

## **Bachelor's Qualification Work**

### **Improvement of Corporative Sustainability Development Strategy**

(on the basis of Internship Report at Hyatt Regency Kyiv)

Bachelor's student of

Field of Study 07 – Management

and Administration

Specialty 073 – Management

Educ. program – Management

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## **Improvement of Corporative Sustainability Development Strategy**

In today's day and age it is imperative for everyone to take responsibility for their actions towards a better environment for the future. It is significantly more important for large companies to be considerate of these responsibilities because they produce a much larger imprint on our society than a singular household. Introduction of Sustainable Development Strategy in companies can create a pathway for management to follow in order to reduce harmful consequences and create an example for others to act in accordance with. This work deeply analysis ways how a company can be aiding the society in a sustainable way; the work in addition to the previous statement also researches into theoretical enhancement of their already existing strategies.

We currently live in the world that for a long time excused all the massive corporations from taking accountability for their actions and let them destroy our planet as well as undermine our society with unfair rules and regulations. Now it is time to make companies aware that their conduct is not acceptable in present moment and for this very reason this work has focused on one company in particular - Hyatt Co. This research paper shows deep study of improving already existing strategies for corporate sustainable development in hopes that the company will take into consideration some or all of the suggested improvements.

**Keywords:** sustainability, sustainable development, enhancement of corporate sustainable development.

У сьогоднішній день для кожного необхідно взяти на себе відповідальність за свої дії, спрямовані на покращення навколишнього середовища. Для великих компаній значно важливіше уважно ставитися до цих обов'язків, оскільки вони справляють набагато більший вплив на наше суспільство, ніж окремі індивідууми. Запровадження стратегії сталого розвитку в компаніях може створити шлях для менеджменту за допомогою якого може зменшення шкідливих наслідків та створення прикладу для інших. Ця робота глибоко аналізує, як компанія може допомагати суспільству на постійній основі; на додаток до попередньої заяви, ця робота також досліджує теоретичне вдосконалення вже існуючих стратегій.

Зараз ми живемо у світі, який протягом тривалого часу звільняв усі великі корпорації від відповідальності за свої дії і дозволив їм знищити нашу планету, а також підірвати наше суспільство несправедливими правилами та нормами. Тепер настав час для компанію усвідомити, що їхня поведінка неприйнятна в даний момент, і саме з цієї причини ця робота була зосереджена на одній компанії, зокрема, Hyatt Co. Ця дослідницька робота показує глибоке вивчення і вдосконалення вже існуючих стратегій корпоративного сталого розвитку в надії, що компанія візьме до уваги деякі або всі запропоновані покращення.

Ключові слова: стійкість, сталий розвиток, посилення корпоративного сталого розвитку.

**PHEE-institute «Ukrainian-American Concordia University»**

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**Department of international economic relations, business and management**

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**TASK**  
**FOR BACHELOR'S QUALIFICATION WORK**

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(Name, Surname )

1. Topic of the work **Improvement of Corporative Sustainability Development Strategy (on the basis of Internship Report at Hyatt Regency Kyiv)**

Supervisor of the work **Dr of Sci (Economics) L.V. Zharova,**  
(surname, name, degree, academic rank)

Which approved by Order of University from **“22” December 2022 №22-12/2022- 3C**


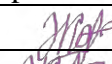




2. Deadline for bachelor's qualification work submission **“16” May 2022**
3. Data-out to the bachelor's qualification work **materials received during the internship, data from the open sources, results from the previous research works during studies, like projects and course-work**

4. Contents of the explanatory note (list of issues to be developed) **The work consists of three parts – theoretical, analytical, and practical. The practical part is based on Hyatt Co. in the context of sustainable development. The sustainability framework was chosen as an integral part of modern entrepreneurship. The theoretical and methodological basis of studying sustainable development of business covers characteristics of approaches to determining enterprise development, Criteria and factors for the formation of enterprise development sustainability, and the methodology for assessing the effectiveness of improving the sustainable development of an enterprise. The economic analysis of the activity of the “Hyatt Co.” corporation, evaluation of the company's sustainable development focused on research and analysis of the financial state of “Hyatt” Corporation, and analysis of the sustainable development of “Hyatt Co.” There have developed the ways of enhancing the sustainable**

development of "Hyatt" Corporation with recommendations for developing an enterprise's sustainable development strategy.

5. List of graphic material (with exact indication of any mandatory drawings)  
 Appropriate visualization of the financial state of the enterprise, competitors, and influence of sustainable development on business.

6. Consultants for parts of the work

Part of the project	Surname, name, position	Signature, date	
		Given	Accepted
1	L.V. Zharova		
2	L.V. Zharova		
3	L.V. Zharova		

7. Date of issue of the assignment

#### Time Schedule

№	The title of the parts of the bachelor's qualification work	Deadlines	Notes
1.	I chapter	14.02-13.03.2022	In-time
2.	II chapter	14.03-10.04.2022	In-time
3.	III chapter	11.04-24.04.2022	In-time
4.	Introduction, conclusions, summary	25.04 – 01.05.2022	In-time
5.	Pre-defense	06.06.2022	In-time

Student \_\_\_\_\_

Supervisor \_\_\_\_\_  
 (signature)

Conclusions: The primary purpose of the proposed research is to study the benefits achieved by the company and to consider the problems that the company may face in directing its activities to sustainable development. The student fully accomplished all tasks that were composed under the aim. The practical part of the research is an essential and integral part. It is a logical continuation of the theoretical generalization of previous research and analysis of the situation in industry and enterprise. The choice of the subject of study – internationally known hotel Hayaat – allowed us to create recommendations that can then be extrapolated to other enterprises in the hotel business.

With proper public protection, work can be graded excellent.

Supervisor \_\_\_\_\_  
 (signature)

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## INTRODUCTION

An important role in achieving sustainable development of a modern enterprise is played by the intensive and balanced use of its potential as a basis on which its external and internal reproduction processes are built and implemented. In this regard, the need for a multilevel system of enterprise development management, which should be based on the rational use and construction of relationships between different types and levels of activities, management hierarchy, areas of functional responsibility, resources. Given that business leaders need serious methodological assistance in making management decisions, especially in the choice of strategic activities, there is a need to develop methodological foundations for building a process of sustainable development management. This will allow faster effective decisions through the choice of appropriate criteria, methods, technologies, models, response mechanisms, interaction.

**The relevance of the topic.** The problem of sustainable development management at the enterprise level is extremely important today, because enterprises are the links in shaping the well-being of mankind. Managers of any enterprise, regardless of its form of ownership, type of activity, size, must support the proper sustainable development of their organization, because without this it is impossible and the development of the enterprise, and even more effective competition.

An effectively built system of strategic management of the enterprise ensures its financial stability, competitiveness and efficient functioning in the market. To make the right and far-sighted management decisions, the head must be acquainted with objective information about the costs and revenues of the enterprise, the deviation of the actual indicators. However, today it is not enough for companies to take care of their economic situation, it is necessary to direct their activities to support and implement sustainable development programs.

**The main purpose** of this work is to study the benefits achieved by the company and to consider the problems that the company may face in directing its activities to sustainable development.

**The object** of research is the process of sustainable development management of Hyatt Co.

**The subject** of research - theoretical and methodological and applied principles of sustainable development management of enterprises based on the construction of internal management processes taking into account the impact of the external environment.

The purpose of the work necessitated the solution of the following **tasks:**

- to develop a theoretical basis for the essence of enterprise development and substantiate the conceptual approach to sustainable development management;

- to develop a theoretical and methodological approach to assessing the potential of enterprise development;

- to study the system of factors influencing the development of hotel enterprises;

- to analyse the structure and features of the formation of the potential of hotel enterprises;

- to offer a methodological approach to building a management system for sustainable development of the enterprise;

- specify measures to adapt the management system of sustainable development of the enterprise to change;

**Analysis of recent research and publications.** An important role in the scientific development of enterprise development management belongs to such well-known scientists as R. Akoff, I. Ansoff, I. Adizes, R. Akoff, D. Bell, J. Galbraith, G. Daly, P. Drucker, W. Zang , G. Kleiner, D. Cleland, R. Coase, M. Castells, F. Kotler, G. Minzberg, A. Marshall, A. Maslow, M. Mescon, I. Miller, R.

Nelson, M. Porter, K. Prahalad, A. Smith, G. Simon, T. Sakaya, F. Taylor, A. Thompson, O. Toffler, G. Hamel, A. Fayol, M. Follett, J. Schumpeter, V. Inozemtsev, P. Drucker , who considered the development of enterprises from the standpoint of society, the development of management theories, firms.

Despite the broad theoretical and applied elaboration of sustainable development management in various socio-economic systems and at the level of the country's economy, it should be noted that there is no methodology for integrated sustainable development management from the standpoint of a holistic approach to internal development processes.

**Methodology.** Theoretical and methodological basis of the study are general and special research methods, the main of which are a systematic approach, analysis, synthesis, systematization.

**The information base** of the research is the results of scientific research to solve the problem, scientific articles and monographs of scientists, materials of state statistical bodies and publications in periodicals, official information on hotel and restaurant enterprises, results of expert surveys and own research.

# **CHAPTER 1. THEORETICAL AND METHODOLOGICAL BASIS OF STUDYING SUSTAINABLE DEVELOPMENT OF ENTERPRISE**

## **1.1 Characteristics of approaches to determining the sustainable development of an enterprise**

The problem of ensuring sustainable development has been relevant for many years not only for individual enterprises but also for the national economy as a whole. However, due to the multifaceted and complex nature of the category, its importance of influencing market development, many issues remain unclear and need to be studied. To date, there are different approaches to defining the phenomenon of sustainable development and interpretation of its features, support mechanisms.

As an object of scientific research, the problem field of sustainable development management of the enterprise attracts attention, first of all, due to its transdisciplinary nature. Its interpretation requires a synthesis of approaches and concepts of various disciplines - from theories of physiology, cybernetics, synergetics of self-organization and firm theory to the psychology of strategic, corporate governance. The state of scientific knowledge in this subject area today should be considered poorly structured, and the synthetic nature of the phenomenon of development of economic organization and its management determines the existence of various approaches to its definition and study.

Theoretical substantiation of the essence of the concept of sustainable development requires its retrospective analysis (Table 1.1).

*Table 1.1*

### **Retrospective analysis of the concept of "sustainable development"**

<b>Period</b>	<b>Prerequisites</b>	<b>Evolution of</b>

		<b>definition</b>
530-470 BC	Heraclitus: "Wisdom is to act in harmony with nature"	<p>The term "sustainable development" does not yet exist. However, philosophers and scientists have become aware of the relationship between natural resources and human economic growth.</p> <p>They also stressed the inevitability of an environmental catastrophe in the event of resource depletion and other negative environmental changes. Researchers emphasize the need for balanced use of resources</p>
beg. XVIII century	Turgot formulated the Law of Declining Soil Fertility	
beg. XX century	Lamarck is convinced that humanity is destined to destroy itself after the Earth becomes uninhabitable	
beg. XX century	Vernadsky considers the system "nature - society", where man must maintain a balance with nature, not disturb it	
June 1972	UN Conference on the Environment in Stockholm - for the first time the question of the relationship between economic development and environmental degradation	<p>The concept of sustainable development is described by the terms "economic sustainability" and "environmental sustainability"</p>

1987	The Prime Minister of Norway G.H. In the report of the International Commission on Environment and Development "Our Common Future", Brundtland defined the concept of "sustainable development"	The term sustainable development is mentioned in the document. The definition is united with the problem of energy sources, that has been limited.
1993, 1979	Global energy crises	The relationship between economic, environmental and social development has been identified
1992	Rio Declaration on Environment and Development (Rio 92)	Each country received recommendations for the development of a national strategy for sustainable development, taking into account the necessary environmental measures.
2015	At the 70th anniversary session of the UN General Assembly, 17 global goals of sustainable development were formulated and presented.	17 targets and 169 intermediate tasks aimed at eliminating the main systemic barriers to sustainable development have been identified.

*Source: compiled by the author based on [13]*

Thus, historically, the concept of sustainable development was formed from interdependent factors: environmental, economic and social conditions of mankind.

Initially, in scientific work, the definition of sustainable development was based on the position of "competing goals", in which the sustainability of the subject involved the preservation of the environment and rational use of natural resources, economic growth or meeting the needs of society.

The concept of "sustainable development" was first mentioned in 1987 in G. H. Brundtland's report "Our Common Future", which noted that among the main mechanisms for change are: creating prospects for improving the livelihoods of the population and the environment, and solving problems development of industry, energy, regional and international relations.

That is, development that meets the needs of society today, but does not jeopardize the ability of future generations to meet their own potential needs, namely minimizing the adverse effects of depletion of natural resources and environmental pollution as a result of rapid socio-economic development for the future [7].

The concept of "sustainable development" includes countless scientific interpretations, making it difficult to single out a single meaning. Scientists: Danylyshyn B.M. and Shostak L.V. define equilibrium sustainable development as a system of social production that provides a rational relationship between economic growth, optimization of the quality of resources, development of spiritual and material needs of the population [5]. A more accurate justification of this category is provided by Grosul V.A. and Mamayeva G.S. "Sustainable development is a comprehensive management system of the organization, which is a balanced, harmonious and long-term development of the organization, which aims to ensure a holistic balance with changing external operating conditions and achieving sustainable effective results of the enterprise" [6].

Speaking of farms, we can mean entrepreneurial activity, so let's move on to the analysis of the concept of "sustainable development of the enterprise". There is much debate among scholars about the interpretation of this term. Some of them define the sustainable development of the enterprise as a continuation of the well-known concept of sustainable development, while others speak of the constant stable financial condition of the enterprise. These and other approaches to the interpretation of sustainable development of the enterprise are given in table 1.2.

*Table 1.2*

**Interpretation of the concept of "sustainable development of the enterprise"**

<b>Author</b>	<b>Definition</b>
E.N. Kuchero va	Equilibrium balanced translational change of all indicators of stability of the enterprise, capable to resist entropic tendencies, keeping at the same time integrity and the basic properties.
A.E. Mikhailo va	Those functioning of the enterprise, in which the influence of factors obviously contributes to the preservation of integrity and autonomy in achieving strategic goals.
M. Thompso n	Generating economic income through innovative solutions that promote social well-being and environmental protection.
P.D. Kaminsky	Balanced, continuous, highly efficient and regulated economic development, which provides a stable increase in the income of the organization on the basis of specially designed mechanisms in the economic, technical and social spheres.

A. Glynska	Development, which means the adoption of such strategies and activities that would fully meet the needs of society in certain products or services today and at the same time support and promote the formation of human capital and rational use of natural resources that will be needed in the future.
A.V. Black	Development is due to the influence of internal and external factors and is characterized by increasing enterprise potential, product demand, scale, ability to ensure a continuous production process and maintain solvency for a long period of time the process of change in the enterprise.

*Source: compiled by author based on [8, 11, 15, 26]*

In general, the category of "sustainable development" can be described as anti-crisis, continuous, stable process aimed at improving the economic efficiency of the enterprise while increasing the level of responsibility to partners and customers, as well as measures to preserve the environment and improve the quality of life. future generation.

The main characteristic of sustainable development is the ability to control all processes based on the use of a systematic approach and modern information technology.

Analyzing the above definitions, we can say that the sustainable development of the enterprise involves both economic equilibrium and the ability to move to new states, i.e. to develop. O.A. Syzonenko argues that in interpreting this concept, it is necessary to emphasize the environmental and social consequences of industrial activities, as it not only leads to anthropogenic pollution, but also in the long run slows down the economic development of the enterprise [27].

According to the terminology of the United Nations Industrial Development Organization (UNIDO), sustainable industrial development is

characterized by a competitive economy, productive employment and a healthy environment [28].

Thus, the sustainable development of the enterprise involves the construction of an effective management system based on system-forming and partial principles.

System-forming principles include the principles of goal setting, hierarchy, systemicity, competence, adaptability and feedback. They also include the general principles of sustainable development. The principle of reliability is a high level of reliability of uninterrupted operation of components of the production system. The principle of awareness emphasizes the need to have information for a clear orientation of the process of sustainable development. The principle of receptivity describes the ability of the enterprise to perceive internal and external factors and reflect them through the implementation of target parameters of development.

Partial principles of sustainable development include the principles of profitability, human rights, open cooperation, risk reduction, compliance with legal and international business norms. The principle of interdependence of subsystems describes the balance between economic, environmental and social components.

The principle of priority of the ultimate goal involves identifying resources to ensure the continuous dynamic development of the enterprise. The principle of achieving sustainable dynamics implies the stability and gradual development processes.

Defining and justifying the principles of sustainable development of the enterprise is an important factor not only for understanding this category, but also for clarifying the objectives of the enterprise, its functions and responsibilities.

As a result of systematization and generalization of the approaches proposed in the scientific literature to determine the essence of the category

of sustainable development of the enterprise, we can offer the following interpretation of this concept: (economic, environmental and social) through effective internal governance and the use of progressive economic and legal regulators at the state level.

The concept of sustainable development is widely disclosed in the scientific literature. It began its evolutionary process before our era, even then philosophers emphasized the need for balanced development of all three of its main components: economic, environmental and social. Regarding the sustainable development of the enterprise, it is necessary to consider this concept in its broadest sense as derived from the general concept of sustainable development, and not just as sustainable economic development. Sustainable development of the enterprise describes its state, in which it receives positive effects in both economic and environmental and social areas.

## **1.2 Criteria and factors for the formation of enterprise development sustainability**

In modern economic conditions, the key to the success of enterprises and the basis of a stable market position is to ensure sustainable development, as their activities are most exposed to the negative impact of external and internal environments, which leads to destabilizing factors. Therefore, the development of enterprises requires the formation of a conceptual approach to the management of their sustainable development, which makes it necessary to address certain theoretical and methodological issues.

The concept of sustainable development defines a comprehensive approach to the functioning of organizations, which involves the interconnection and integration of economic, social and environmental

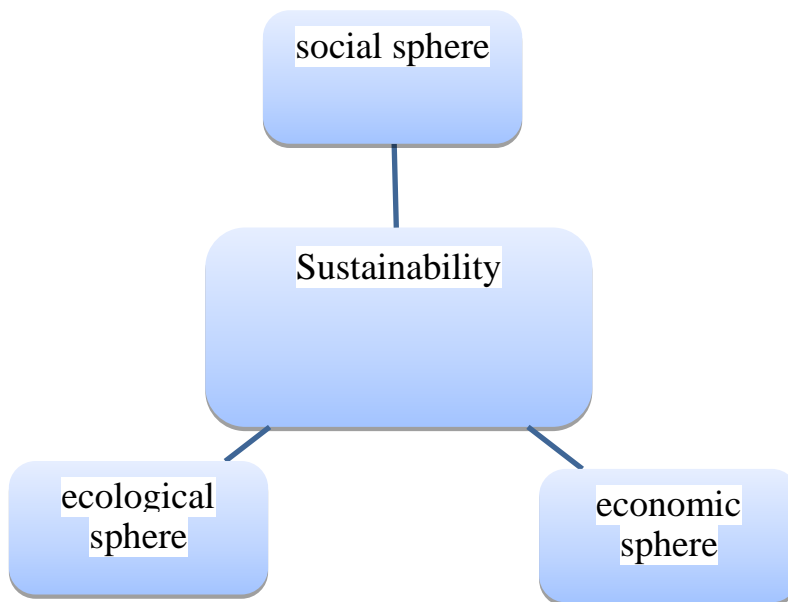
aspects, in which the pace of economic prosperity is identical to the rate of reproduction of natural resources not only for their own interests meeting the needs of the next generation. The concept is based on three components: economic, environmental and social. The relationship between socio-economic development and environmental responsibility allows for systematic coordination of the balance of these components, which, in turn, allows you to green the production activities of the company while increasing financial performance and solving social problems.

In general, sustainable development is an anti-crisis, relentless, stable and controlled process, which is characterized by increasing economic efficiency of the enterprise while strengthening the responsibility to customers and partners, as well as environmental measures designed to improve quality of life for today, and the next generation. As it was mentioned before, sustainable development of the enterprise is achieved by combining and balancing the three components of each enterprise (Figure 1.1):

1) Social (anticipation of possible problems of personnel management, the creation of a quality system focused on the preservation of cultural and social stability);

2) Economic (increasing economic efficiency due to the rational use of natural resources and optimization of the organization's business processes);

3) Environmental (focus on the integrity and protection of physical and biological natural systems through greening production processes and ensuring appropriate institutional policies, promoting corporate and social responsibility).



**Fig. 1.1 - Key components of sustainable development**

*Source: [28]*

The relationship between these components is due to the fact that only the growth of economic indicators will not eliminate the problems that arise in the social sphere, and, moreover, will not lead to environmental sustainability. The developed concept of sustainable development offers a combined approach to the activities of companies, which achieves parity of social, economic and environmental goals of the enterprise, their integration and interconnection, including the identification of economic growth and recovery of natural resources. The principles of each process are the main driver, systemic rules that form the overall vision and structure of understanding the contextual basis of each concept.

As noted in [6, p. 15] V.M. Bogolyubov, sustainable development is a managed process, the basis of manageability is a systematic approach that allows you to model development scenarios based on strategic goals. Sustainable development fulfills important system-wide goals: meeting human needs; progressive increase of resources (economic, social, natural); long-term provision of the biosphere.

Based on the analysis of international experience in building a system of environmental and economic indicators, two approaches can be distinguished:

1) construction of an integrated, aggregate indicator that allows to assess the level of sustainability of socio-economic development (aggregation is usually carried out on the basis of three groups of indicators: environmental and economic; environmental and socio-economic; environmental),

2) building a system of indicators, each of which reflects certain aspects of sustainable development [29].

Industrial enterprises affect all elements of sustainable development of the country and deserve the most attention in studying this problem. The development of a system of indicators of sustainable development for many Ukrainian enterprises is relevant, primarily in connection with the deterioration of the environment and reducing the effectiveness of environmental solutions. The use of indicators developed by international organizations requires a large amount of information, which in some cases cannot be obtained.

Taking into account the strategic direction of sustainable development, the tasks of modern industrial enterprises are:

- improving the quality and competitiveness of products;
- increasing share in domestic and foreign markets;
- improvement of production technology, re-equipment of the technical base of production;
- introduction of innovations;
- compliance with legal norms and environmental requirements;
- implementation of personnel training and evaluation systems;
- creation of appropriate working conditions.

The key principles of sustainable development of the organization are the following provisions [9]:

- solving problems directly related to the development of both modern and future generations, equal in resource needs;

- dynamism: most often, transformations in a certain parameter of the organization cause transformations in others. Accordingly, in each period of time the enterprise is determined by a set of characteristics that reflect the efficiency of production and financial activities;

- the possibility of balancing economic and environmental components: the implementation of a level of development at which individuals in the production sphere or other economic sphere of activity have minimal devastating impact on the environment;

- adaptability and flexibility: every organization is an open system that must be flexible, able to adapt to changes in the environment in order to be able to sustainably and competitively exist in the market in the long run. Therefore, a necessary condition for this principle is the ability to make strategic management decisions;

- integrity, namely: the possibility of updating, finding the necessary elements and transforming into the latest system, while maintaining financial balance. This principle is a factor that reflects the effectiveness of activities, namely how effective is the balance and proportionality of individual components of activities: operating, financial and investment;

Regarding the economic essence of sustainable development of the enterprise, it is disclosed on the basis of the following components:

- ensuring sustainable economic growth, increasing product competitiveness and productive employment;

- adaptation to the conditions of competition and the needs of consumers, which are constantly changing, finding the optimal state that meets these conditions;

- implementation of structural changes in industry aimed at reducing the share of irrationally environmentally friendly industries, increasing the

share of high-tech, knowledge-intensive industries with minimal impact on the environment;

- compliance with the principles of resource conservation: increasing the growth rate of industrial production over the growth rate of consumption of natural resources;

- ensuring the balanced development of all structural elements of the industrial complex (innovation, investment, human resources, finance, etc.);

The implementation of sustainable development by the business entity is possible through the implementation of planned actions that help solve problems and achieve goals. Such actions form the following stages:

1. Creating a basis for sustainable development management of the enterprise.

2. Analysis of environmental factors.

3. Assessment of important factors and their comparison with the planned conditions of development.

4. Diagnosis and assessment of the stability of the enterprise.

5. Forming a proposal and making decisions to improve the management of sustainable development of the enterprise.

Assessment of the stability of the enterprise is based on the definition of certain indicators responsible for the state of development in economic, social, environmental subsystems.

The calculation of indicators makes it possible to identify the current situation and predict problematic aspects. As a rule, more attention is paid to the development of the financial subsystem than social or environmental. However, the development of measures aimed at improving these areas can have a comprehensive positive effect on the activities of the organization as a whole, including the financial component.

Diagnosis and assessment of sustainability determines the path of development of the enterprise in the future, taking into account the

availability of resources and market conditions. The implementation of sustainable development policy also involves appropriate changes in the organizational structure and information system, retraining of employees, which also includes their environmental awareness and awareness of the importance of these measures.

The development of internal and external reports provides an opportunity to assess performance and compare with targets, implement the necessary procedures and measures. In addition, an important principle of sustainable development is the availability and transparency of information, which also builds the reputation and brand recognition of the company.

Thus, in today's market conditions, ensuring sustainable development is one of the main priorities, which involves the effectiveness of business activities. This is due to the fact that sustainability provides a number of benefits, such as increased organizational management and social responsibility, new market opportunities and increased investment attractiveness, innovation in production and management processes, risk minimization and cost reduction, and creating favorable conditions for development future generations through the rational allocation and use of resources.

- Purposefulness: ensuring such a relationship between the components, which would support the incentives for sustainable development of the enterprise in the long run;
- the possibility of balancing the economic and social components, which consists in the maximum satisfaction of public demand with resources created as a result of economic development.

### **1.3 Methodology for assessing the effectiveness of improving the sustainable development of an enterprise**

At the heart of the process of managing the sustainable development of the enterprise is a management system that allows a holistic, comprehensive approach to the process of interaction of various subsystems involved in management processes. In modern scientific research, the enterprise management system is considered for certain functional areas of activity, in solving problems of improving the economic efficiency of activities, improving specific functions, etc. Quite often the enterprise management system is understood as a set of management areas (marketing, finance, personnel management, etc.) or management functions (planning, organization, motivation and control). The study and systematization of different points of view of researchers has shown that there is no common understanding of this definition.

The development of economic analysis as an applied functional science is associated with the improvement of its methodology, the development of special research methods [23, p. 258].

The same methodological tools are used in the analysis of sustainable development as a component of the system of economic analysis, and therefore, the development of its method is a component of the development of the methodology of economic analysis. The methodological level of sustainable development analysis is based on the essence of the method and methodology, which includes a set of indicators, selection of methods and techniques of analysis and forecasting, recommendations on the sequence and frequency of research and is formed for each object of analysis.

Methodology of economic analysis, focused on assessing, diagnosing and forecasting the quality of resource use, establishing the degree of

intensification of processes related to production, rational use of natural resources, environmental security and social sustainability should be one of the areas (types) of economic analysis - sustainable analysis development. The methodology of sustainable development analysis is based on the method and defined methods of economic analysis.

The concept of method is defined as a systematic content of the steps that must be taken in order to perform a specific task or achieve specific goals; way of knowing the truth [2, p. 44]. Since the analysis of sustainable development is defined as the direction of economic analysis, his method is within the development of the methodology of economic analysis. The method of analysis of sustainable development is determined based on the positions of dialectical materialism, ie it is a scientific method of knowing the essence of economic phenomena and processes. It is on this approach that the definitions of the method of analysis of famous scientists are based.

L.M. Kindratska defines the method of economic analysis as a dialectical way of studying the objects of analysis through specific analytical procedures: quantitative and qualitative, formalized, heuristic, mathematical, etc. [16, p. 201].

I.D. Lazaryshyna considers the method of economic analysis as a system of methods and techniques of cognition of objects of analysis through their information models for the needs of stakeholders in accordance with the objective function of the study [17, p. 13-14].

E.V. Monk considers the method of economic analysis as a scientific way of studying, formation and development of economic phenomena and processes [18, p. 13-14].

A. D. Sheremet under the method of economic analysis calls a method of systematic, comprehensive study, measurement and generalization of the impact of individual factors on the implementation of economic plans and dynamics of economic development, carried out by processing special

techniques of plan, accounting, reporting and other sources of information [31, p. 25].

V.D. Gerasimova points out that the method of economic analysis is based on dialectical materialism, which means the study of materialist dialectics in the unity of analysis and synthesis, deduction and induction, in the relationship and development of phenomena, in identifying contradictions of economic life and ways to overcome them [10, p. 127].

Defining the method of analysis of sustainable development, it should be emphasized that it is a way to learn about economic phenomena and processes in their dynamic and organic interaction with the environment and social environment, which ensures the adoption and justification of management decisions directly by the company and all stakeholders. Features of the method of analysis of sustainable development are manifested through the definition of its standard components, which include: theoretical and cognitive categories (indicator, factor, reserve and model), principles, research tools.

Despite the formed triad of components of the method, scientists are conducting research in the context of its addition. Yes, I.M. Parasii Vergunenko complements the components of the method of economic analysis with the fourth element - systems of analytical indicators that allow to assess the relationship between them, identify causal changes, conduct structural and logical analysis of factors influencing the target result [24, p. 12].

The general and most expedient is considered to be a comprehensive approach that describes the sustainable development of the enterprise in terms of integration of these subsystems. Ensuring the concept of sustainable development in practical management requires the systematization and approval of an integrated approach. Because, in contrast to these approaches, the complex takes into account the environmental component, the threat of bankruptcy and in general provides an overall assessment of the

sustainability of the entire system and components. Assessing the sustainability of the enterprise through an integrated approach is carried out by identifying indicators corresponding to a particular group:

1. To assess economic stability: taking into account the coefficients of the constituent subsystems (liquidity, market share, profitability, return on assets, sales growth rates, equity ratio, growth rate of fixed capital investment, equity maneuverability ratio, depreciation rate of own funds, depreciation rate of own funds) etc.).

2. To assess social sustainability: staff turnover rate, wage growth rate, the ratio of average wages in the enterprise to the average wage in industry).

3. To assess environmental sustainability: the ratio of environmental costs to net profit, energy intensity of production, the share of waste transferred for use, the share of wastewater, the share of harmful substances.

Indicators of sustainable development allow us to quantify various aspects. They may vary within certain limits, and their quantitative differences within an individual entity over a period of time may characterize the effectiveness of certain activities. Some methods of selecting such indicators and their evaluation are proposed: monetary, point, in-kind, etc.

As a rule, these indicators are economic and characterize only the economic component of sustainable development of the entity. To get an idea of the current state of the organization, in terms of a systems approach, you can evaluate the indicators of individual subsystems that determine the state of the overall system.

The method of analysis of sustainable development has all the features of the method of economic analysis, namely:

- dialectical approach to the study of analytical objects. Economic processes are characterized by transitions from quantity to quality, the emergence of new quality, the denial of objections, the struggle of opposites,

and so on. That is, all methods and techniques of dialectics are used in the study of economic systems at different levels;

- openness of methodological tools, ie the accumulation of research methods in related fields of knowledge (mathematics, statistics, accounting, psychology, management); unregulated methods used;

- the use of a system of indicators that comprehensively and deeply characterize the activities of economic entities. The system of analytical indicators, on the one hand, should reflect the results of management, the degree of implementation of plans, forecasts, development dynamics, efficiency of economic processes; and on the other hand - to characterize the availability of resources and their use. Each economic phenomenon or process is usually described by one indicator, and a system of economic indicators. The results of the analysis depend on how fully and accurately the indicators reflect the essence of the phenomena being studied;

- identification and determination of the relationships of elements of the economic system and the causal relationships of changes in their parameters. The method of analysis involves establishing the type and nature of relationships, building an algorithm of factor dependence (using modeling of factor systems) and determining the sequence of estimates of the impact of factors. Each performance indicator depends on a number of factors, which in turn are determined by a combination of other factors and causes. There is a certain chain of dependence of one indicator on another, where each indicator and factor has a certain value. During the analysis, it is important not to disrupt the sequence of factors, as this can lead to inaccurate, incorrect conclusions and estimates;

- the measurement of the influence of factors on the results of management depends on how adequately (according to the actual dependence) the communication algorithm is determined and the calculations are performed correctly. In addition, it is necessary to provide a systematic

approach to the study and evaluation of objects of analysis, the formation of the studied indicators [32, p. 34].

Research of processes of sustainable development of enterprises, formation of their value, study of influence of financial and nonfinancial factors on its change should be based on application of specially adapted to achievement of the set purpose of a technique and methodical tools of the analysis. The method of analysis will be universal and will reflect the only organizational and methodological areas of analytical procedures, a set of methods, methods and techniques of analysis, technology for collecting, grouping and summarizing information regardless of the scope of the economic entity. Exceptions are the features of the enterprise that will affect the formation of the business model and the decomposition of financial and non-financial factors that depend on the conflict of interests of stakeholders in the interaction of the business model with external and internal environment, and the value chain.

The need for the formation of special (partial) methods of analysis in relation to business entities indicates a number of authors of fundamental work in the field of integrated economic and financial analysis. According to them, in the process of creating a special (partial) method of analysis "... the purpose of the analysis, the composition of factors and conditions of formation of the information base, methods and techniques of analysis" [4, p. 141].

L.T. Gilyarovska believes that "methodology as a set of rules, techniques and methods for the appropriate performance of any work is always specific" [23, p. 20].

The constituent components of the methodology of analysis include: goals, objectives, research objects, study program, type of economic analysis, sequence and timing of its implementation. L.T. Gilyarovskaya defines the main element of the methodology of analysis, which is a system of indicators

for the study of objects and subjects of analysis, as well as the development of models of the relationship of analytical indicators.

The author significantly expands the components of the analysis, paying attention not only to the four key elements of the methodology (analysis goal, factors, information base and set of methods), but also proposes to introduce a number of additional methodological elements that characterize the sequence of analytical procedures. This is an important understanding of the role of analysis from the standpoint of its practical significance for strategic management, which is the ideological basis for sustainable development and the concept of value formation in the long run and will link value as a short, medium and long term category of effective management.

The need to allocate sustainable development in a comprehensive long-term strategy and its analysis is noted in the works of V.I. Barylenko [1], O.V. Efimova [14], E.I. Borodina [1], V.V. Berdnikov [1]. Therefore, the method of analysis is primary for the purposes of studying the subject and objects of research and is closely interrelated with the methodological tools that form the basis of the method.

Expanded and refined elements of the methodology of sustainable development analysis to achieve the goals of retrospective, current and future assessment of the value of the enterprise in compliance with the strategy of sustainable development are ranked in order of importance of their use in studying the business model. for owners. At the heart of the methodology of analysis prevails the interests of stakeholders in the formation, evaluation of the model, the value of the intersection of their interests, identification of financial and nonfinancial factors, determining the model of the relationship between them.

The essence of the proposed methodology of sustainable development analysis is to take into account the interests of stakeholders grouped for enterprises by stakeholder groups: owners and potential investors,

customers, staff, suppliers and other contractors, government, international organizations and regulators, non-profits and NGOs. It should be assumed that the main purpose of the development and analysis of sustainable development indicators is to reflect the impact of the company on those stakeholders with whom it enters into direct or indirect interaction.

Thus, indicators of economic sustainability allow you to reflect the financial flows between the company and key stakeholders and determine how the company affects the financial and economic condition of these stakeholders; provide information on how value added is created and distributed as a result of the interaction.

Indicators of ecological sustainability reflect the scale or magnitude of the impact or use of resources, characterize the degree of impact on living and non-living nature, including ecosystems, land, air and water. Indicators of social sustainability are important for determining the impact of the company on stakeholders at the local, regional and national levels, i.e. on the social systems within which it operates.

Accordingly, the basis of sustainable development strategy is to develop a policy of interaction with stakeholders, so this should be preceded by stakeholder analysis, assessment of their impact and identification of requirements and expectations, which in turn increases the confidence of these parties in the company and promotes social capital. For the successful implementation of all stages of the analysis, adequate and organically related to the methodology methodological tools of analysis are needed.

Scientists interpret the concept of methodological tools as a set of different methods and techniques to achieve this goal. Yes, A.H. Shidov believes that the development of methodological tools for economic analysis is based on the study and application of numerous and diverse technological methods and techniques required for clear and simplified expression of various resources and phenomena, their relationship, and to measure the

impact of factors and causes on performance. indicators [32, p. 2]. Other scientists expand the content of determining the methodological tools of analysis in terms of methods that shape it [4, p. 2]. Moreover, they believe that to simplify the procedure for selecting methods - it is possible to use their classification.

First, all analytical methods can be divided into groups: computational-analytical, mathematical and heuristic. Secondly, according to the degree of formalization, i.e. the level of ability to describe this method using certain formalized (primarily mathematical) procedures, all methods are divided into formalized (based on clear formalized analytical dependencies) and informal methods (based on the description of analytical procedures at the logical level, rather than on clear analytical dependencies).

The application of these methods is characterized by a certain subjectivism, because the intuition, experience and knowledge of the analyst are important. It is logical to assume, agreeing with analysts, that the measurement of causal relationships in the analysis of sustainable development, evaluation of the impact of various factors on the final indicator - business value, processing of source information is carried out using special tools - methods and techniques. They are important elements of the methodology of sustainable development analysis and require clarification, specification and generalization.

Certain elements of sustainable development analysis methodology will help to consistently cover the process of profit formation, capital growth, forecasting financial results and return on invested capital in an integrated report and obtaining information from investors, shareholders and other stakeholders, as well as sound management management decisions.

At the same time, identifying and assessing the impact of value factors, reflecting the business model of enterprises, is the primary link in improving the informativeness of their annual reports, which forms the main stage of

qualitative information of stakeholders on the results of sustainable development. The practical significance of the analysis methodology is due to its dynamic nature: mobility, flexibility to adapt to the business model of any enterprise, informativeness for stakeholders, the ability to adjust in case of changes in the environment and factors.

## **CHAPTER 2. ECONOMIC ANALYSIS OF ACTIVITY OF THE “HYATT CO.” CORPORATION, EVALUATION OF COMPANY’S SUSTAINABLE DEVELOPMENT**

### **2.1 General characteristics and analysis of economic activity of “Hyatt” Corporation**

The hotel corporation Hyatt, which owns an international chain of hotels, is one of the whales of the tourist market - an American company headquartered in Chicago. Today, the corporation has over 365 hotels in 45 countries and employs about 90,000 employees. Hyatt operates nine hotel chains, the largest of which are:

- Park Hyatt, which includes 33 luxury hotels for wealthy people.
- Grand Hyatt, uniting 40 high-rise hotels located in major cities of the world: San Francisco, Sao Paulo, Berlin, Istanbul, Bangkok, etc.
- Hyatt Place, which includes 180 hotels, most of which are located in North America. They stop people making business trips or traveling with family.
- Hyatt Resorts, which specializes in beach resorts. There are hotels of this chain in Hawaii, Aruba, Bali, Sharm el-Sheikh, Kyoto, Kathmandu, etc. The hotel complexes are equipped with golf courses, swimming pools and spa centers. For lovers of mountain tourism, hotels are open in Palm Springs, on Lake Tahoe and in the Vail Valley.

Hyatt hotels have a Gold Passport loyalty program. Its members who have visited any hotel of the network once, upon re-arrival, are awarded points that can be exchanged for a night in a room or for bonus miles from partner airlines.

In addition, Hyatt offers timeshare services. Customers can choose from 13 American ski and beach resorts in Florida, Colorado and California. There is even a hotel in the Arizona desert and a ranch in Texas [44].

Most of the contracts entered into by the corporation with hotel owners are based on administrative management. The company also has a portfolio of hotels that it owns, but their names are trade secrets. The executive director of the corporation emphasizes that, unlike competitors, Hyatt Hotels Corporation does not operate under a franchise, therefore, in fact, it manages hotels on its own, without the involvement of third parties, which undoubtedly affects the quality of the finished product.

### **History**

Jay Pritzker, a Chicagoan lawyer, was the founder of Hyatt Co. During his business trip to Los Angeles, he noticed an increasing demand for hotels near airports and decided to buy the one where he was staying for \$2.2 million.

Throughout the years Pritzker and his two brothers were building hotels near airports, expanding the company, investing their time and money into this gambit and it paid off. The first international hotel that they have opened was in Hong Kong in 1969 and since then their expansion has skyrocketed. Due to large numbers of hotels being opened overseas the company was divided into Hyatt Corp. and Hyatt International Corp.

As the company was growing more and more family members joined to help to run it. Soon enough they were divided into groups by brands respectively. After Jay Pritzker's death, the family tried to uphold the standards and continue his work, but they got into so many fights trying to portion his wealth for themselves.

After many years the company managed to get back on its feet when the grandson, Thomas Pritzker, consolidated all the assets and created one whole company that we know nowadays – Hyatt Hotels Corporation [39].

The company currently has more than 20 different brands in its portfolio (e.g. Grand Hyatt, Hyatt Regency, Park Hyatt, Hyatt Place) and it is ever-growing with more ideas coming out as quickly as they can produce them. Hyatt is considered one of the key players in the hospitality industry with its diverse choices and sharp attention to detail.

Hyatt was only a second international hotel company in Kyiv when it opened its door for business in 2007. The standards that Hyatt brought with it made it extremely hard for local companies to compete for international customers [51].

Ever since their opening they have been growing their customer base and giving only the best service to the world.

### **Products and Services**

Hyatt Hotels Corporation is set to deliver everything to the guests so that they always feel cared for and want to come back again. The co-workers take pride in making an individualized experience for each guest every time.

Besides high customer focus, each facility is equipped with a high-speed internet connection, pool, indoor gym area, wellness center, and spa. In conjunction with that, each hotel has a variety of dining options, from a quick snack in a Lobby Lounge to a hang out with your friends with drinks at the Bar on 8th, to the family dinner in the Asia Bar & Grill restaurant.

The company tries to accommodate every need that a guest might possibly get. When everything is placed conveniently in one place, one can't help but notice how this experience turned into a positive memory.

The products that the company provides for the guests are not manufactured at the factory but rather created on sight by co-workers. Different departments accommodate different needs and cater to different tastes. In order for Hyatt to constantly deliver great output, the workers have to work harmoniously together to prevent any conflict from within the company [47].

In order for a business to qualify as an international company, it has to meet a certain number of requirements. We are going to look at why Hyatt Hotels Corporation is considered to be an international company.

### **Large Scale**

Once the domestic market has been captured and successfully run for an extended period of time, it is time to go abroad and continue

conquering the market. A large scale usually refers to 3 or more countries, and Hyatt definitely has that covered.

Since the product of Hyatt Corp. is not produced at factories, they don't need heavy machinery but what they do need is highly skilled professionals who deliver the best service to their customers. Therefore, each hotel has a Managing Director, who makes sure that everything is up to the standards of the company. Every year the Board of Directors meet and discuss what changes and improvements they can make in their hotels respectfully.

### **Beneficial to Participating Countries**

Another key characteristic that a company must obtain to become an international corporation is to be a positive investment for the countries in which it opens up its office.

At the same time as Hyatt earns millions from having hotels all around the globe, it also provides locals with a job opportunity that wasn't there before. The company strives to be present in various countries and those countries want that because it helps them to have economic development and rapid industrial growth.

### **Sensitive Nature**

Most of the time big international companies are very sensitive to any economical, technological, and political changes. Before opening up a branch in a certain country, the company needs to first make an analysis of their domestic situation. Some products that are very popular and have huge customer response in the west can attract zero attention in the east due to differences in culture, beliefs, and lifestyles. Big corporations need to adjust their ways of selling the product in order to grab the attention of new potential market.

### **Competition**

When a new company enters the market, the product and services evolve faster to keep up with the competitors. The local companies have to

come up with more innovative solutions and the battle for the customers' attention. Simultaneously as domestic markets are being challenged more, the foreign markets open up for more opportunities for other organizations from the same sphere. The only downfall is that it is harder for developing countries to compete with developing countries.

### **Different Policies and Currencies**

Since the political and economic policies differ from country to country, corporations face difficulties adjusting their products and services as well as their way of working to the standards of different countries and trying to keep the brand's name the same. Trade restrictions, wage, import/export policies, taxation and etc. keep companies from taking over the foreign markets.

## **2.2 Research and analysis of financial state of “Hyatt” Corporation**

The Hyatt hotel chain is one of the "whales" of the US tourism market. Hyatt operates in a niche of extra-class hotels. The company's brands such as Park Hyatt, Regency Hyatt and Grand Hyatt are chains, most of which are represented by 4-5 star hotels [57].

Each of the Hyatt brands has its own characteristics. Hyatt hotels have several records in the hotel industry. One of the last is the Grand Hyatt Hotel in Shanghai, which is considered one of the tallest hotels in the world.

Hyatt hotels can be found in all major cities around the globe. Among the latest priorities in the company's development strategy is the hotel market in the Middle East. In Dubai, Hyatt operates the Grand Hyatt, built in the heart of the famous resort in 2005. Grand Hyatt in Cairo is one of the best hotels in Egypt. Cairo's Hyatt, by the way, recently found itself at the center of a scandal involving a ban on the sale of alcohol in the hotel. The hotel owner

and Hyatt as the management company managed to reach a compromise in September 2008 and retain the hotel's five-star status.

Today, Global Hyatt Corporation offers services to more than 950 hotels and resorts in 67 countries and has 20 leading hotel brands around the world. Each of the Hyatt hotels has a wide range of services and a high level of comfort.

The Hyatt brand can be considered synonymous with the "new luxury", which works in the niche of such greats of the hotel business as the Ritz-Carlton. The key principles of Hyatt's work are an individual approach to service, management of culturally significant objects and care for the environment.

At the moment, the Hyatt brand provides luxury accommodation with a high level of service, the target market of which is primarily business travelers: people who travel mostly alone, in order to settle business issues, negotiate, establish new business relationships [43].

On November 14, 2016, Hyatt and Bahria Town Group signed an agreement to build four facilities in Pakistan worth a total of \$ 600 million. The property included the Grand Hyatt Golf Resort on the Murray Expressway in Islamabad, the Hyatt Regency Golf Resort in Fringe, Karachi, the Hyatt Regency in Lahore and the Hyatt Regency in Fringe, Rawalpindi.

Hyatt Regency Karachi has a 36-hole night golf course for the first time in Pakistan. In 2018, Hyatt expanded to acquire Two Roads Hotels in 23 markets.

On December 6, 2018, Hyatt signed a contract with Kastrati Group to operate the MAK Albania Hotel (formerly Sheraton Tirana) in Tirana, Albania. The hotel was named Hyatt Regency and Residences Tirana.

In January 2020, Hyatt signed a management contract with KL Midtown for the opening of the Hyatt Regency Hotel in the KL Metropolis area of the latter in northern Kuala Lumpur. This marks the return of the iconic Hyatt

Regency brand to the Malaysian capital after the change of management of the former Hyatt Regency Saujana in 2005 [53].

Hyatt Hotels Corp. added new real estate to its offerings in China by opening the Hyatt Regency Hengqin in Zhuhai, Guangdong. The hotel with 493 rooms celebrates the debut of a hotelier on the island of Hengin. Hyatt Hengqin is located in the Novotown area, a new integrated tourism and entertainment center that will eventually cover 15.5 million square feet of supply. The hotel, the only residence in the Novotown complex, has six restaurants and bars and 40,400 square feet of event space.

At the beginning of spring 2020, the hotel also offered a state-of-the-art fitness center, SPA center and three other food and beverage outlets. China remains at the top of Hyatt's list for expansion. In May last year, Hyatt unveiled plans to open 21 new hotels under the Park Hyatt, Grand Hyatt, Andaz and Alila brands by the end of 2020.

The challenges in China have affected the foundations of Hyatt's portfolio, but they have not refused the company to continue its growth program in the country. Attendance at Hyatt RevPAR in Hong Kong fell by about 36 percent in the third quarter. However, with the removal of Hong Kong, Macao and Taiwan, RevPAR Hyatt in Greater China, its popularity increased in the third quarter and occupancy increased by 200 basis points. "While there is uncertainty about when disruptions in Hong Kong may end or when trade problems will dissipate, Hyatt continues to have great confidence in China's long-term prospects," Mark Hoplamazyan, president and CEO of Hyatt Hotels Corp., said in a telephone statement. revenue conference in the third quarter of 2019 on October 31. "We have not seen a shift in interest from developers, and our prospects and the pace of new signatures in Greater China remain strong."

The financial performance of Hyatt, over the given period, went into a roller coaster mode as the worldwide pandemic of COVID-19 affected the

hospitality industry drastically. When taking a gander at Hyatt, the total income fell 55.9% to \$438 million, missing experts' assessments of \$468.9 million. The total deficit inferable from Hyatt was \$304 million, or \$2.99 per share. As per Businesswire (2020), as of November 04, 2020 [43].

The overall deficit owing to Hyatt was \$161 million, or \$1.59 per weakened offer, in the second from last quarter of 2020, contrasted with net gain owing to Hyatt of \$296 million, or \$2.80 per weakened offer, in the second from last quarter of 2019. This changed the overall deficit owing to Hyatt of \$150 million, or \$1.48 per weakened offer, in the second from last quarter of 2020, contrasted with Adjusted net income owing to Hyatt of \$39 million, or \$0.37 per weakened offer, in the second from last quarter of 2019. The Third quarter results mirror Hyatt's capacity to adjust to consistently changing and lopsided climate change threats. Even after all the losses, Hyatt Hotels was able to manage the losses and opened 27 new hotels, which have 4,300 new rooms, this will not only generate more revenue when the demand for rooms increases but will ensure that the whole operations are stable. This is just showing that even though the world economy has not been progressing at a steady growth rate, but the Hyatt Hotels Corporation ensures that there is progressing growth in their operations and organization as a whole.

As indicated by Reuters (2020) Hyatt Hotels Corp said that during this pandemic Hyatt will lay off 1,300 individuals around the world as it attempts to adapt to the Covid emergency, which has ended worldwide travel by keeping individuals inside. This had impacted Hyatt in a very bad manner as seen in the reports. Hyatt said it had likewise cut compensation for senior administration, board individuals, and all workers as a component of a rebuilding mechanism, adding that the staff who were being laid off would be qualified to get severance pay [49].

Due to this pandemic COVID-19, Hyatt went through a lot of changes on its premises and properties. Following clinical experts' direction to assist with

diminishing the spread of COVID-19, facial coverings or covers were made mandatory, or they were needed in Hyatt's indoor public regions and while moving around in outside regions at Hyatt inns internationally, in light of neighborhood or public orders or direction. For explicit prerequisites, kindly contact the lodging straightforwardly.

According to (Reuters, 2021) The American reputed hotel chain Hyatt Hotels Corp (H.N) detailed a greater misfortune in 2020, as individuals remained at home because of the COVID19 pandemic [49]. After the pandemic this will be pushed the friendliness business to one of its most noticeably awful slumps in 2020, lodging administrators now are relied upon to skip back this year on the rear of increasing vaccination rates and repressed interest. This has now been eased due to the wider expansion of the different verities of vaccination and with more relaxed travel restrictions, is bringing back the demand for hotel accommodations thus Hyatt might try to make up for the loss they bore.

The below table shows the collected information of Hyatt Hotels Corporation based on its financial reports.

*Table 2.1*

**Financial Data (Hyatt Hotels Corporation)**

<b>Item/Year</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Current Assets</b>	2,563,000	1,706,000	1,345,000	1,327,000
<b>Current Liabilities</b>	984,000	1,086,000	1,061,000	966,000
<b>Inventories</b>	9,000	12,000	14,000	14,000
<b>Cash</b>	1,207,000	893,000	570,000	503,000

<b>Receivables</b>	316,000	421,000	427,000	350,000
<b>Total Assets</b>	9,129,000	8,417,000	7,643,000	7,672,000
<b>Total Liabilities</b>	5,915,000	4,450,000	3,966,000	4,141,000
<b>Total Equity</b>	3,214,000	3,967,000	3,677,000	3,531,000
<b>Sales*</b>	2,066,000	5,020,000	4,454,000	4,685,000
<b>Cost of Goods Sold**</b>	2,067,000	4,077,000	3,475,000	3,638,000
<b>EBIT</b>	(832,000)	1,081,000	1,027,000	653,000
<b>Interest</b>	128,000	75,000	76,000	80,000
<b>Net Income***</b>	(1,000)	943,000	979,000	1,047,000
<b>Operating Cash Flow</b>	(611,000)	396,000	341,000	620,000

All numbers in thousands, Source: Yahoo Finance

Note: \* Total Revenue has been taken as sales

\*\* Cost for revenue has been taken as Cost of goods sold

\*\*\* Total Revenue – Total expenses has been taken as Net Income

Source: [43]

Significantly, based on the four years' financial analysis of Hyatt Hotels Corporation, it has been observed that the overall company's financial position is currently unstable in the market. Specifically, in terms of activity ratio, cash flows ratio, and profitability ratio, Hyatt Hotels Corporation has

been able to reduce its receivables turnover ratio and sell a few of its assets. We can see the negative decline because of the current pandemic due to which the hotels were closed for an approx. period of 1 year. We expect to see a rise in the ratios once the pandemic ends and customers start visiting the hotels again.

### **2.3 Analysis of the sustainable development of “Hyatt Co.”**

The Hyatt Hotel Corporation claimed ‘our corporate responsibility work supports the mission of the UN SDGs’ [42]. The company's corporate responsibility strategy covers six key issue groups, namely, "our people", "our communities", "human rights", "our planet", "responsible sourcing" and "responsible seafood", each of these issue groups. corresponds to a number of SDGs. For example, Hyatt's commitment to "our people" is in line with SDGs 5, 8 and 10, the company's commitment to "our planet" is in line with SDGs 6, 7, 12 and 13, and the commitment to responsible sourcing is in line with the SDGs. 8, 12, 14 and 15 (Hyatt 2018). More specifically, Hyatt's (2018) commitments to "our planet" include setting goals to reduce energy and water consumption and greenhouse gas emissions in its hotels, implementing various waste management and recycling strategies, and building a culture of environmental protection among hotel owners. and developers.

In conjunction with the release of the 2013-2014 Corporate Responsibility Report, Hyatt Hotels Corporation (NYSE:H) today unveiled an aggressive set of environmental targets for 2020, all designed to strengthen Hyatt's collective ability to collaborate, inspire and continue to operate. Hyatt, a leader in tracking comprehensive global energy and water data since 2006, is significantly expanding the scope of its existing sustainability initiatives and

will continue to place a strong emphasis on measuring progress and reporting.

Known as the Hyatt 2020 Vision, these new, ambitious environmental targets set out a set of measurable and actionable goals in three areas: use resources wisely, build smartly, innovate and inspire all with the goal of connecting Hyatt hotels around the world. create a more sustainable future.

“The conservation efforts implemented by Hyatt hotels around the world since formalizing our approach a few years ago have had a real impact, resulting in significant reductions in greenhouse gas emissions and the water and energy consumption of properties in our portfolio,” said Brigitte Witt, Vice President the president. Hyatt Corporate Responsibility. “In five years and significant momentum, we have seen an opportunity to continue our commitment to sustainability in a way that fundamentally touches every aspect of our business, from how our hotels are built and operated, to how we partner with our global value chain. deliveries before we make a difference thanks to the passion and dedication of our colleagues around the world.”

### **Setting Focus Areas**

Built on sound analysis and research, Hyatt 2020 Vision focuses on significantly expanding Hyatt's strategic scope, especially in areas where past efforts have not had as significant an impact due to fluctuating occupancy and rapid business growth in emerging markets.

With this in mind, Hyatt 2020 Vision focuses on three strategic priorities that have been specifically selected for not only their ability to help Hyatt's environmental performance, but their ability to touch every Hyatt colleague and community around the world.

Use resources wisely: Hyatt is committed to exploring how its hotels source, consume and manage natural resources to serve their guests. Hyatt will identify ways for Hyatt hotels to reduce energy consumption and greenhouse gas emissions, use less water, produce less waste and make more

environmentally responsible purchasing decisions. In particular, Hyatt has set a goal of reducing one-night guest's water consumption by 25 percent, and in areas where water is scarce, Hyatt has set a goal of 30 percent. In addition, Hyatt is stepping up its recycling efforts by calling on each hotel to achieve a 40 percent recycling rate, as well as setting a repair waste disposal goal.

**Build smart:** Hyatt will work closely with stakeholders to focus on building more efficient, environmentally conscious hotels across the enterprise. Starting in 2015, all new construction and major renovation projects for Hyatt-managed hotels are expected to comply with expanded sustainable design guidelines. Hyatt will lead this initiative by requiring all new construction and major renovation projects for wholly owned hotels and resorts to be LEED certified or equivalent.

**Innovate and inspire:** This goal reflects Hyatt's commitment to being a catalyst for bringing more hearts, hands and minds to the table to help advance environmental sustainability around the world. This includes Hyatt's commitment to create a funding mechanism to support innovation, ideas and accelerate green solutions in its hotels, which can be replicated across the Hyatt portfolio as well as the wider hospitality industry.

### **Reporting Progress**

Hyatt's 2020 targets will debut with the launch of Hyatt's 2013-2014 Corporate Responsibility Report, which provides an overview of the company's latest corporate responsibility efforts and achievements.

Key milestones reported include:

Launch of Ready to Thrive, Hyatt's global corporate philanthropy focused on literacy and career preparation, including a \$750,000 investment in career preparation programs in Brazil.

Create 11 libraries and support reading and writing programs in 30 schools through a new partnership with Room to Read, which will impact 30,000 students in India.

Donate 35,000 books to needy children around the world through We Give Books and Room to Read.

Donated over 100,000 volunteer hours in 2013 - 69 percent more than in 2012.

More than 80 percent of Hyatt hotels recycle at least one or more waste streams.

Reducing the intensity of resource use in each of the three Hyatt regions compared to 2006 - up to 20% reduction in greenhouse gas emissions, up to 13% reduction in energy consumption and up to 15% reduction in water [36].

Develop responsible seafood sourcing targets based on a global procurement audit in partnership with the World Wide Fund for Nature.

More than 40,000 of its employees around the world are required to complete the Human Trafficking Prevention Training, including housekeepers, concierges, concierges, guest services, key security personnel and all colleagues at the management level. Hyatt has also introduced a standard for all of its hotels to host training events.

## **CHAPTER 3. WAYS OF ENHANCEMENT SUSTAINABLE DEVELOPMENT OF "HYATT" CORPORATION**

### **3.1 Recommendations for developing an enterprise's sustainable development strategy**

Today's conditions dictate the need to respond quickly to dynamic changes to maintain the customer base and constantly attract new tourists and promote the services of hospitality companies of different categories and targeted at different groups of guests. Attracting investment often occurs through the creation of hotel chains, and more often international than national. The availability of a wide range of additional services and environmental component, the ability to work all year round indicates the status of the hotel and the willingness of management to meet the various needs of guests, both accommodation and business communication and creative leisure with travel agencies, tour services.

Strategic planning allows the company to become more competitive and sustainable in the market. The justification and choice of strategy requires an interrelated consideration and careful analysis: goals, opportunities provided by the external environment, as well as the potential of the organization and its strengths.

The development strategy is always selected according to certain criteria, which should be ranked by the leaders of the organization. The various strategies used by firms are really only modifications of a small number of basic strategies. Each of these strategies has a positive effect only under a certain state of the environment and the presence of favorable conditions.

Basic competitive strategy is a concept that characterizes the type of advantage over other companies, and the area in which it manifests itself.

In total, there are four basic strategies in business:

1. Constrained Growth Strategy: A “from above” goal is set, which can be adjusted as conditions change. The risk in this case is minimal. It involves the preservation of the existing market share by the company and the retention of its position in the market. Such a strategy is chosen if the firm's market position is satisfactory or it does not have enough funds to carry out an active offensive strategy; perhaps the firm is wary of attacking because of unwelcome retaliation from strong competitors or punitive government action.

2. Growth strategy: development is based on dynamically changing technology. It is chosen by companies wishing to secure rapid growth rates. The organization aims to win a certain market share, and often to take a leading position in a new market or new industry. It, as a rule, is based on the implementation of major inventions and even discoveries of a certain innovation, is associated with large financial costs and has a high degree of risk. However, if you are lucky, you can achieve very high results.

This strategy includes:

A. Diversified growth strategy (release of new products and offer of new services):

- centered diversification - the use of additional opportunities for the production of new products that are enclosed in an existing business;

- horizontal diversification - the search for growth opportunities in the existing market through new products that require a new technology that is different from the one used;

- conglomerative diversification - expansion through the production of new products that are technologically unrelated to already manufactured products, and their implementation in new markets.

B. Integrated growth strategy:

- reverse vertical integration - the creation of subsidiaries or the acquisition of existing supply companies;

- forward going vertical integration - the acquisition or strengthening of control over the structures that carry out distribution and sales; this type of integration is beneficial when the range of intermediary services is significantly expanded or when the firm cannot find intermediaries with a quality level of work.

B. A concentrated growth strategy (product development, market development, and expansion and strengthening of market positions).

3. Reduction strategy - a strategic alternative that is characterized by setting goals below the achieved level or eliminating some activities, as well as reducing costs (decrease in business market share caused by changing conditions). This strategy implies the reduction of enterprises, their liquidation or reorientation.

4. Combined strategy. In practice, organizations can simultaneously implement not one, but several strategies. This is especially true for multi-industry companies. A combined strategy consists of a combination of all previous strategies. It is suitable for large companies operating in several industries at once. When choosing a particular strategy, it must be remembered that a new strategy in both traditional and new business areas must correspond to the potential of the company.

In order to draw up an objective strategy for sustainable development for the company, it is necessary to conduct a SWOT analysis.

<b>Strengths</b>	<b>Weakness</b>
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<ul style="list-style-type: none"> <li>• Successful experience in developing new products - innovative products.</li> <li>• Excellent performance in new markets - Hyatt Hotels has a track record of entering and succeeding in new markets. The expansion helped the organization create a new revenue stream and diversify business cycle risk in the markets in which it operates.</li> <li>• High customer satisfaction - A company with its dedicated customer relationship management department can achieve high customer satisfaction among current customers and good brand equity among potential customers.</li> <li>• Strong free cash flow Hyatt Hotels has strong free cash flow, which puts the resources in the company's hands to expand new projects.</li> <li>• Good environmental aspect of sustainable</li> </ul>	<ul style="list-style-type: none"> <li>• More investment in new technologies is required. Given the scale of expansion and the geography that the company plans to expand into, Hyatt Hotels needs to invest more money in technology to integrate all processes. Right now, investment in technology doesn't fit the company's vision.</li> <li>• Daily stock is high compared to competitors, forcing the company to raise more capital to invest in the channel. This could affect the long-term growth of Hyatt hotels.</li> <li>• The company was unable to cope with the challenges posed by new players in the segment and lost a small amount of market share in niche categories. To counter these issues, Hyatt Hotels must establish an internal feedback mechanism with the on-site sales team.</li> <li>• Not very successful in</li> </ul>
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development

- Successful integration of free firms through mergers and acquisitions. In the past few years, it has successfully merged a number of technology companies to streamline its operations and build a robust supply chain.

merging firms with different work cultures. As mentioned earlier, although Hyatt Hotels has been successful in bringing together smaller companies, it has its fair share of failure to bring together firms with different work cultures.

<b>Opportunities</b>	<b>Threats</b>
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- Low inflation - low inflation provides greater stability in the market, allowing Hyatt Hotels customers to borrow at lower interest rates.
- New environmental policy - new opportunities will create a level playing field for all players. This provides an excellent opportunity for Hyatt Hotels to unlock the benefits of new technologies and gain market share in a new product category.
- The economic recovery and increased customer spending after years of decline and slow industry growth is an opportunity for Hyatt Hotels to attract new customers and increase their market share.
- New technology allows Hyatt Hotels to practice a differentiated pricing strategy in a new market. This will allow the firm to maintain its loyal customers with excellent

- Lack of a regular supply of innovative products - The company has developed many products over the years, but these are often in response to the development of other players. Second, the supply of new products is irregular, resulting in high and low fluctuations in the number of sales over a period of time.
- Since the company operates in many countries, it is subject to currency fluctuations, especially due to the unstable political climate in several markets around the world.

service and attract new customers with other value propositions.

So our goal was to help Hyatt create a strategy that links corporate responsibility goals to business goals in the following way:

- Creating value and innovation for Hyatt operating companies.
- Identification and mitigation of sustainability risks.
- Build trust and involve peers internally.

At Hyatt, which owns, operates and franchises hotels, engaging internal stakeholders such as general managers, owners, partners and executives was an important first step in understanding the unique global and local challenges each hotel faces.

First, we interviewed several executives to define Hyatt's current and future vision for senior management. We then held workshops in Asia, the Middle East, Europe and the United States to identify current activities, prioritize CSR issues and understand regional nuances. Several key themes emerged:

- Combating poverty and inequality in local communities through education and economic self-sufficiency;
- recruitment, development and maintenance of personnel;
- Manage the environmental impact of its hotels, expand its commitment to sustainable sources, protect the biodiversity of the areas surrounding its hotels, and use sustainable design and construction.

This strategy has spurred additional sustainability initiatives, including a new human rights policy statement that refers to specific industry issues such as human trafficking. Hyatt Thrive has also led to an improved approach to aligning Hyatt provision and volunteering with the four pillars of the Thrive system.

Marketing strategy is also important for sustainable development.

In the field of communication policy, an important role in advertising and marketing policy is played by participation in specialized exhibitions and

fairs organized both in Ukraine and abroad. Participation in exhibitions is a complex unified set of techniques and means of such basic elements of the marketing communications complex as advertising (printed, billboards, etc.), propaganda, personal selling (work of stand attendants), sales promotion (distribution of souvenirs, discounts, etc.).

World experience shows that exhibitions are one of the most important sectors of the economy, a powerful tool of industrial policy, a key tool for marketing and promoting products on the world market and influencing consumers, they ensure the formation of the company's image. Exhibitions are the second most important marketing tool.

A good indirect advertising of the hotel will be film and video filming in its interiors. However, filming must be approached very differently. The advertising department must give permission for the shooting of a video, commercial or film based on their cultural and aesthetic significance.

Now in Ukraine there are a number of organizations involved in the exhibition business. To maintain competitiveness and strengthen prestige, it is necessary to intensify efforts to search for new promising topics for field conferences and exhibitions, which should become annual.

Participation in specialized exhibitions aimed at professionals will be the most effective, as it provides an opportunity not only to advertise products or services, but also to conclude deals and establish business contacts.

Having visited tourist exhibitions, 30% of people came to it by personal invitations. Be sure to use the business program of exhibitions to contact potential partners and promote products.

Public Relations (PR) is an important area for promoting hotel services and advertising activities. In the hotel, this function will be directed both to the internal environment (to the hotel employees) and to its external environment. For employees, this activity is carried out in organizing

corporate parties, compiling a corporate newspaper that will regularly inform hotel employees about all kinds of news and achievements of the hotel, about the best employees of the month and their merits, etc.

The main task of the PR department in the external environment is to maintain and strengthen the image of the hotel "Hyatt", the participation of enterprise managers in public life, work with public organizations, the formation of effective relations with the media, public involvement in order to achieve a favorable reputation, attending various ceremonies, presentations, and other public events. Strengthening the positive image of the hotel through events, promotions, meetings will be the main task of PR, as well as cooperation and use of the potential of authorities, public and professional organizations. Active work will be carried out to expand the range of business and social events held at the hotel. It is this kind of events that will strengthen the image of the hotel.

Active PR work will be carried out at all Hyatt events by establishing personal contacts, distributing press releases, organizing interviews, etc., working at exhibitions, lobbying interests in government bodies.

### **3.2 Appraisalment of the process of implementation of priority proposals**

As mentioned earlier, the company has several problems, to solve them, a sustainable development strategy was proposed, which combined marketing and economic strategy.

The implementation of the adopted Hyatt development strategy is planned to be managed based on the concept of Balanced Scorecard (BSC), developed by Harvard University Professors D. Norton and R. Kaplan (USA).

The main principle of the BSC, which has become the reason for the high efficiency of management technology, is that you can manage only what can

be measured. The BSC focuses on non-financial performance indicators of the enterprise, with the help of which it becomes possible to evaluate difficult-to-measure aspects of activity, such as the degree of customer loyalty or the innovative potential of the company.

A fully implemented system implies a consistent review of the company's activities at all levels. Ultimately, each person in the organization processes a personal scorecard in an effort to achieve their personal goals based on the metrics associated with the corporate strategy.

Let's highlight the critical (key) success factors for Hyatt Co., which will allow us to determine the main directions for achieving specific strategic goals, which are presented in Table 3.1. Each such factor has its own strategic (long-term) goal. Let's highlight the critical success factors and long-term goals.

*Table 3.1*

**Hyatt Co. Corporate Critical Success Factors and Long-Term  
(Strategic) Objectives**

<b>Critical Success Factors</b>	<b>Long-term (strategic) goals</b>	<b>BSC component</b>
Optimal cash flow distribution balance	Creation of a reserve for the further development of the enterprise	Finance
High business profitability position in the market	Build a new customer base in 5 years and stimulate them for repeat orders	

High corporate responsibility	Reduced environmental impact	Education and development
Consolidation of the company's	Minimization of risks in the field of industrial safety and labor protection	
Highly qualified staff	Within 5 years, ensure a full-scale advertising campaign to strengthen the Brand	
Product versatility	In 2 years, increase the number of qualified personnel with knowledge of Italian and English, as well as create a system of internships	Clients
Modern technologies (equipment, highly qualified personnel, own scientific base)	Within 5 years, ensure the development of at least 3 new industry markets	Internal business processes
	During the year, establish a system for calculating the duration of the project and reduce downtime during projects	

	<p>During the year, increase the number of projects carried out by the company through high-quality search on tender sites</p>	
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As we can see, all the basic strategic directions are interconnected. Achieving these goals will provide a solution to the main problems of the enterprise and will contribute to the achievement of the main long-term (strategic) goal of the enterprise. The activation of critical (key) success factors at the same time will allow Hyatt Co to strengthen its position in the market, increasing its market share.

To increase market share, the firm needs to strengthen and promote the brand. The implementation of this goal will provide, among other things, the solution of problems associated with attracting new customers, promoting the company's products to new market segments and developing new industry markets. The intensification of the firm's marketing efforts aimed at strengthening the brand involves a full-scale advertising campaign.

To attract new customers (expand the customer base), it is recommended through the implementation of a customer loyalty policy, which includes measures to provide loans to customers, installment payments, bonuses for certain consumer groups, etc.

Increasing production capacity will also help in expanding production. The purchase of the missing equipment for the production of the traditional line of products, as well as new and modified products, is planned to be carried out at our own expense.

In order to start implementing a corporate social policy policy, which will also strengthen the company's brand, the company needs to:

- participate in events affecting acute problems of city residents (city subbotniks, eco-forums);
- interact with non-profit organizations and charitable foundations;
- use the influence of the company to promote a particular socially significant program, solving social problems.

To organize internships at the Italian company of the co-founder, which will help improve the skills of employees, the company will need:

- to negotiate with the Italian side;
- develop a project for internships.

The implementation of this initiative is carried out through: the introduction of a methodology for selecting personnel for participation in an internship, a description of the program, the creation of a reserve of funds for the participation of employees in this event.

### **3.3 Assistance During The War Period**

It is also important to mention the lengths to which the Hyatt Co. went for during the begging of the war in Ukraine. Putting aside the fact that Hyatt Regency Kyiv was the only international hotel that continued to operate after the attack on 24th of February, 2022;

Hyatt Regency Kyiv was graceful enough to keep paying their staff for the first two months after the war has started. This generous move was enough to make their colleagues feel cared for and supported by Hyatt Co.

Hyatt's top management created a system through which every colleague from Kyiv department can get transferred faster and with more ease to a Hyatt in another country. There are two ways a colleague can transfer to another Hyatt: one is a permanent transfer and the colleague has to quit their

job in Kyiv Regency, the other one is a temporary transfer when Kyiv Regency saves the working place of a colleague and they can return to their original working place whenever they want or after the war is over. This form of support provided with options to get to a safer location without having to worry about being financially restricted - a huge aspect that millions of people had to ponder about. Going further, the Hyatt Co. assisted transferring colleagues with a place to live as well as complimentary access to cafeteria.

During the hard beginning the hotel chose to shelter its guests in the underground parking lot, they converted the place to a bomb-shelter. Brought food and mattresses from the rooms to somehow make the space just a tad bit more comfortable. Right now everything is operating more or less the same as it was since Covid period.

Additionally, Hyatt Co. is donating their colleagues who have financial struggles and who cannot leave the country - be it for the reason of the military draft or if the person doesn't want to go anywhere besides Ukraine. If the person contacts the head office and explains to them the situation and how much they would need for basics (food, water, rent) the corporation reviews their requests and grants them the amount that they requested. There still yet has to come about an incident where they denied financial support to their colleagues.

## **CONCLUSION**

The purpose of the work was to develop an enterprise development strategy and a set of measures corresponding to it, aimed at strengthening the position of Hyatt Co.

In the first section of the graduation project, a comparative chronological analysis of the definitions of the concept of "enterprise development strategy" was carried out and the following trend was revealed: if earlier the strategy was perceived as a clear plan of action to achieve the set goals, then with the growth of uncertainty and unpredictability of the external environment, the strategy becomes less and less rigid framework. Various types of strategies were also considered and their brief characteristics were given.

Most definitions of sustainable development are based on the common values of freedom, equality, tolerance, respect for nature and responsibility. The concept of sustainable development was first introduced in the 1987

report Our Common Future. The term was defined as "development that meets present needs without compromising the ability of future generations to meet their own needs" and the integration of economic development, environmental protection and social equity. Strengthening, balancing and recognizing the interconnection of these three dimensions is the basis of sustainable development.

So, sustainable development of the enterprise should be understood as a response to emerging global risks and challenges. This is a new management philosophy, which provides a rethinking of the role of the enterprise in socio-economic development, a high level of responsibility in the economic, environmental and social spheres. The grouping of industrial enterprises by internal factors that determine the sustainable development of their activities allows to determine the impact of the most important factors, identify patterns and trends in economic development within a group to classify phenomena, processes, causes, changes and form an appropriate strategy.

The strategy of sustainable development of the enterprise is based on the process of managing investment and innovation activities by planning the required level of certain types of capital expenditures (investments), namely, expenditures on new machinery and equipment, existing buildings and structures, information technology and software, new buildings and structures. patents, licenses, trademarks and other intangible assets. Implementation of this strategy creates conditions for progressive development of resource potentials and reduction of production and commercial costs, and in combination with the use of identified reserves of available resources, allows to increase economic efficiency and sustainability of the entity, and thus ensure its sustainable economic development.

Thus, the process of implementing the strategy of resource potential development is aimed at identifying and using the reserves of available

resources, reducing the cost of products (goods, services) and improving the efficiency of the resource consumption process.

The formation of a management model for sustainable economic development of the hotel and restaurant business in strategic areas allows to reproduce it as a complex system in which elements of processes form subsystems that are in constant contact and interaction with many feedbacks. The presence of situational models of development, increases the resilience of the business entity to possible changes in the environment, allows you to quickly restructure the process of its operation and focus investment and innovation, production and administrative and marketing (operational) activities to implement sustainable development paths. Taking into account the adjustment, a consistent strategy development process was obtained, which includes one of the most important final stages - an assessment of the adequacy of the chosen strategy.

The second section examined the international hotel business company Hyatt Co. and its financial, economic and sustainable development.

With rapid globalization taking place all over the globe and Covid-19 spreading like wildfire across all countries, the hospitality industry is under scrutiny as the financial statements show degrading facts financially for Hyatt Hotels Corporation. There are three significant fiscal summaries. Analyzing and taking into consideration, the fact that the hotel industry is vital for every economy, this is not only what shows the financial investors where to invest in. In short, it shows budgeting summaries which help to evaluate an organization's value, while the board depends on inward monetary reports for trustworthy dynamics. Erroneous reports can lead the investors to settle on awful choices or make the Hyatt organization look less imperative than it is.

From the above Hyatt Hotel business analysis, it can be seen that there are various areas of issues that Hyatt might face from the external

environment, from industry and from its financial position. These issues obtained through Hyatt Hotel business analysis need to be overcome through strategic development for placing Hyatt as a competitively strong international brand.

- There is huge competitive pressure and rivalry from well-known brands like Hilton and Marriot.
- The market presence and number of rooms are very less compared to other known international hotels.
- There is huge threat from legal and environmental regulations of the economy.
- Hyatt lags behind financially over the years compared to international hotels.
- Huge pressure from customers that has the power to switch to any other hotels according to their choice.

The two strategic options under Hyatt Hotel business analysis that have been suggested will help Hyatt to expand their market efficiently and attract more customers easily. This is because acquisition of small hotels in a new market will help Hyatt to give an idea about the new market, its customers, suppliers and the ways to attract customers.

Moreover, revising a new sustainability strategy will help the hotel to be competitively strong along with positioning itself the most responsible hotel in the world.

As per the Hyatt Hotel business analysis, these two strategies will not only help Hyatt hotel to increase its market presence, however, it will also help solve other issues such as protect the hotel from legal pressure, increase customer base and improve it financially and competitively. Being sustainable is one of the most important strategies for hotel sector today to place itself as

a responsible brand and attract more customers. Thus, these two strategic options will help in solving all kinds of issues in different priority area.

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