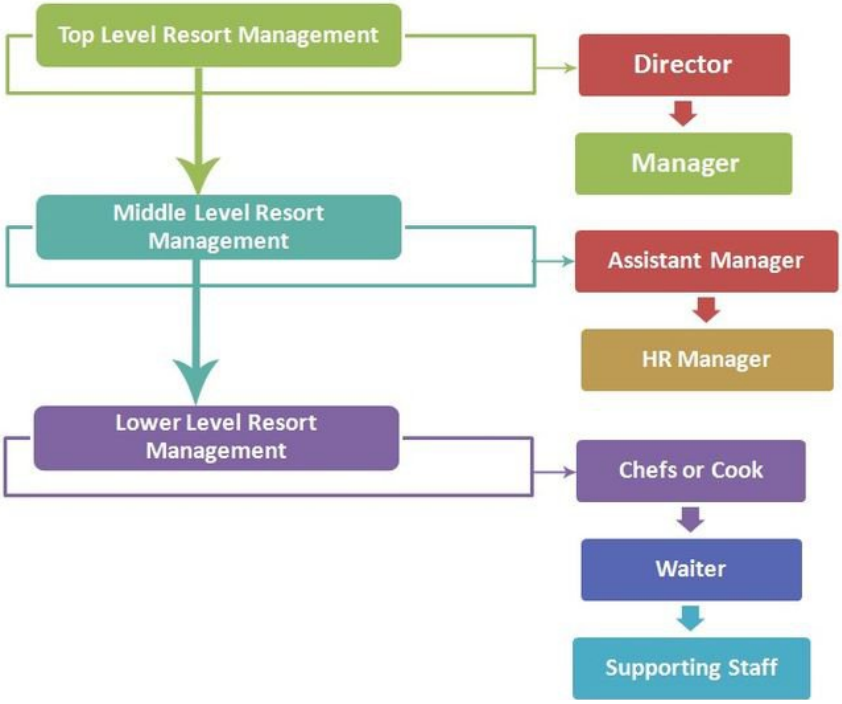
Eko Hotel emphasizes high-quality guest service. Staff is trained to anticipate guest needs, handle complaints professionally, and create a welcoming atmosphere. Regular training sessions are held to maintain service standards. Teamwork and Collaboration Departments work collaboratively to enhance guest experiences. For instance, the front office coordinates with housekeeping to ensure rooms are ready for new arrivals, while food and beverage teams work closely with sales for event planning.

Regular performance reviews help identify employee strengths and areas for improvement. This process may include setting specific goals and offering feedback to enhance staff development.

The hotel encourages guest feedback through surveys and direct communication. Management reviews this feedback to identify areas for improvement and implement changes that enhance service quality.

Eko Hotel is likely to implement sustainable practices, such as energy-efficient systems, waste reduction, and sourcing local products, in response to growing environmental concerns and guest preferences.

The marketing team employs various strategies, including digital marketing, partnerships with travel agencies, and special promotions, to attract guests and increase occupancy rates.



Picture 3.3 - Management structure of Eko Hotel and Suites

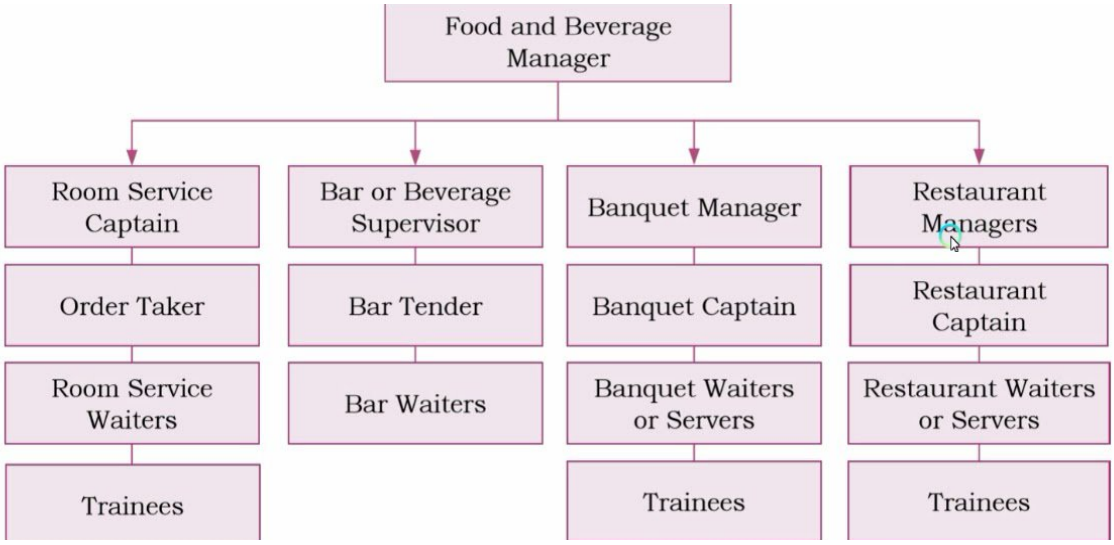
Source: summarized by the author

Eko Hotel employs advanced property management systems (PMS) for efficient operations, including booking management, guest check-in/check-out processes, and resource allocation. These systems help streamline operations, enhance guest experiences, and improve overall service delivery.

Eko Hotel & Suites stands out in Lagos for its blend of luxury, comfort, and convenience, making it a preferred choice for business travelers, tourists, and event organizers. The hotel's effective management systems contribute to its reputation for exceptional service and guest satisfaction.

Below charts reveals the management structure of Eko Hotel and Suites.

Eko Hotel utilizes various software systems for reservations, customer relationship management (CRM), and inventory management. This streamlines operations and enhances the guest experience by providing accurate and timely information.



Picture 3.4 - Management structure of Eko Hotel and Suites.

Source: summarized by the author

Eko Hotel is also committed to sustainability practices, focusing on energy efficiency, waste management, and community engagement, aligning with global hospitality trends towards eco-friendliness.

Eko Hotel and Suites is situated in Victoria Island, Lagos, Nigeria. Its prime location makes it a popular choice for both business and leisure travelers, providing easy access to key financial districts, shopping centers, and cultural attractions.

The hotel offers a range of accommodations, including: Guest Rooms: Well-furnished rooms with modern amenities, offering comfort and style. Suites: Larger, more luxurious suites with separate living areas and upgraded facilities. Executive Rooms: Tailored for business travelers, these rooms offer additional services and amenities.

Facilities and Amenities Eko Hotel and Suites boasts a variety of facilities to enhance the guest experience, including Dining Options: Multiple restaurants and bars offering a range of cuisines, from local Nigerian dishes to international favorites. Conference and Event Spaces: Versatile meeting rooms and ballrooms

equipped with modern technology for business conferences, weddings, and other events. Recreational Facilities: A fitness center, swimming pool, and spa services to promote relaxation and well-being. Business Center: Facilities to support business travelers, including meeting rooms and administrative services.

Eko Hotel is known for its commitment to high-quality service. Staff members are trained to provide exceptional guest experiences, ensuring that all needs are met promptly and efficiently.

The hotel incorporates sustainable practices in its operations, focusing on energy efficiency, waste reduction, and community engagement. This commitment reflects a growing trend in the hospitality industry toward responsible tourism.

Eko Hotel and Suites often hosts cultural events, exhibitions, and social gatherings, contributing to the vibrant community atmosphere of Lagos. This engagement with local culture enhances the guest experience by providing unique insights into Nigerian traditions.

Eko Hotel and Suites has received numerous accolades for its service, facilities, and contributions to the hospitality industry. These recognitions highlight the hotel's status as a leading destination for travelers in Nigeria.

Eko Hotel and Suites stands out as a premier hotel in Lagos, offering a blend of luxury, comfort, and exceptional service. Its strategic location, diverse amenities, and commitment to guest satisfaction make it a preferred choice for both domestic and international travelers. Whether for business or leisure, Eko Hotel continues to be a significant player in the Nigerian hospitality landscape.

Eko Hotel and Suites is renowned for its high standards of service, making it a benchmark for excellence in the Nigerian hospitality industry. This reputation attracts both local and international guests, enhancing the overall perception of Nigeria's hospitality sector.

The hotel provides employment opportunities for a significant number of individuals, contributing to the local economy. It employs staff across various roles, from management to service positions, fostering skill development and career growth.

Tourism Revenue: As a major accommodation provider, Eko Hotel plays a crucial role in attracting tourists to Lagos. This influx of visitors contributes to the local economy, supporting various sectors such as transportation, retail, and entertainment.

With extensive conference and event facilities, Eko Hotel is a preferred venue for business meetings, conferences, and social events. This capability positions the hotel as a central hub for corporate activities in Lagos, promoting networking and business development. Support for Business Travelers: The hotel's focus on providing amenities for business travelers, such as high-speed internet, meeting rooms, and business services, enhances its significance as a business-friendly establishment.

Eko Hotel actively engages with local culture through events, exhibitions, and culinary offerings that showcase Nigerian heritage. This connection fosters appreciation for Nigerian culture among guests and promotes cultural exchange. Support for Local Artisans: The hotel often collaborates with local artists and vendors, providing a platform for showcasing Nigerian art and crafts, which enriches the cultural landscape of the region.

Eko Hotel has implemented sustainability practices aimed at reducing its environmental impact. These initiatives align with global trends in responsible tourism, demonstrating leadership in the hospitality sector and encouraging other establishments to adopt similar practices.

Its location in Victoria Island places it close to business districts, shopping centers, and cultural attractions, making it a convenient choice for travelers. This strategic positioning enhances its appeal as a central accommodation option in Lagos.

Eko Hotel is often involved in community development initiatives, supporting local charities and social causes. This engagement strengthens its reputation as a socially responsible entity and fosters goodwill within the community.

Eko Hotel and Suites is significant not only as a leading hotel in Lagos but also as a catalyst for economic growth, cultural exchange, and social responsibility. Its contributions to the hospitality industry and the local community highlight its role as an essential player in shaping the tourism landscape of Nigeria. By continuing to

enhance guest experiences and engage with local culture, Eko Hotel reinforces its importance in both the hospitality sector and the broader Nigerian context.

Risk management will allow an enterprise to take into account internal and external risk-forming factors in its activities more fully, to determine ways to ensure the stability of an economic entity, as well as its ability to withstand adverse situations. In the context of the dynamic transformation of the operating environment of an industrial enterprise, uncertainty and instability of the macro environment, there is an objective need for a regulated effective risk management methodology. The main goal of the risk management system of an industrial enterprise is to ensure the successful functioning of a business unit in conditions of risk and uncertainty.

This means that even in the event of economic damage in certain areas of activity, the implementation of risk management measures should provide the organization with the possibility of continued existence and stability of the corresponding cash flows, maintaining profitability, as well as achieving other goals. At the same time, the greatest efficiency of this process can be achieved provided that the risk management program, being built into the general system of making management decisions, will be of a service, subordinate nature in relation to the implementation of the general strategy of the organization, and the goals and objectives of the risk management system will be consistent with the goals and the mission of the enterprise, as well as the methods of dealing with risks included in the general algorithm will be adequate to its economic activities.

In 2021, Eko Hotel and Suites focused on adapting to the challenges posed by the COVID-19 pandemic while striving to enhance guest experiences and operational efficiency. The hotel achieved significant objectives, including increased occupancy and revenue, improved guest satisfaction, and a commitment to sustainability. These achievements positioned Eko Hotel as a resilient and forward-thinking establishment in the competitive hospitality industry.

In 2022, Eko Hotel and Suites successfully navigated the post-pandemic landscape by focusing on guest experience, revenue growth, and operational efficiency. The hotel achieved significant objectives related to occupancy, guest

satisfaction, sustainability, and staff development. These accomplishments reinforced Eko Hotel's position as a leading hospitality establishment in Lagos, catering to both business and leisure travelers.

In 2023, Eko Hotel and Suites demonstrated resilience and adaptability in the hospitality landscape, achieving significant objectives related to guest satisfaction, revenue growth, and sustainability. The hotel's commitment to enhancing the guest experience, investing in employee development, and embracing technology has solidified its status as a premier destination for travelers in Lagos. These achievements position Eko Hotel and Suites for continued success in the future.

Eko Hotel and Suites' management structure and methods reflect a commitment to providing exceptional service and maintaining operational efficiency. The collaborative approach among departments, focus on guest satisfaction, and continuous improvement practices contribute to the hotel's success in the competitive hospitality industry.

CONCLUSIONS

The research conducted on improving the management system at Eko Hotel and Suites presents a comprehensive and in-depth analysis of modern organizational practices within the hospitality sector. It not only identifies key areas for improvement but also outlines actionable strategies to elevate enterprise performance in a dynamic and competitive market. Eko Hotel, as a case study, exemplifies how effective management systems, when aligned with global standards and driven by innovation, can significantly contribute to business success.

A central finding of the research is the critical role of an integrated management system. The study highlights that for an enterprise like Eko Hotel to remain competitive and sustainable, it must adopt a system-based approach that connects key functions such as planning, finance, human resources, logistics, marketing, and customer service. The coordinated functioning of these subsystems enhances efficiency, reduces duplication of effort, and enables the organization to respond swiftly to internal and external changes.

The introduction and optimization of Information Technology and Information Systems (IT/IS) have been transformative for Eko Hotel. From automating routine operations through Property Management Systems (PMS) to improving customer relations via CRM software, technology has improved service delivery, reduced human error, and allowed for greater customization of guest experiences. These advancements have led to improved financial performance, as evidenced by increasing revenues from rooms, food services, and events over recent years.

Another important conclusion concerns risk management, which is addressed in line with ISO 31000 standards. The research emphasizes that risk is an inevitable aspect of business and that a structured, proactive approach is essential. At Eko Hotel, risk identification, assessment, and mitigation have become embedded in the decision-making process, ensuring greater stability, resilience to market shocks, and better long-term planning. Risk management is not treated as a separate function but as an integral part of the enterprise’s strategic framework.

Moreover, the study underscores the importance of sustainability and energy efficiency. The implementation of green technologies-such as LED lighting, smart HVAC systems, and centralized Building Management Systems (BMS)-has not only contributed to cost savings but also enhanced the hotel's public image. Eko Hotel's 20% reduction in energy use demonstrates the tangible benefits of eco-friendly innovations in the hospitality sector.

The hotel's human capital strategy also emerges as a key success factor. Staff development, performance evaluation, and interdepartmental collaboration have fostered a work environment centered on service excellence. Regular training and feedback mechanisms ensure continuous improvement and staff motivation, which in turn enhance guest satisfaction and loyalty.

In summary, the research reveals that Eko Hotel and Suites' success stems from its ability to integrate management theory with practical application. Its commitment to innovation, quality, risk management, and sustainability positions it as a benchmark in the Nigerian hospitality industry. The findings of this research not only serve as a guide for Eko Hotel's future growth but also provide a valuable model for other enterprises seeking to modernize their management systems and achieve long-term success.

Risk management will allow an enterprise to take into account internal and external risk-forming factors in its activities more fully, to determine ways to ensure the stability of an economic entity, as well as its ability to withstand adverse situations. In the context of the dynamic transformation of the operating environment of an industrial enterprise, uncertainty and instability of the macro environment, there is an objective need for a regulated effective risk management methodology. The main goal of the risk management system of an industrial enterprise is to ensure the successful functioning of a business unit in conditions of risk and uncertainty.

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In conclusion the hotel management system at Eko Hotel and Suites is an essential tool for managing the day-to-day operations of one of the largest luxury hotels in Lagos. It integrates multiple facets of hotel management into a single platform, improving operational efficiency, enhancing the guest experience, and supporting strategic decision-making. By adopting modern technology, Eko Hotel ensures its position as a leader in the hospitality industry in Nigeria.

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APPENDIX