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SUBSTANTIATION OF DEA-METHOD ASSESSING THE EFFICIENCY OF HOTEL BUSINESS

Summary

Increase in tourist flows in the world indicates the potential of this type of business. The growth in hotel profitability is directly dependent on the efficiency of hotel operations. Therefore, in the first place comes the problem of improving the methodology of evaluating the efficiency of the hotel business, updating it to modern requirements.

The research is considering of economic aspects of the hotel efficiency performance evaluation system.

Efficiency evaluation is based on parametric (econometric models), nonparametric (linear programming methods, such as the DEA method), and classical approaches (financial indicators studies) to effectiveness analysis. The research is based on a substantiation of the DEA method for evaluating hotel efficiency. The essence of the DEA method is to compare the actual performance indicator (products / resources) with the maximum possible output of the product in the given amount of resources. The peculiarity of this method is that it allows to evaluate the relative efficiency of different parameters required by the researcher. The use of the method allows to determine either the technical efficiency of hotel services (maximizing the provision of services for a certain amount of resources – output-oriented model) or the technical efficiency of resources (achieving of the specified volume of services with the minimum use of resources – input-oriented model).

Thus, we can compare the performance of different hotels with each other in statics and dynamics by different efficiency criteria: overall efficiency, net, partial, technical, etc.

However, the question remains of identifying both internal and external local factors (microenvironment), that affect to the efficiency of hotels in order to evaluate the importance of any impact on them and to propose an appropriate policy for enhancing them.

Application of DEA to assess the effectiveness of business companies in Ukraine is advisable regardless of the scope of their activities.

Key words: hotel, temporary accommodation service, hotel industry, efficiency of hotel activities.

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