

The Innovation Team's Leadership and New Service Value in China's Hospitality Industry

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ABSTRACT

The article highlights the importance of creative leadership and innovation in China's hotel industry. Clear goals, feedback, and growth opportunities foster a creative work environment. Services in hotels are highly valued, complementing creative leadership and innovation teams. Collaborative efforts between leadership and innovation teams result in enhanced guest experiences through improved services, technology adoption, and customer-centric practices. The hotel's commitment to continuous improvement and sustainability has garnered a loyal customer base and positive reputation. Recognizing employee talents is highlighted for productive outcomes in the hospitality sector. Lastly, the article suggests that staying attuned to market trends and investing in training programs are crucial for staying competitive and meeting evolving customer demands.

Keywords: The innovation team, Creative leadership, Service innovation, China's hospitality industry

INTRODUCTION

The COVID-19 pandemic hit China's hospitality industry hard, causing numerous closures initially. However, the sector is rebounding, witnessing a rise in occupancy rates. Managers face the challenge of addressing factors like workload, stress, and job satisfaction to boost employee productivity. Financial incentives and HR management play roles in motivating employees. Creating a positive work environment, offering growth opportunities, fair compensation, and effective communication are vital for employee satisfaction. Despite challenges, China's hospitality market remains resilient and poised for growth, driven by political stability, economic expansion, and a growing population. Domestic brands dominate, with outbound tourism expected to grow significantly. This study, focusing on Chengdu City's hospitality sector, aims to extract insights from top hotel executives, potentially benefiting the broader service industry by offering relevant recommendations and strategies for success..

The article focuses on teamwork, leadership, and work performance in China's hospitality industry. It emphasizes the link between motivation and success, urging managers to address internal factors like motivation, job satisfaction, and workplace environment. Chengdu City, a key economic center in western China, exemplifies diverse staff services and thrives on motivation and team building. The study explores how creative leadership, innovation teams, and service value impact the Chinese hospitality sector's performance. Creative leadership empowers teams to navigate complex situations, while service innovation

spans four areas: new, core, delivery, and supplementary services. The article underscores the significance of creative leadership, innovation teams, and training programs for fostering growth and innovation in the hospitality industry.

REVIEW OF LITERATURE

The article will focus on the point concepts of the innovation team's leadership and new service value in China's hospitality industry.

Concept of Creative Leadership

Leadership theories explain how individuals become leaders and emphasise qualities such as strong ethics, high moral standards, self-organisational abilities, and excellent communication skills. Recent studies have seen an increase in the formalisation of leadership theories, making them easier to understand and evaluate in practice. Leadership styles can be classified into classical methods, behavioural approaches, situational approaches, and alternative approaches (Sisman, 2014; Menemelis, Charalampos; Kark, Ronit; Epitropaki, Olga, January 2015; Yukl, G.A., 2002; Rowold, J., 2008). Community leadership, rooted in a specific location, can be categorised into three types: interpersonal, interpersonal, and community. Leadership classification systems provide contextually suitable models, and a theoretically derived conceptual model of community leadership can improve leadership education transfer. Behavioural leadership theories emphasise the actions of leaders, but they are flawed and may not predict effective leadership (Lamm, Carter, and Lamm, 2016). Contingency leadership focuses on the leader's environment and the impact of their success or failure on their organisation.

Leadership theories vary, suggesting leaders adapt to situations or possess innate traits. Participation involves engaging employees, while power theory concerns a leader's strength. Relationships matter for productivity. Development programs identify and cultivate leaders, crucial for startups. Experts have diverse skills and practical intelligence. Leadership development benefits companies financially and with talent retention. Challenges include fragmented approaches and skill transfer issues (DeRue & Myers, 2014; Moldoveanu & Das Narayandas, 2019). Creative leadership empowers teams in complex situations, fostering innovation, and relationships. Creativity is key in today's business landscape, opening diverse career paths. It helps struggling teams and businesses needing fresh perspectives. Essential skills include creativity, global thinking, and honesty (Sohmen, 2015; Moldoveanu & Das Narayandas, 2019).

Leaders drive success by organizing diverse teams around missions, fostering creativity, and prioritizing wellness. Embracing diversity unlocks varied perspectives, boosting creativity. Collaboration, communication, and shared purpose fuel team synergy. Mergers can enhance shareholder value. Creative leaders ignite innovation by acting passionately, envisioning better futures, and empowering teams. Managing innovation means adapting practices to contexts, fostering a fear-free environment, and encouraging constant

communication of a creative vision to unlock employee potential for cost-saving and innovation.

Based on the preceding study, it is possible to deduce that leadership theories emphasise ethics, moral standards, and communication skills. Leadership styles include classical, behavioural, situational, and alternative approaches. Creative leadership empowers teams, fosters innovation, and adapts to industry trends, ensuring company success in complex situations.

Innovation Team

Tuckman's Teamwork Theory is a widely recognised concept for creating effective teams, focusing on four stages: forming, rampaging, norming, performing, and disbanding. Understanding these stages is crucial for building high-performing business teams (Rita Damasceno, Isabel Dórdio Dimas, Paulo Renato Lourenço, Teresa Rebelo, and Marta Pereira Alves, 2021). A supportive work environment encourages emotional expression, fostering a sense of belonging and innovation. High-performance teams are characterised by individuals with a strong personal commitment to the growth and success of each other and the organisation (Pawirosumarto, Sarjana, and Gunawan, 2017; Smith and Bititc, 2017; Anastasios D. Diamantidis and Prodromos Chatzoglou, 2018).

Various studies have explored the relationship between emotional carrying capacity and group innovation in Portuguese work teams. Managers should initiate interaction, establish communication protocols, encourage attentive listening, develop confidence and collaboration, and achieve a transparent culture (Julia Martins, 2022; Anastasios D. Diamantidis and Prodromos Chatzoglou, 2018; Prayag et al., 2018; Islami, Mulolli, and Mustafa, 2018). A well-designed work environment, diverse employee recruitment, and effective performance management are essential for enhancing organisational performance (Pawirosumarto, Sarjana, and Gunawan, 2017; P.Eddy Sanusi Silitonga and Djoko Setyo Widodo, 2017; Rebecca Mazin, 2017).

Concept of service innovation value

Service innovation is crucial for modern businesses, involving new, core, service delivery, and supplementary approaches to improve operations, enhance customer experience, and enhance core job performance. (McKinsey Quarterly, 2015; Michel, S., 2020). Emerging service trends, driven by customer expectations, mobile internet, digital payments, and smart devices, have transformed service delivery, disrupting industries, reducing costs, and lowering entry barriers. (Scalco, D., 2017; Michel, S., 2020; McKinsey Quarterly, 2015).

Service innovation, crucial for business survival, aligns decisions with customer needs via the Customer Star framework. Emphasizing customer experience, data collection, and loyalty, it fosters creativity, transforms organizations, and boosts revenue. Technological innovation complements this by enhancing products, processes, and satisfaction, fostering

economic growth. Core values like accountability, authenticity, and good communication guide customer-facing teams, fostering loyalty. Modern businesses must align innovations with customer roles, prioritize employee growth, and adapt to emerging trends for improved operations and customer experiences.

Concepts related to Hospitality industry of China

The WHO reported COVID-19's global spread, causing widespread health issues and hotel closures. Since pandemics and epidemics have historically had an impact on the hospitality industry, recovery will take years. Various interventions aim to slow virus transmission. These interventions include widespread testing, contact tracing, and quarantine measures to identify and isolate infected individuals. Additionally, governments have implemented travel restrictions and social distancing guidelines to minimise the risk of transmission. Despite these efforts, the long-term effects on the hospitality industry remain uncertain as it grapples with reduced travel demand and heightened safety concerns among travellers (Haddow & Bullock, 2006).

The hotel industry has faced significant challenges in the past, including SARS, H1N1, mer, ebola, and zika. In December 2019, a severe pneumonia outbreak in Wuhan, China, led to the discovery of COVID-19, highlighting the need for global cooperation and strict measures by organisations like the UNDMT to control its spread (Jung et al., 2020; Pan et al., 2020). COVID-19, a global pandemic causing fever, cough, and respiratory symptoms, has led to over 5 million confirmed cases and 342,104 fatalities, largely due to respiratory droplets (Johns Hopkins University (JHU), 2020).

The hospitality industry is expected to experience a significant drop in 2020, with Europe experiencing the worst drop in hotel occupancy. The virus has affected revenue per available room (RevPAR) and occupancy rates, with the most expensive areas being the southern and western regions. In China, hotel occupancy rates have declined due to travel restrictions, but demand remains strong. The pandemic has resulted in irreparable losses and lessons for sustainable development, with significant adjustments to the industry's business model after the outbreak (Wu Hongye, 2020), as seen in the figure .

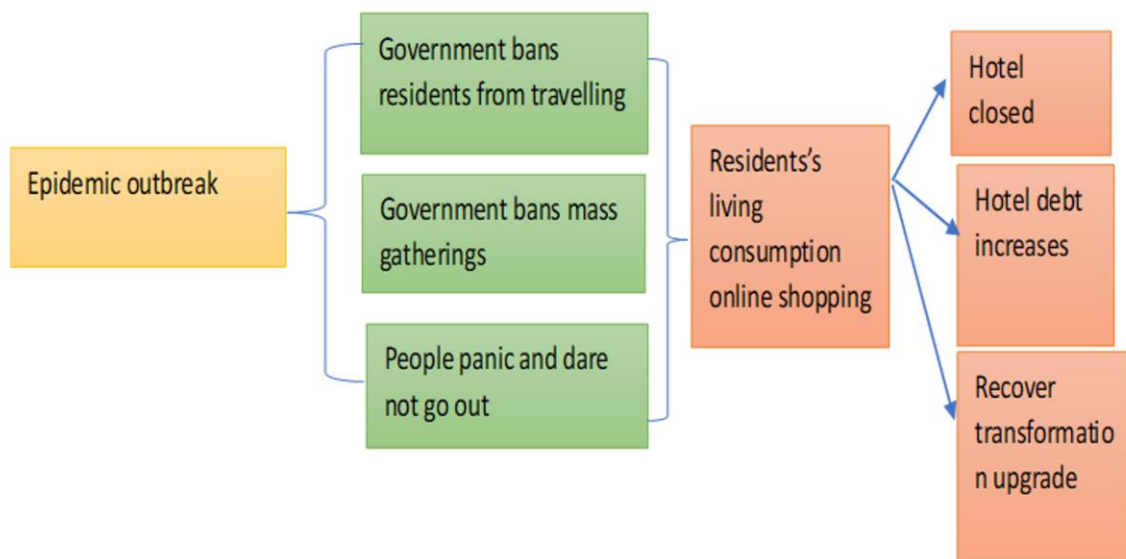


Figure 1 A logical model of the impact of the epidemic on traditional hospitality industry operations Sources: Wu Hongye (2020).

Hospitality industry of China's Sichuan province.

Sichuan, a UNESCO World Heritage Site, boasts a variety of attractions, including the Giant Buddha, Mount Emei, Dujiangyan Irrigation System, Huanglong Natural Scenic Area, and Jiuzhaigou Nature Reserve. China's city hotel industry is expanding due to social economy and tourism. Sichuan, a province known for its agricultural output and giant panda, is attracting investments in various industries. The minimum wage in Sichuan will increase to 2,100 yuan (\$330) in 2021. Chengdu, a major economic hub, attracts top multinational corporations and is

Chengdu, a vital economic hub in western China, draws domestic and foreign investment with its strong infrastructure and rich cultural appeal. Renowned for innovation and tech, it's a hotspot for startups. Sichuan Province, with its varied climate and heritage, also attracts investment, boasting attractions like Jiuzhaigou Valley and a thriving culinary scene. Emerging cities show promising potential for new industries..

Related research

In addition, Utin Nina Hermina and Sri Yanthy Yosepha (2019) investigated the employee performance model used at PT. Trakindo Utama Pontianak, as well as the influence of different leadership, incentive, and work discipline approaches. Data collected from 50 staff at PT Trakindo Utama Pontianak revealed that the company's leadership style, employee motivation, workplace discipline, and overall staff performance are generally excellent but require improvement. These factors have an impact on the efficacy of motivational and

leadership strategies. The company's chairman should adopt a transformative leadership style to create a positive work environment and recognise strong performers. According to Ching, Shian, Nien, and Huen (2016), outstanding employee performance is critical for a company's success. This paper explores the relationship between job autonomy, communication, intrinsic motivation, skill flexibility, and job satisfaction in a diverse work environment. It highlights the importance of these factors in motivating employees, promoting a culture of inclusivity, and fostering growth, creativity, and productivity. By understanding these factors, organisations can create a positive work environment.

Anastasios D. Diamantidis and Prodromos Chatzoglou (2018) The study examines the factors influencing Jordanian industrial workers' performance, focusing on firm- and environment-related factors, job-related factors, and employee-related factors. Interviews with 100 managers reveal that employee satisfaction, management standards, and training all impact worker performance. High management standards, ongoing training, and a positive work environment are key to increasing engagement and productivity. Rita Damasceno, Isabel Dórdio Dimas, Paulo Renato Lourenço, Teresa Rebelo, and Marta Pereira Alves (2021) investigated "Building Innovative Teams: The study explores the relationship between emotional carrying capacity and group innovation, with affective commitment acting as a moderating variable. It suggests that open emotional expression reinforces affective attachment, encouraging innovation and healthy team bonds.

Hamadi Nabil, Guembour Abderraouf, Raki Nadira (2017) studied “The impact of leadership on creativity and innovation”. This essay explores the role of leadership in influencing creativity and innovation management in organizations. It emphasizes the importance of strong internal management and fostering a culture that accepts change to achieve organizational goals. Dada Ab Rouf Bhat & Vivek Sharma (2021) studied “Dimensionality and consequences of service innovation: This study explores the impact of service innovation on market performance and employee productivity in the hospitality industry. Based on 400 hotel managers' perceptions, it confirms the multidimensionality of service innovation. The findings suggest investing in innovative services, including human capital, technology, and organization, to improve service innovation experiences. Robab Naghizadeh and Maryam Bayati Khatibi conducted research on "An Analysis of Tourist Satisfaction" (2020). The research uses the KANO model to evaluate visitor satisfaction with Ardabil County tourism services based on socioeconomic factors.

Hughes et al. (2018) reviewed 195 studies on leadership's impact on workplace creativity and innovation, emphasizing its significant role but noting the need for clearer definitions and understanding of key leader behaviors. Contextual factors like organizational culture and individual traits are vital. Meanwhile, Hongnuan and Leelapattana (2012) focused on developing a creative cultural tourism model in Chiang Mai, Thailand, but highlighted challenges—limited resources, weak leadership, and political instability—hindering the growth of creative tourism in the country.

Table 1 Summary of Research Results Related to conceptual Framework

Authors	Details
Michelle Bennett, 2021	To enhance team harmony, it's crucial to recognise individual strengths, foster a positive team culture, align with the team's vision, enhance personal abilities, and celebrate team achievements.
Julia Martins, 2022.	Managers should initiate interaction, establish communication protocols, encourage attentive listening, develop confidence and collaboration, and achieve a transparent culture to foster synergy.
Rebecca Mazin, 2017	Effective leadership enhances employee performance, productivity, and organisational goals by creating a positive work environment, fostering engagement, and inspiring employees to reach their full potential.
Alsolami et al., 2016; Samad, 2012; Samad et al., 2015; Vlok, 2012.	Innovative leaders are creative, curious, courageous, and committed, seeking original solutions, fostering collaboration, taking risks, and remaining dedicated to their vision and goals.
Dada Ab Rouf Bhat and Vivek Sharma (2021)	The study reveals that service innovation significantly impacts market performance and employee productivity in the hospitality industry, suggesting the need for investment in innovative services.
Hendry Hartono (2013)	The study explores the impact of creativity, leadership, and innovation on Indonesian competitive advantage, suggesting that prioritising these elements can lead to sustainable competitive advantage.
Hamadi Nabil, Guembour Abderraouf, Raki Nadira (2017)	The study highlights the crucial role of leadership in fostering creativity and innovation within organisations, emphasising the need for strong internal management and flexible structures.

CONCLUSION

The article emphasizes how creative leadership, team innovation, and service innovation boost work performance. Specifically, it focuses on their impact on the Chinese hospitality industry. These elements create a supportive environment where service value enhances the effects of creative leadership and innovation teams. In hotel development, creative leadership encourages resident participation, while courageous leadership prioritizes quality, accessibility, talent, and networks. Innovation teams collaborate for customer-centric

solutions. The hotel strengthens its online presence, connects with local attractions, diversifies activities, and encourages cross-departmental cooperation. Transparent practices in staff roles improve cohesion and customer service. Regular guest feedback guides continual improvements for an enhanced guest experience..

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