

# 12

## **Solving Future Problems in the Tourism, Hospitality and Events Sectors**

### **Introduction**

The management of tourism, hospitality and events is often consumed with solving problems. Whether it be the daily operation of the business or planning for the future, the manager must make decisions concerning problems that are faced by the organisation. Senior management are often responsible for solving the more complicated problems and issues. These may include having to deal with external stakeholders and the public, who have vested interests in particular outcomes. Solving problems at scale creates challenges for the manager of an organisation or destination. This chapter considers the ways in which problems can be evaluated and solved and alternatives for some of the bigger issues that senior managers and organisations face. It opens with a discussion of traditional approaches to solving problems; those which individuals generally take in their day-to-day lives. It is argued that this does not work well for the types of issues faced by senior managers. Two alternative approaches are introduced which can provide insights into problems and assist in unravelling the issues involved in complex decision-making.

### **Traditional approaches to problem solving**

Solving complex problems is generally more involved than simply following traditional approaches to problem solving, which have been found to be ineffective, particularly around issues of sustainability (Fodness, 2017). However, it is useful to understand this basic approach before considering more involved processes.

The first step in the traditional problem-solving approach is to list the possible alternatives that could solve the problem. Each alternative is then evaluated in terms of its attractiveness and feasibility. Then the decision maker chooses the most attractive option, implements it, and following its implementation evaluates and assesses the outcome against the expected outcome. The solution and assessment can then be used to inform future decision making. Such an approach can be considered suitable for straightforward problems. Consider the situation where someone might be deciding how to get to the airport for their summer holiday. The alternatives could be: ask a friend to drive them; drive themselves; take a taxi or Uber; or take public transport. They would have to consider each option, in terms of time, effort, cost and availability. Once an option is selected, they would implement it and then evaluate it on completion of the task in terms of how it met their needs and expectations.

## Use of heuristics

Many problems such as the one above are straightforward and involve breaking the problem down into individual steps and applying rules, or heuristics, to determine alternatives. Rules, for example, guide the decision maker and set standards for consistency in the organisation. Organisations often specify that new purchases require obtaining a specified number of quotes and choosing the lowest price. Heuristics, on the other hand, are a type of rule based on an individual's experience or cultural norms (Nazlan *et al.*, 2018). An example of this decision making might be to purchase an expensive brand based on the premise that better quality lasts longer. Some of the issues that might need to be considered would be obtaining additional information on each alternative. For example, if they drive themselves to the airport, where will they leave their car while they are on holiday? What would be the cost of each alternative? What time would they need to leave to be sure to arrive at the airport in time for the flight? Breaking the problem down in such a manner helps the decision-maker understand the potential advantages and disadvantages of each method. This approach to problem solving has been studied for some time by economists who make the assumption that decision making is rational and seeks to maximise utility. The approach is often referred to as 'linear' because one thing leads to another, and each option can be determined systematically – often with finite outcomes (for example, cost and time) (Taylor, 1947; Mintzberg and Waters, 1985; Collis, and Montgomery, 1995).

## Routine problem solving

For business managers, many day-to-day operations can be solved using this straightforward decision-making process. The implementation of many operational tasks in business, and even in our daily lives, is often repetitive and which can become routine: for example, who to purchase from, which airline to use, or what brand to choose. As a result, businesses do not have to reinvent the decision-making process every time and some businesses become specialised in solving problems for other people and businesses. Event management organisations become specialists in running events for others for this very purpose. Other examples include wedding or party planners, or travel agents who solve an assortment of problems associated with their travel related services for their clients.

Managers use these problem-solving techniques every day in both their personal and professional lives, and as a result, the process becomes acceptable practice. The traditional problem-solving approach is also very suited to our fast moving, quick acting economic system where timely decisions and action are preferred over deeper introspection and consideration for consequential implications. Information provided is designed to encourage immediate reaction – for example, when consumers are encouraged to ‘buy now’ so they don’t ‘miss out!’ Our exchange system also focuses on the tangibility and cost of items discounting other costs and implications. As a result, our economic system favours and benefits a linear approach to problem solving.

## Non-linear solutions

However, not all the problems that are faced in the world today are able to be solved in this straightforward linear manner. A range of breakdowns are encountered in our processes that mean the actions of one solution may result in problems for others. For example, if public transport is not operating, or not operating frequently enough, it may not allow people to get to the airport on time or that the waiting time would be too long. If an individual lives in a regional or remote area, some public transport options such as taxis or Uber may not be available. As a result, the individual must drive and leave their car at the airport, resulting in further expenses and an increase in greenhouse gas emissions. Solutions might also be considered out of the reach for some because of the cost involved, or by not being suitably informed of available options and alternatives. Rules may also be too rigid, making tasks difficult to implement.