The CSFs methodology and modified DEA approach to construct a new business model to evaluate operational performance of all international tourist hotels in Taiwan

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Abstract

This research is to evaluate the operational performance of International Tourist Hotels in Taiwan, and explores the critical success factors that contribute to good performance. This research initially adopted data envelopment analysis (DEA) to measure the relative operational efficiency of 57 international tourist hotels in Taiwan. However, the DEA approach can only determine relative operational efficiency but does not identify the factors that give rise to inefficiency or lead to efficiency. Furthermore, DEA only calls attention to those hotels in which efficiency and inefficiency exist, but cannot provide suggestions on how to improve operational efficiency. A qualitative approach is a good way to address this limitation of DEA. Thus after using DEA to evaluate hotel's operational efficiency this research used a qualitative approach to further explore the critical success factors that contribute to hotels having good performance in Taiwan. Through determination of these factors, this research provides hotel managers with a list of advice and recommendations to develop effective strategies to meet a highly competitive environment.

Keyword: Critical Successful Factors, DEA