Effect of Innovation and New Services on Project Sustainability of the Hospitality Industry

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Abstract:- The effect of innovation and new services on Project Sustainability of the Hospitality Industry. Most of these organizations use different systems of which Automated Information System (AIS) are included to meet their customer satisfaction and profit maximization. Descriptive research was adopted. The target population was 160 employees from Serena Hotel, and its sample size was 113 using the Morgan table; stratified sampling technique was applied. Data collection instruments were both primary and secondary, which included questionnaires, interview guides, and documentary review, and a purposive sampling technique was used. There was a significant effect on New Services which automatically influenced project sustainability. New Services indicated a contribution to Project Sustainability which represented (sig=0.021), which is less than p=0.05, its t-value = 2.378, is far greater than 1.96. New Service causes an increase of .022 while Innovation (sig=0.021), since its p-value is less than p= 0.05, while t-value = 2.378, greater than 1.96. Innovation is a contributor to Project Sustainability; the study recommends that future research would also have to look at the capabilities of the diversification in more detail, such as expanding study areas. Examining more than one five-star hotel will be a better approach to the future. The study presents rich insights regarding innovation and has been generalized into one theoretical setup, design, and conceptualizations, the methodological limitation of using one Hotel, limits the customer Climate Support, to overcome in future research should be done using more than two theories.

Keywords:- Innovation, Sustainability, Project, New service, Hospitality, Industry, Diversification.

I. INTRODUCTION

The significance of innovation on project sustainability has boosted institutional innovation and sustainability in products, services, systems, and processes regarded as a significant characteristic in long-term institutional survival and success (Mathiesen & Einarsen, 2004).

Rwanda, according to a study done by the (World Bank 2018), innovation and project Sustainability require the sophistication of firms and farmers in improving capability to employ extension services to facilitate technological transfers to enterprises. Integrated support programs supporting organizations to improve their management and internal capabilities are incredibly well suited in this regard. The government has already taken necessary steps to raise the innovation of firms and the bureaucracy. The creation of the National Industrial Research and Development Agency (NIRDA), National Commission of Science and Technology (NCST), and a few other organizations are vital drivers in consolidating these organizations' initiatives to ensure effective coordination of the National Institute of Statistics. This helps institutions and firms to identify where to invest scarce resources and to indicate clear roles for how these organizations could collaborate to improve the system.

The significance of innovation on project sustainability has boosted institutional innovation and sustainability in products, services, systems, and processes regarded as a significant characteristic in long-term institutional survival and success (Mathiesen & Einarsen, 2004).

Companies' leaders have to be conscious about the nexus of sustainability in the broader context than seeking marketplace and advantage against competitors; companies and firms should be more concerned about the quality, values, and lasting of their products and services (Mirvis et al., 2010). The manufacturers in China have developed competitive advantages beyond cheap labor and large scale. China's wind turbine and solar photovoltaic industry, motorcycle industry, and IT equipment industry point to "architectural innovation," whereby Chinese manufacturers modularized Japanese and Western companies (Heilman et al., 2015).

Innovation for sustainability is a global phenomenon irrespective of the development levels of individual countries. The hospitality industry is a catalyst for economic growth and development in Rwanda, and it employs over 50,000 youths, contributes to GDP growth, and promotes community development.

The hospitality sector is the critical pillar in the tourism industry that provides lodging and value-added facilities to clients. It is believed that other areas of the industry depend on the tourism industry and its contribution to over five billion Rwanda franc to G.D.P (Taoiseach, 2013). Thus the current structures cannot solve challenges that continue to affect societies. Therefore entrepreneurs have found an opportunity area and created sustainable innovation, which can be defined as a product, service, or

system and commercial introduction that shows environmental benefits (Hansen & Dunker, 2003). In Rwanda, the 1994 genocide and the 2008 global financial crisis have rendered the sector underperforms and made many hotels developed during the economic boom financially unsustainable. Despite efforts by development partners and other stakeholders, hotel projects remain challenged in the attainment of development goals; the hospitality sector faces many challenges when integrating sustainable development practices which the hoteliers have more responsibilities than just achieving organizational goals. Even with concerted efforts, the situation remains worrying; challenges are triggered by competitiveness and lack of innovative ideas to adopt new approaches to improve customers' experience. Hoteliers are yet to see the significance of incorporating sustainable business techniques to improve their reputations and employee relations (Jones, Hillier, & Comfort, 2016). Yet, the hospitality sector faces many challenges when integrating sustainable development which the hoteliers have more responsibilities than just achieving organizational goals. What is urgent is that challenges are triggered by competitiveness and lack of innovative ideas to adopt new approaches to improve customers' experience.

Despite Serena Hotel providing quality service delivery in the hospitality sector and a significant change in improved performance in the hospitality sector, there is still unsatisfactory performance in innovative behavior and Project Sustainability. With the above-identified problems that this research sought to solve, hence the study sought to explore factors of Innovation on Project Sustainability in the Rwanda hospitality sector, with Serena Hotel, as a case study.

➢ *Research Objective*
The main objective of this research was to identify the influence of Innovation and Project Sustainability by assessing the effect of New Services on Project Sustainability of the Hospitality Industry in Rwanda.

II. REVIEW OF LITERATURE

To Zurburg, Ruff, and Ninemeier (2010), the hospitality industry is a significant tourism industry component. The government required companies to implement environmental strategies, thus decreasing carbon emission and creating a sustainable environment for all.

Hotel keeping traditional management methods will improve its operating cost, making a lot of waste (Kirk & Lynch, 2004). Researchers have highlighted the relevance of hotel managers to incorporate sustainable development into their institutions' policies and practices which lead to new products and services techniques. The strategies intended to increase the productivity of hotels ensure innovation and sustainability since it is a significant component of the service sector (Conaghan, Hanrahan, and McLoughlin 2015). Hotel keeping traditional management methods will increase their operating cost, making a lot of waste (Kirk & Lynch, 2004). That makes it hard for an organization to

achieve long-term benefits for the company and society (Jiang & Gao, 2019). Value management and life cycle management are two methods available for use in the projects' design phase to improve their sustainable performance—realization of benefits and meeting the needs of the current users and provide similar conditions to future users.

Similar studies show that the innovation environment in which the hotel managers are active in affects their innovations and creativity can only be achieved in a proper and suitable organizational environment. Creating such an innovative environment is resultant of some factors which according to the organization these factors may differ. Of the individual factors influencing the creativity and Innovation factors of knowledge and expertise were the most important individual influencing factors. These results on the effect of Innovation on Project Sustainability have also been achieved in other studies Sajadi (2004).

III. THEORY OF CHANGE

A theory of social change formulated by Kurt Lewin was used as a framework to investigate conditions in the successful application of management science. The approach looks deeply into the change process and how firms and institutions adopt change, respond to change, and how individuals commit themselves to the change process. Several hypotheses about evolution are derived, and questionnaires are developed to assess change forces (Kurt, 2011).

This study briefly reviewed the theory of constraints methodology and shows how it builds on resistance in addressing the critical questions in any change process: what to change, what to change to, and how to bring about the change? We explain how the various types of resistance identified in the change management literature are handled within this framework and how TOC goes a long way to providing practical steps to achieving the prerequisites for successful change. Theory of evolution identifies 4 critical assumptions in order to achieve sustainable development: (a) effective leadership, (b) adequate financial and human resources, (c) availability of appropriate procedures and processes, (d) and right organizational incentives and accountability structures (Ardhianie et al., 2015).

IV. METHODOLOGY

➢ *Design, Target, Sample, Tools*
Based on this research's nature, the descriptive research design approach was employed since the data was collected from the hospitality industry using qualitative and quantitative methods of data collection and analysis was used by the researcher. The quantitative paradigm was used to collect data in numerical terms. The qualitative paradigm was used to collect data by gathering the views and opinions of the respondents to support the quantitative data. Calculation of the sample size for respondents was done by using the Morgan table as a procedure as shown below.

Target population: The target population of the research was 160 employees, including project and product team and the sample size was 113 from the hotel under study, Serena Hotel which is engaged in the hospitality industry in Rwanda. The population is composed of senior managers, product and project teams. From a sample of 113 respondents, 60 were senior managers, 50 were product team staff, and 50 were project team staff. All respondents included in a selection of 114 returned questionnaires and responded to the research questions and also were all interviewed by the researcher. Therefore, a total of 113 were used for data entry. Senior managers of the Hotel were purposely preferred to contribute to the research study

Data collection Tools: The study used questionnaires to collect primary data. A survey method of data collection through questionnaires and face-to-face interviews will be used. The questionnaire seeks to obtain statistical information useful about a given topic and objectives (Babbie, 2004). The questionnaire was preferred based on variables that could not be observed directly, such as views, opinions, and the population is literate. It could not have challenges in replying to the questions. The researcher also used an interview guide to get their perspectives on Innovation and Project Sustainability by assessing New Services' effect on Project Sustainability of the Hospitality Industry in Rwanda.

V. DATA ANALYSIS, FINDING, DISCUSSION

➢ DATA ANALYSIS

Finding per Age: It is evident that men represented 82.9 percent and are the majority of the respondents. Women are the minority with 17.1 percent, as shown in Table 1. This is positive but is contrary to past research by ILO (2008) that noted men tend to operate many departments in the hotel tasks more than women. Results indicate there is a need for Gender balancing in employment and training for all Gender types**.**

Table: 1
Ages of respondents

	Frequency	Valid Percent
Below 25 years	12	14.1
24-39 years	44	37.6
31-40years	32	28.6
40-55	14	16.5
Above 50years	11	13.9
Total	113	100.0

Source: Primary Data (2020)

On average, the respondents were aged between (24-39 years) which represents 37.6 percent. It can be concluded that the majority of employees specifically in work in the Hotel related departments are young while aged employees are few. Younger employees (24-39 years) are highly employed benefits from using good hospitality in Serena. The success may be attributed to the Hotel's public sector experiences that prepared them to own and grow operation techniques in their department; at the hotel, this translates to achievement, additionally the old-aged employees (40-55years). Results show that when senior-aged employees (40 -55 years) are in the early stages of using a particular technique to that Hotel.

According to the data collected, 95.30% of respondents can read and write, while 4.70% remain illiterate. This indicates that most of the respondents have the potential to influence decision making because they have some level of education. However, their overall educational level is insufficient to stimulate innovation or boost business plan development for the hotel. Therefore an innovative approach is required to enable the sustainability of the hospitality industry..

➢ REGRESSION ANALYSIS

The subsequent section presents the findings of the current study on Assessing the effect of New Services on Project Sustainability of the Hospitality Industry in Rwanda are presented and analyzed.

Model Summary

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Durbin-Watson
1	.603^a	.363	.298	.16082	1.240

a. Predictors: (Constant), New services, Innovations By Employer
b. Dependent Variable: Project Sustainability

➢ DISCUSSION

- *Effect of New Services on Project Sustainability*

Findings indicate that New Services was significant (sig=0.021), which is less than p=0.05; its t-value = 2.378, is far greater than 1.96. Hence the null hypothesis is rejected; the results also indicate that a unit increase on New Services causes an increase of 0.179 into Project Sustainability basically (17.9%). In this regard, there is a significant effect on New Services, which automatically influences Project Sustainability. New Services is a contributor to Project Sustainability, though a weak contributor (17.9%). The researcher ascertained that knowledge sourced from engagement with internal and external stakeholders contributes to its sustainable innovation orientation. Such knowledge has to be converted into new ideas for innovation. It is a global phenomenon that community participation has been an essential impetus of community development approaches and has reflected a grassroots or bottom-up approach to problem-solving.

Reid (2008) explained that the concept of community participation assumes that value accrues to the community members through the acts of involvement and association. Therefore, the more community is involved in a decision-making process, the more likely it will develop a sense of teamwork and cooperation, thereby increasing their motivation, commitment, and contribution to the operation of development (Sanoff, 2006).

- *Effect of Innovation on Project Sustainability*
Findings indicate that Innovation was not significant(sig=.818),since it p-value is greater than p= 0.05,.while t-value = 0.378, less than 1.96, hence the null hypothesis is accepted , the results also show that a unit increase on Innovation causes an increase of .0.022 which is equivalent 2.2 % to Project Sustainability. Project Sustainability contributes only 2.2%. This contributed by Innovation in this regard, is so low and t valve but below average.

Similar studies show that the Innovation environment in which the hotel managers are active affects their innovations, and creativity can only be achieved and continued in a proper and suitable organizational environment. Creating such an innovative environment is resultant of some factors which, according to the organization these factors may differ. The individual factors influencing the creativity and Innovation factors of knowledge and expertise were the essential individual influencing factors. These results on the effect of Innovation on Project Sustainability have also been achieved in other studies Sajadi (2004). Findings in this study indicate that Project Sustainability will retain employees, and they will hopefully improve job security, improve their creativity skills.

A study by (Rodrígue et al., 2015) focuses on the contribution of stakeholder engagement to firms' innovation orientation within the context of sustainable development. They investigated whether engagement with various stakeholders promotes sustainable innovation. The researcher established that knowledge sourced from engagement with internal and external stakeholders contributes to a firm's sustainable innovation orientation. This knowledge has to be converted into new ideas for innovation.

VI. CONCLUSION

The current study was to identify the influence of Innovation and Project Sustainability by assessing New Services' effect on the Project Sustainability of the Hospitality Industry in Rwanda. From the findings of this study, it can be concluded the impact on New Services and Innovation was significant which automatically influenced Project Sustainability. New Services indicated a contribution to Project Sustainability. It is seen from the findings that new services are essential drivers to innovation in the hospitality industry, and they create a comparative advantage for firms and seek perfect market conditions. It was observed that new services are innovative ideas that make comparative advantage on the sustainability of the hospitality industry in Rwanda given the economic barriers that have limited the potentials of the sector.

RECOMMENDATION

Future research would also have to look at the Diversification capabilities in more detail, such as expanding study areas. The study contributes to knowledge in that the study provides an answer to the gaps identified in the theories and the literature.

The general knowledge about the study is Innovation which leads to sustainability and competitive advantage, and it can be applied in a real-life context. Nevertheless, hotel climate support, personal employer initiative, new services, and diversification are additional innovations established by the study. The study, therefore, recommends that firms in Rwanda, most especially the Hospitality industry consider the concepts of Innovation as indicated in the survey. Although the research findings have shown many improvements, there are still some gaps that need to be fulfilled for achieving maximum impact of the effectiveness of New Services on project Sustainability of the Hospitality Industry in Rwanda. The researcher has provided the following recommendations to the government (policymakers) and the hospitality sector executives.

- The Republic of Rwanda Development Board should enhance quality management programs and promote a conducive environment for product development projects.
- That the government should guarantee a secured environment that empowers hotels through monitoring and evaluation skills to determine the impacts.
- That the government should facilitate access to finance for the Hospitality industry Small medium enterprises by increasing the productivity for hotels that would ensure comparative advantage.
- Those companies in Rwanda, most especially the Hospitality industry, consider the concepts of Innovation and diversification as indicated in the study.
- Provide additional training in project management lifecycles, especially for employees in the product development and project management departments.
- Dedicate more time to small-scale projects to provide adequate assistance in the management of the hospitality industry.
- That more efforts should be directed to branding and marketing geared to retain customers, mainly international tourists, through feedback and suggestions for continued improvement.

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