


**MODEL OF THE STATE POLICY FOR THE DEVELOPMENT OF HOSPITALITY  
INDUSTRY ENTERPRISES IN CRISIS SITUATIONS AND MILITARY OPERATIONS**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 10 March 2023</p> <p><b>Accepted</b> 06 June 2023</p>	<p><b>Purpose:</b> to develop an effective model of management of the hospitality industry at the level of the state management system to ensure the effectiveness of the industry and its impact on improving the socio-economic indicators of the state's development in the context of crisis phenomena.</p>
<p><b>Keywords:</b></p> <p>Hospitality Industry; Public Administration; Evaluation of Management System Effectiveness; Matrix of Evaluation of the Effectiveness of Financial and Economic Indicators; Crisis Phenomena.</p>	<p><b>Theoretical framework:</b> The hospitality industry is an important factor in the development of the country's economy. The hotel business occupies one of the leading positions in the share of the country's GDP, which develops the social component and tourism. The hospitality industry is highly profitable, therefore, it ensures the development of open markets through the formation of competition. The high competitiveness of the industry is determined by the high quality of service provision. In terms of the multifunctional importance of the hospitality industry in the economic system, the article examines the conceptual foundations of building a model of state management of the hospitality industry.</p>
	<p><b>Design/methodology/approach:</b> An analysis of trends and trends in the development of the hospitality industry was carried out, and it was determined that after the end of the pandemic, the global hospitality industry will have a significant increase in the main financial and economic indicators, which is explained by delayed demand.</p>
	<p><b>Findings:</b> Some aspects of the development of the hospitality industry in the conditions of full-scale military aggression of the Russian Federation against Ukraine are considered. A set of financial and economic indicators was determined, based on the accumulation of which a management model was developed.</p>
	<p><b>Research, Practical &amp; Social implications:</b> On the basis of the developed management system of the hospitality industry at the state level, an organizational model of management was developed, which represents a set of relations and relationships between the public, private sector, and the population.</p>
	<p><b>Originality/value:</b> On the basis of the analysis, practical mechanisms for introducing the management model into the practical activities of the hospitality industry were</p>

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developed and proposed in order to improve the results of hotel enterprises and the industry as a whole, adapted to the challenges of crises and the consequences of military aggression.

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## MODELO DE POLÍTICA ESTADUAL PARA O DESENVOLVIMENTO DE EMPRESAS DO SETOR DE HOSPITALIDADE EM SITUAÇÕES DE CRISE E OPERAÇÕES MILITARES

### RESUMO

**Objetivo:** desenvolver um modelo eficaz de gestão do setor de hospitalidade no nível do sistema de gestão estadual para garantir a eficácia do setor e seu impacto na melhoria dos indicadores socioeconômicos do desenvolvimento do estado no contexto de fenômenos de crise.

**Estrutura teórica:** O setor de hospitalidade é um fator importante no desenvolvimento da economia do país. A hotelaria ocupa uma das posições de liderança na participação do PIB do país, o que desenvolve o componente social e o turismo. O setor de hospitalidade é altamente lucrativo e, portanto, garante o desenvolvimento de mercados abertos por meio da formação de concorrência. A alta competitividade do setor é determinada pela alta qualidade da prestação de serviços. Em termos da importância multifuncional do setor de hospitalidade no sistema econômico, o artigo examina os fundamentos conceituais da construção de um modelo de gestão estatal do setor de hospitalidade.

**Projeto/metodologia/abordagem:** Foi realizada uma análise de tendências e tendências no desenvolvimento do setor de hospitalidade, e foi determinado que, após o fim da pandemia, o setor de hospitalidade global terá um aumento significativo nos principais indicadores financeiros e econômicos, o que é explicado pela demanda atrasada.

**Conclusões:** São considerados alguns aspectos do desenvolvimento do setor de hospitalidade nas condições de agressão militar em grande escala da Federação Russa contra a Ucrânia. Foi determinado um conjunto de indicadores financeiros e econômicos, com base no acúmulo dos quais foi desenvolvido um modelo de gerenciamento.

**Implicações sociais, práticas e de pesquisa:** Com base no sistema de gerenciamento desenvolvido do setor de hospitalidade em nível estadual, foi desenvolvido um modelo organizacional de gerenciamento, que representa um conjunto de relações e relacionamentos entre o setor público, o setor privado e a população.

**Originalidade/valor:** Com base na análise, foram desenvolvidos e propostos mecanismos práticos para a introdução do modelo de gestão nas atividades práticas do setor hoteleiro, a fim de melhorar os resultados das empresas hoteleiras e do setor como um todo, adaptados aos desafios das crises e às consequências da agressão militar.

**Palavras-chave:** Setor Hoteleiro, Administração Pública, Avaliação da Eficácia do Sistema de Gestão, Matriz de Avaliação da Eficácia dos Indicadores Financeiros e Econômicos, Fenômenos de Crise.

## MODELO DE POLÍTICA ESTATAL PARA EL DESARROLLO DE EMPRESAS DEL SECTOR DE LA HOSTELERÍA EN SITUACIONES DE CRISIS Y OPERACIONES MILITARES

### RESUMEN

**Objetivo:** desarrollar un modelo de gestión eficaz del sector de la hostelería a nivel del sistema de gestión estatal para garantizar la eficacia del sector y su impacto en la mejora de los indicadores socioeconómicos del desarrollo estatal en el contexto de fenómenos de crisis.

**Marco teórico:** El sector de la hostelería es un factor importante en el desarrollo de la economía del país. La hostelería ocupa una de las primeras posiciones en la cuota del PIB del país, que desarrolla el componente social y el turismo. El sector de la hostelería es muy rentable y, por lo tanto, garantiza el desarrollo de mercados abiertos mediante la formación de competencia. La elevada competitividad del sector viene determinada por la alta calidad de la prestación de servicios. Teniendo en cuenta la importancia multifuncional del sector de la hostelería en el sistema económico, el artículo examina los fundamentos conceptuales de la construcción de un modelo de gestión estatal del sector de la hostelería.

**Diseño/metodología/enfoque:** Se llevó a cabo un análisis de tendencias y tendencias en el desarrollo del sector de la hostelería y se determinó que, tras el fin de la pandemia, el sector mundial de la hostelería tendrá un aumento significativo de los indicadores financieros y económicos clave, lo que se explica por el retraso de la demanda.

**Conclusiones:** Se consideran algunos aspectos del desarrollo del sector de la hostelería en las condiciones de la agresión militar a gran escala de la Federación Rusa contra Ucrania. Se determinó un conjunto de indicadores financieros y económicos, a partir de cuya acumulación se elaboró un modelo de gestión.

**Implicaciones sociales, prácticas y de investigación:** A partir del sistema de gestión desarrollado del sector hostelero a nivel estatal, se elaboró un modelo organizativo de gestión que representa un conjunto de relaciones y relaciones entre el sector público, el sector privado y la población.

**Originalidad/valor:** A partir del análisis, se desarrollaron y propusieron mecanismos prácticos para la introducción del modelo de gestión en las actividades prácticas del sector hotelero, con el fin de mejorar los resultados de las empresas hoteleras y del sector en su conjunto, adaptados a los retos de las crisis y a las consecuencias de las agresiones militares.

**Palabras clave:** Sector Hotelero, Administración Pública, Evaluación de la Eficacia del Sistema de Gestión, Matriz de Evaluación de la Eficacia de los Indicadores Financieros y Económicos, Fenómenos de Crisis.

## INTRODUCTION

The hospitality industry is a multiplier industry because it directly impacts the development of other economic sectors: construction, transport, food industry, tourism, trade, and others. The industry has an important social importance, it ensures the positioning of the state in the international arena by ensuring the infrastructural development of the tourism industry, accordingly, the exchange of cultural, ethnographic, historical, and architectural values of peoples, the presentation of the country on the international arena, the formation of its image and brand. As one of the most developed sectors of the economy in terms of financial and economic results, the hospitality industry provides a large number of jobs for the working population, and accordingly forms social values. Therefore, the wide range of functions performed by the hospitality industry determines the relevance and practical importance of developing mechanisms for effective state management of the hospitality industry. The hospitality industry suffered heavy losses during the pandemic. UNWTO notes that in 2020, the number of tourists decreased by almost a third, which significantly affected the income and occupancy level of hotel establishments. The biggest losses were incurred by hotel companies located in countries with the strictest quarantine restrictions. At the macroeconomic level, industry losses account for 45-90% of revenues (depending on the country of location and the risk management system developed by the country, in particular, the fight against the pandemic). Over 30% of hospitality establishments have closed during the pandemic, threatening the loss of jobs for over 50 million people worldwide, which could cause a humanitarian and social crisis. Another challenge of the external environment for the hospitality industry was the full-scale military aggression of the Russian Federation against Ukraine. As a result of military aggression, the largest migration crisis since the Second World War has been observed, in particular, more than 8 million people have become refugees, the number of

forcibly displaced persons is significant, which determines the potential for the development of the hotel industry in individual regions. Regions, where there are no active hostilities, receive a large number of forcibly displaced persons, accordingly, the hotel industry shows high occupancy rates, regions where active hostilities and front-line territories completely or partially suspend the activities of hotel enterprises.

Taking into account the specific characteristics of the tourism industry, in particular the significant influence of external factors on the development of the industry, it is appropriate to define these specific characteristics as requests for building an effective model of state management in the field of hospitality in the context of crisis phenomena. It is appropriate to determine the specifics of such management since the hospitality industry has a high degree of commercialization. Taking into account the relevance of the research topic and its practical significance, the goal and tasks for the research were defined.

The purpose of the article. Therefore, taking into account the relevance and practical significance of the issue, the article sets a goal: to develop an effective model of management of the hospitality industry at the level of the state management system to ensure the effectiveness of the industry and its impact on improving the socio-economic indicators of the state's development in the context of crisis phenomena.

To achieve the goal of the study, the following tasks were performed:

- an analysis of methodical approaches to determining the peculiarities of management in the field of hotel industry in crisis periods was carried out,
- the specifics of the hotel industry as an element of the economic system of the state and an element of the open competitive market were analyzed,
- trends in the development of the hospitality industry and crisis processes affecting its development are determined,
- based on the analysis of the statistical data of hotel enterprises during the pandemic and full-scale military invasion, a projection of the development trend of the main financial and economic indicators of the hospitality industry was developed,
- a set of resulting factors influencing the financial and economic performance of hospitality industry enterprises in crisis conditions was developed,
- a matrix for evaluating the effectiveness of financial and economic indicators of the hospitality industry in crisis conditions was developed,

- an organizational model of state management of the hospitality industry in the period of crisis is proposed, which represents a set of relations and relationships between the public, private sector, and the population,
- the practical mechanisms of implementing the management model into the practical activities of the hospitality industry in the period after the end of the pandemic and a full-scale military invasion have been determined.

## LITERATURE REVIEW

In the context of the pandemic and the beginning of quarantine restrictions, which countries have begun to introduce to reduce the number of social contacts and limit the ways of spreading the disease, new challenges have appeared for businesses. First of all, those sectors of the economy that cannot provide services remotely and are related to social contact suffered losses from quarantine restrictions. Such industries include, in particular, the industry of tourism and hospitality. Since tourists are the largest part of consumers of hotel services, as a result of the closing of borders and a significant limitation (by more than a third) of the volume of international travel, the market of tourist services suffered financial losses, accordingly, this was reflected in the market of hotel services. A number of authors in their studies, which are devoted to the problems of the development of the hospitality industry, determined that the market for the provision of accommodation services significantly depends on external factors. Crisis phenomena in the economy, social security, socio-political life, environmental and man-made challenges lead to a significant reduction in the financial and economic results of the activities of hotel enterprises both at the local level and at the international level, in the event that the crisis phenomena are of a global nature. The influence of external factors on the development of the hospitality industry was identified as one of the priority elements of building an effective hotel management system through the implementation of public management mechanisms to create conditions for ensuring the ability to overcome crisis phenomena by the maximally effective realization of the potential of hospitality industry enterprises (Donbak, E.R., Kirpik, G. and Valeri, M. 2022).

The reactions of chain hotels to the crisis caused by COVID-19 were studied. As you know, chain hotels have higher solvency and a more effective financial risk management system. Accordingly, these hotel chains create development funds, provision of amortization costs, and financial activities support in crisis conditions. The analysis of the activities of the world's largest hotel chains during the period March–April and July–September 2020 made it



possible to determine the areas of crisis management, including reservation systems, intermediary business, suppliers and employees, business reputation, crisis communications, and work with stakeholders. In each direction, the study offers specific management mechanisms that allow for overcoming crisis phenomena and determining prospects for further strategic development. In particular, it is proposed to automate reservation systems through the use of digital technologies and liberalize the policy of confirmation and cancellation of reservations, which may lead to operational risks, but will ensure increased profitability of operations in the long term by preserving reputation. Business reputation is the basis of overcoming risks, which became clear, especially in the first period of the formation of quarantine restrictions. Cooperation with suppliers and employees, on the contrary, requires strengthening regulatory mechanisms to ensure the sustainability of business processes, taking into account deadlines and possible problems with supply. The way out of such a crisis situation is to increase the terms of ordering and waiting to minimize supply risks. To ensure the work of employees, it is necessary to determine the priority of corporate social responsibility, which consists in protecting from risks not only visitors of accommodation facilities but also the staff. Working with stakeholders determines the expansion of the range of stakeholders to ensure risk management processes by diversifying the processes of supply, management, quality assurance, etc. Summarizing certain aspects of managing the development of the hospitality industry in crisis conditions, it is determined that the communication system plays an important role, including at the level of the public and private sectors. Successful response strategies must be considered when developing preparedness measures for future crises. Participants in the hospitality industry can adopt a situational crisis communication approach as an effective cost-cutting strategy (Atasoy, B., Türkay, O. and Şengül, S. 2022, Akshita Tiwari, Singh, M., & Dahiya, A. 2023).

Therefore, an important element of management of the hospitality industry is the adaptation of business models to management in periods of crises and global challenges. The development of methods for adapting the business model during severe crisis situations allows us to determine that the hotels that participated in the study adapted their business models, reducing costs due to the termination of non-essential operations, increasing revenue from rooms, and adding new revenue channels, attracting cash from pre-booking, securing financial support from creditors, attracting state support. Therefore, it is important to note that the basis of the formation of business models for the management of enterprises in the hospitality industry is the determination of ways to increase the profitability of their activities in crisis

conditions and the analysis of the mechanisms of state targeted business support and further cooperation with the determination of strategic directions of social and economic support (Chanyasak, T., Koseoglu, M.A., King, B. and Aladag, O.F. 2022)

In the conditions of crisis phenomena, it is important to ensure the preservation of the reputation and the formation of the brand. The formation of the brand of a hotel enterprise or an entire sector of the country's economy can occur due to the use of effective marketing communications. In a crisis, effective marketing communications must meet the following requirements:

- preservation of the institution's reputation with minimal financial losses,
- the creation of a flexible system of communication with customers, a marketing system focused on the needs and requests of customers,
- determination of effective mechanisms for the promotion of the hotel establishment, and brand development through the formation of social and corporate responsibility both in the processes of developing and bringing the product to the market in the field of accommodation and by positioning the quality characteristics of this product in the market for the provision of hotel services,
- formation of the brand of the territory as a tourist center in cooperation with public authorities and the private sector (tourism, hotel and restaurant industry, recreation, etc.),
- implementation of digital approaches to the formation of marketing strategies for the purpose of risk management and business scaling.

The development of the brand of the territory is aimed both at the implementation of state requests (social security, economic development) and at ensuring the development of the private sector (increasing demand, profits, increasing profitability) (Olena Dymchenko, Olena Uhodnikova, Olga Oliinyk, Sofiia Kravtsova 2021, Batchenko, L., Honchar, L., Poplavska, A., Rusavska, V., Holubets, I., & Kovalenko, V. 2023).

Analyzing the hospitality industry and the state management system of the industry, it is expedient to determine that the economic efficiency of the business is based on the enterprise. Therefore, the analysis of the influence of external factors on the activity of a separate economic entity allows to determine the prospects for the development of a separate business and the industry as a whole. The business research was conducted on the basis of the analysis of expert opinions by conducting a questionnaire survey, which made it possible to develop a hybrid business model for ensuring financial stability and reducing costs by developing

methodological approaches to attracting new customers, improving the use of assets through the use of innovative technologies (Darras Barquissau, N., Pett, T.L. and Fontan Sers, C. 2023).

The next stage of the analysis, which is used in the study, is the determination of the level of a separate industry in the system of the national economy. It is appropriate to analyze the experience of the world's leading tourist countries the development of the hospitality sector in Turkey was chosen for analysis. The industry management model is based on increasing the financial, managerial, and technological efficiency of the enterprise as an element of the industry (Günaydın, Y., Correia, A. and Kozak, M. 2022).

Hotel chains in the public management system are also considered. It was determined that anti-crisis management in the hotel business can be built through the cooperation of the public and private sectors, at the level of top management and owners of large hotel chains. Corporate management of the financial and social components of the business is analyzed. It was determined that in the system of public-private cooperation with the hotel business, it is advisable to distinguish three directions of orientation: orientation on the client, orientation on competitors, and cross-functional coordination. The general result shows interesting discoveries of the mediating role of stakeholders in the organization of management processes in the hotel industry. It was found that corporate governance can lead to the improvement of financial indicators of a business, in particular, indicators of profitability, and indicators of public-private cooperation: a share in the country's BBB, tax burden, and the ability to provide jobs to the working population (Kazemian, S., Djajadikerta, H.G., Trireksani, T., Mohd-Sanusi, Z. and Alam, M.M. 2022).

Based on systematic reviews of the literature, aimed at finding effective models of hotel business management at the level of implementation of public management mechanisms, forecasts are determined for the future understanding of the strategic directions of the development of the hospitality sector in business ecosystems. The concept of "smart hospitality" is introduced, which introduces revolutionary innovations that affect the entire hospitality ecosystem, which is connected with the creation of flexible business ecosystems in network directions: customer orientation, personalization, individualization, providing blocks of opportunities for the joint creation of value for all stakeholders in the hospitality ecosystem (Buhalis, D., O'Connor, P. and Leung, R. 2023).

Analyzing the models of public management in the hospitality industry developed by the authors, the following requests for the construction of an innovative model were determined



(Syed, F.U., Donvito, R. and Aiello, G. 2023; Hall, C.M., Safonov, A. and Naderi Koupaei, S. 2023; Szromek, A.R., Puciato, D., Markiewicz-Patkowska, J.I. and Colmekcioglu, N. 2023):

- focus on strategic development guidelines,
- formation of a flexible management system,
- determination of the social role of the hospitality industry in ensuring the economic and social development of the country,
- considering the influence of external factors on the development of the hospitality industry,
- implementation of crisis management processes,
- development of organizational management mechanisms at the level of central and local bodies of executive and legislative power, local self-government bodies, the public,
- determination of trends in the development of the hospitality industry in order to form requests for the construction of a model of state management of the hotel business.

The issue of the development of the hospitality industry in the conditions of a full-scale military invasion of the Russian Federation in Ukraine is not sufficiently considered in scientific periodicals, therefore the article will reflect the trends of the development of the industry in the conditions of the influence of the factors of the consequences of aggression.

## METHOD

The article analyzes methodical approaches and recommendations for building effective hospitality industry management systems at the state level in crisis conditions. Various models were proposed, their comparative analysis was carried out and certain elements of the models were identified, which can be used in the research to build an effective model of public administration in the field of hospitality. By accumulating and selecting relevant statistical data, trends in the development of the hospitality industry were determined, in particular under the influence of the pandemic and full-scale military aggression, influencing factors, and a projection of the trend line was developed by automatic calculation in the MC Excel software when constructing diagrams. Analysis of trends made it possible to accumulate a set of influencing factors on the processes of development of the hospitality industry in crisis conditions. By using the methods of synthesis and induction, the factors of the financial and economic performance of the hospitality industry were structured, based on which a matrix of the projection of the resulting factors of influence on the financial and economic performance

of enterprises of the hospitality industry in crisis conditions was developed. Based on the analysis conducted using modeling methods, a financial, economic, and organizational management model of the hospitality industry was developed at the level of the state management system in the conditions of crises and external challenges and threats.

## RESULTS

The conducted analysis of the specifics of the hospitality industry made it possible to determine the following specific characteristics:

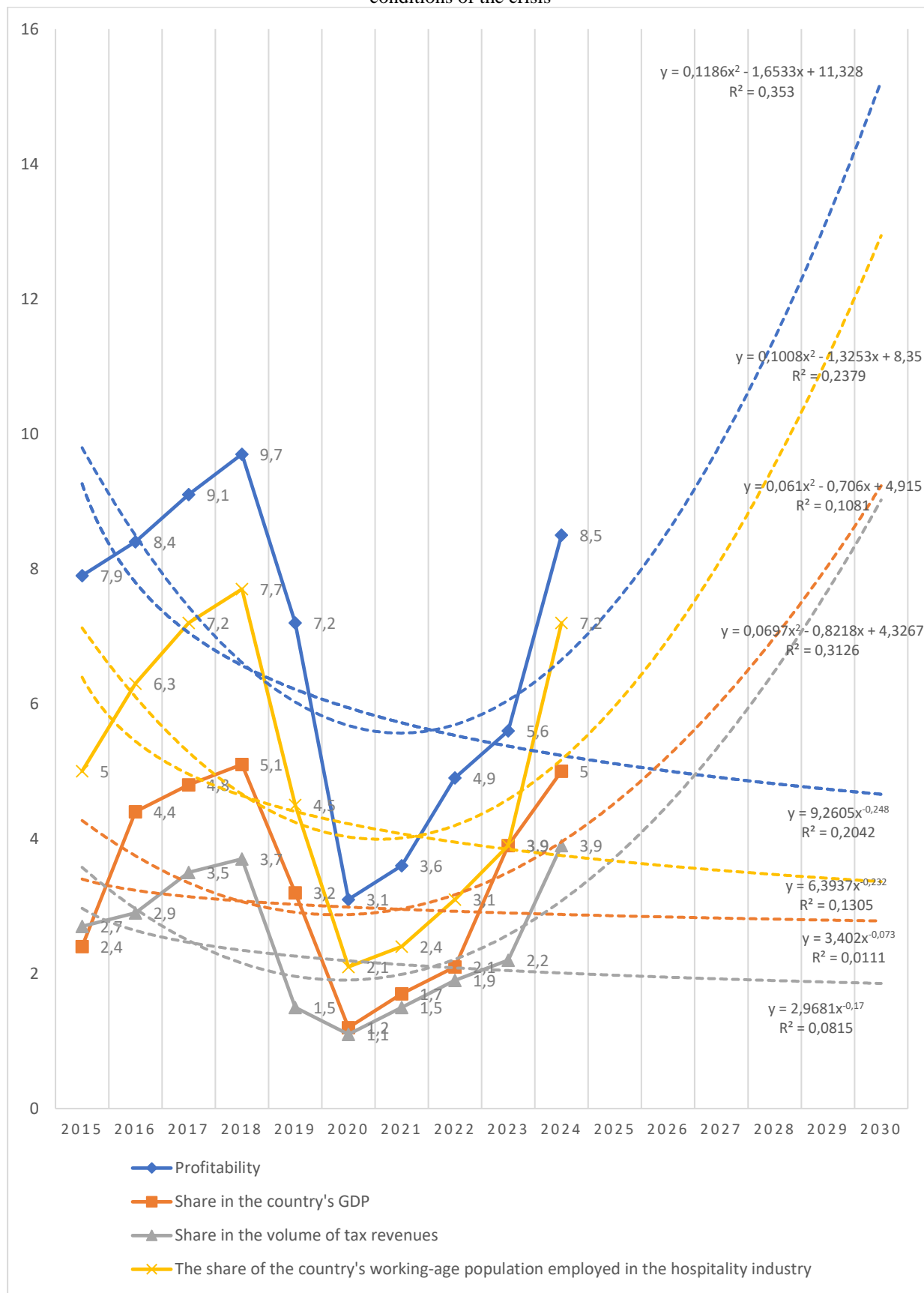
- the hospitality industry, which belongs to the service sector, has all the specific characteristics inherent to a service: immateriality, the impossibility of preservation over time, inseparable from the place of service provision, the latter significantly limits the opportunities for the development of the industry in a remote format, which is effective, especially in the conditions of a pandemic and external challenges, however, it is expedient for the hospitality industry to develop other approaches to managing the risks of external negative factors,
- the field of hospitality is closely related to the provision of tourist services; tourists have the largest share of users of hotel establishments. Accordingly, it is advisable to determine the impact of the seasonality factor on the development of the hotel business, which has a decisive role in the development of the tourism sector.
- the industry has a high degree of commercialization due to low market entry barriers and public requests for accommodation services. Therefore, the formation of state policy in the field of the development of the hospitality industry must consider the factors of private ownership, entrepreneurial activity, business processes, etc., and create conditions for ensuring the effective implementation of entrepreneurial potential with the achievement of both the commercial goals of the enterprise itself and the public and social goals of the state,
- as shown by the results of the analysis of trends in the development of entrepreneurship the hospitality industry, the hotel industry is significantly dependent on the factors of the external environment, which increases risks and creates the need to create conditions for overcoming the consequences of external influences,
- significant impact on the hospitality industry and governance processes at the state level brought challenges of full-scale military aggression associated with the largest migration crisis since World War II.

The study considers the specific characteristics of the hospitality industry as requests for the construction of an effective model of state management of the hotel industry, taking into account the consequences of crisis phenomena.

The study analyzed trends in the development of the hospitality industry:

- the hotel industry has high indicators of profitability and profitability under the condition of stability of the external environment,
- before the start of the coronavirus pandemic, the hospitality industry was actively developing, the number of flows and loading of hotel establishments at the macroeconomic level increased,
- crisis phenomena were observed in some regions, which were formed by external factors: terrorist threat, political or military conflicts, restrictions on the entry of tourists, pandemics, local socio-political or socio-economic problems,
- the geography of the development of the hospitality industry was significantly transformed due to the beginning of the full-scale military aggression of the Russian Federation against Ukraine, in particular, the movement of refugee flows and the search for shelter determined the high degree of occupancy of hotels establishments in EU countries, especially those bordering Ukraine, the growth in demand for accommodation establishments in the West and Central regions of Ukraine, in turn, accommodation facilities in areas where active hostilities are taking place and front-line areas are characterized by the closure or reduction in the provision of accommodation services,

Figure 1. The trend line of the development of the performance indicators of the hospitality industry in the conditions of the crisis



Resource: developed by the author based on the analysis of statistical data (International Hotel & Restaurant Association) and the calculation of the trend line

- the beginning of the pandemic determined the need for the formation of an external risk management system since the hospitality industry suffered large losses and became the fourth sector of the economy in terms of losses (after the air travel, tourism, and restaurant industries),
- in the future, we can talk about increasing the pre-quarantine indicators of financial and economic activity by accommodation service providers in connection with the development of delayed demand after the lifting of quarantine restrictions and the completion of the full-scale military invasion of the Russian Federation in Ukraine with the creation of a new security architecture.

Based on the analysis of statistical data, a projection of the development trend of the main financial and economic indicators of the hospitality industry in the conditions of crisis phenomena was developed (Figure 1).

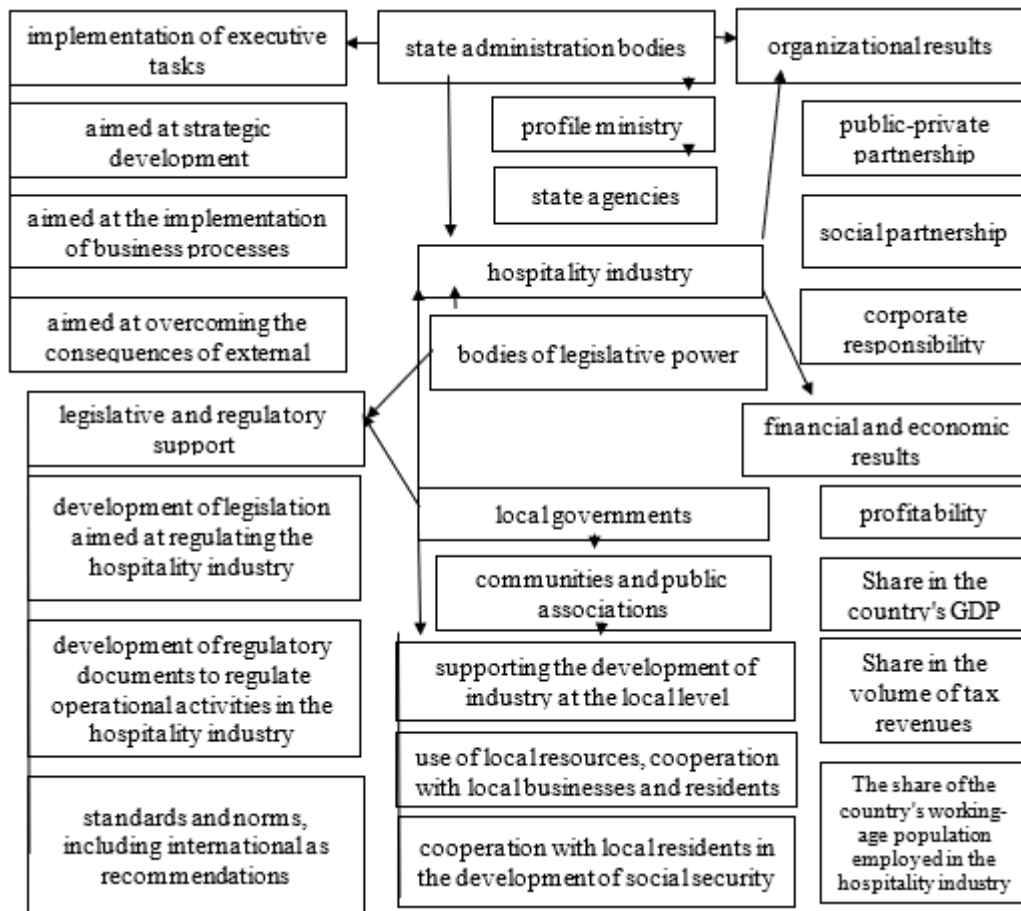
The trend line determines that by 2030 the hospitality industry will restore pre-quarantine performance indicators of financial and economic activity. The trend line is built according to two scenarios - positive and optimal. The positive scenario assumes the absence of negative external factors (the end of the pandemic and the full-scale military invasion of the Russian Federation) that will affect the development of the hospitality industry until 2030, the optimal scenario determines the behavior of indicators in the presence of negative external factors or barriers to the development of the industry (partial consequences of the pandemic and a full-scale military invasion).

As a result, a matrix of the projection of the resulting factors of influence on the financial and economic performance of enterprises of the hospitality industry in crisis conditions was developed (Table 1).

Table 1. Matrix of the projection of the resulting factors of influence on the financial and economic performance of the enterprises of the hospitality industry in crisis conditions

<b>Indicators</b>	<b>A positive scenario at the beginning of the period</b>	<b>A positive scenario at the end of the period</b>	<b>Optimal scenario at the beginning of the period</b>	<b>Optimal scenario at the end of the period</b>	<b>Parameter</b>
Profitability	6,1	14,5	4,5	5,5	4,5-14,5
Share in the country's GDP	4,9	12,7	3,7	3,9	3,7-12,7
Share in the volume of tax revenues	3,9	8,7	2,8	2,9	2,8-8,7
The share of the country's working-age population employed in the hospitality industry	3,9	8,1	1,9	2,2	1,9-8,1

Figure 2. Model of state management of the hospitality industry in crisis conditions



Resource: developed by the author

The matrix for evaluating the effectiveness of the financial and economic indicators of the hospitality industry allows determining for each indicator the inclusion of the evaluation results in the developed parameters, accordingly, to determine the positive and optimal scenario of the development of the hospitality industry at the level of state administration in crisis conditions.

To apply the developed matrix, it is advisable to determine the financial, economic, and organizational model of state management of the hospitality industry in crisis conditions, which is schematically presented in Figure. 2.

As a result of the development of the model of state management of the hospitality industry in crisis conditions, the practical mechanisms of implementing the management model into the practical activities of the hospitality industry were determined:

- development of effective risk management mechanisms of the hospitality industry,



- implementation of public-private partnership projects to increase profitability and attract business entities to increase the country's GDP,
- providing state support to the industry by creating conditions for adaptation and prompt overcoming of crisis phenomena,
- ensuring regulatory and legislative regulation of the processes of development of the hospitality industry by creating conditions for the activation of entrepreneurial activity, which will increase the number of tax revenues and attract residents to work in the hospitality industry,
- formation of a local ecosystem of business support by forming the loyalty of the local population and supporting business structures, which will ensure social and corporate responsibility as the main requirement for the formation of loyalty of residents.

## DISCUSSION

As a result of the analysis, it was determined that the specific characteristics of the hospitality industry, which have a direct impact on the implementation of public administration functions, are a high degree of commercialization, a seasonality factor, the impossibility of preserving the service over time and intangibility, inseparability from the place of service provision, a high degree of dependence on external factors. Considering this specificity, the following indicators were determined, characterizing the effectiveness of the financial and economic activity of the hospitality industry in crisis conditions:

- general profitability indicators,
- Share in the country's GDP,
- Share in the volume of tax revenues,
- The share of the country's working-age population employed in the hospitality industry.

Based on the conducted research, a model of anti-crisis management was developed, which includes a financial, economic, and organizational component. Selected performance indicators were added to the financial and economic elements of the model, and the organizational component was highlighted by highlighting the functions and responsibilities of all categories of stakeholders of the organizational model of public administration in the field of hospitality. Among the elements of the anti-crisis model are highlighted:

- bodies of executive power, which may be represented by relevant ministries or state agencies,
- local governments,
- bodies of legislative power,
- residents and local public associations,
- enterprises of the tourism industry united in one branch of the national economy.

The management model developed because of research is aimed at practical implementation at the level of state management systems, aimed at ensuring the effectiveness of the management system and the effectiveness of financial and economic indicators of the hospitality industry in crisis conditions. Determining the degree of influence of certain management tools on the hospitality industry is debatable. However, mathematical substantiation and modeling of the effectiveness of management processes will be the subject of further scientific research.

## CONCLUSION

As a result of the conducted research, it was determined that the specifics of the hospitality industry have a direct impact on the processes of public administration in crisis conditions. In the conditions of an open market, competition, and a high degree of commercialization of the industry, it is expedient to develop management mechanisms at the state level from the point of view of mechanisms for creating opportunities for more efficient business management in the field of hospitality. The goal of this article was to develop an effective management model of the hospitality industry at the level of the state management system to ensure the efficiency of the industry and its impact on improving the socio-economic indicators of the state's development in the context of crisis phenomena. To achieve this goal, a number of tasks were solved, such as the analysis of methodological approaches to determining the peculiarities of management of the hotel industry in times of crisis, the specifics of the hotel industry as an element of the state economic system and an element of the open competitive market were analyzed, trends in the development of the hospitality industry and crisis processes were determined, which affect its development.

In addition, an organizational model of state management of the hospitality industry in the period of crisis was proposed, which consists of relations between the state, private sector and the population. The model envisages the creation of a coordinating body that would provide informational, organizational and methodical support for the activities of all participants in the

hospitality industry in crisis conditions. In addition, it is proposed to implement an active state policy to support hotel and restaurant businesses that are in difficult economic conditions.

For the successful implementation of the management model in the hospitality industry, it is necessary to attract qualified specialists who have high expertise in the field of management and understand the specifics of the functioning of the hotel and restaurant business. In addition, it is necessary to create favorable conditions for the development of the industry, in particular, reduce the tax burden, simplify procedures for registration and obtaining permits for opening new enterprises.

Thus, the development of an effective management model of the hospitality industry at the level of the state management system is an urgent task in the context of crisis phenomena. This model envisages the creation of a coordinating body, the implementation of state policy to support the hotel and restaurant business, as well as the involvement of qualified specialists. The implementation of this model will contribute to the improvement of the efficiency of the industry and its impact on the socio-economic development of the state.

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