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**MOTIVATION TO BUILD A NEW BUSINESS: INTERNAL MOTIVATION AND EXTERNAL CONSIDERATIONS. A CASE STUDY OF THE GROWTH OF LOCAL HOTEL OPERATORS IN BALI**

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**ABSTRACT**

The dynamics of tourism provide opportunities for people to participate. Many communities get economic benefits through participation in tourism as employees. Recently, there has been a local hotel operator (LHO) owned by local people who have long experience in the tourism industry. This study aims to determine the motivation for the establishment of the LHO and examine the external considerations of the founders in building the LHO. This study uses a qualitative approach by collecting data through in-depth interviews with LHO founders and related tourism stakeholders, observation, documentation study and netnography. Data analysis used qualitative interpretive analysis with purposive method of determining informants. Willingness to take risks, wanting to achieve and being creative are the individual elements that build internal motivation. The growth of hotel development, the needs of investors, the imbalance in the benefits of tourism, the availability of online sales platforms and the availability of information technology systems are conditions for external consideration. The conclusion of the research is that economic motivation, self-actualization and freedom to run creativity are internal motivations of the founders to build a business, while external considerations of the founders are the existence of opportunities and opportunities, the existence of external conditions and the availability of technology.

**KEY WORDS**

Motivation, technology, internal and external factors, LHO.

Kainthola (2009) states that needs, desires, impulses, and motives are often used interchangeably in the form of anything that encourages someone to do something so that the motive is said to be the main driver of action in humans. Ross & Lashley (2009) suggest that the definition used for entrepreneurship should include elements of individual opportunity as well as the existing environment. Definitions tend to fall into two exclusive categories, one displaying personality traits and behavioral characteristics (Wickham, 2001), and the other looking at the environment for situations in which entrepreneurs tend to continue to develop (Zimmerer & Scarborough, 2005). Getz et al. (2004) describe entrepreneurs as individuals who work to increase personal benefits in the form of economic benefits or in social status but who create benefits in broader social and economic settings through increased economic activity, job creation and wealth creation. Most of the growth-oriented entrepreneurs tend to be influenced through a number of internal factors and external factors such as direct opportunities. Sweeney (2008) suggests that a number of push and pull factors are at work in the decision to start a business. Push factors create a situation where the individual feels compelled to start a business, while pull factors suggest benefits for the individual. Robbins (2005) concluded that most people have the capacity for creativity as long as they are stimulated in the right way

Subadra (2007) states that in developed and developing countries, tourism is generally managed by the private sector who has large business capital originating from outside the region and even abroad so that local people who are in a tourism destination area cannot be directly involved in tourism activities. This often raises the opinion that local people are not included as stakeholders in tourism and are a group that is marginalized from business opportunities in the tourism sector. Although local communities have knowledge of natural and cultural phenomena, they do not have the financial capacity and quality expertise to

manage them or be directly involved in nature and culture-based tourism activities. Subadra further stated that the level of community involvement in tourism is very different and this depends on the type of potential, experience, knowledge and expertise possessed by the individual or local community.

In the early 2000s, several Local Hotel Operators (LHO) appeared in Bali and experienced rapid growth in the 2010s and above. This LHO was founded by Balinese people who have long experience in the hotel industry. There are even some founders who have academic knowledge in the field of pariwisata up to doctoral level. This phenomenon shows that Balinese people are not only "workers" in the industry which is the backbone of the Balinese economy but are capable of managing the industry, especially accommodation products. In the same decade around the 2000s, the number of hotels and villas in Bali also recorded rapid growth. The Bali bombings I in 2002 and the Bali bombings II in 2005 seem to have had a positive side to Bali's fame as shown by the growth in the number of foreign tourist arrivals. This growth in tourist arrivals has attracted investors to invest in hotel products, both star and non-star hotels. The Central Bureau of Statistics of Bali Province (2018) noted that the average growth of star and non-star hotels in the 2011-2017 period was 22% (star hotels) from 198 hotels in 2011 to 551 in 2017, and 25% (non-star hotels) from 1,630 hotels in 2011 to 4,323 hotels in 2017. Of course, these non-star hotels require qualified management services to achieve their investment goals.

This opportunity was captured by local practitioners who had managerial experience with setting up hotel operator companies. The company founder of the LHO is willing to leave his high position, high salary, adequate facilities and is willing to take the risk of loss to build his business. Of course, it is very interesting to research about motivating them to establish this company so that they are willing to take the risk of switching quadrants from workers to business owners. When this research was carried out, no less than twenty accommodation service management companies (LHOs) in Bali were engaged in managing small-medium scale hotels and villas in Badung, Denpasar, Gianyar (Ubud), and several other tourism areas. Some of them are Bali Villa properties, Alpha Hotel Management, Astadala, Zetti International, Pramana Experience and Puri Villas Indonesia. Some of these local hotel operators were founded in the late 1990s and some grew and thrived in the 2010s. It is interesting to study the founder's motivation to build a business in the form of a local hotel operator.

## **LITERATURE REVIEW**

A hotel operator is an entity appointed by the owner of the unit based on an operating and hotel rental agreement (Low Insider, 2020). Hotel operators enter into agreements with hotel owners who are given responsibility for day-to-day hotel operations for all management functions, from marketing and sales, human resource management, accounting and financial records, departmental operations, and administration. The hotel owner is the owner of the hotel business, while the hotel operator is the manager of the business and operates the property on behalf of the owner who is responsible for the management and operational performance of the hotel, ensuring the hotel has the right staff, provides good and profitable service (Hospitalitynet.org., 2020 ). For example, Accor (Accor Group, 2020) declares itself as "A Leading Hotel Operator" and a market leader in the European, Latin America, Middle East and Asia Pacific regions. Hospitality management is a combination of the science and art of managing hotel operations (Rutherford & O'Fallon, 2007). Furthermore, Rutherford & O'Fallon (2007) stated that management is carried out on the overall resources of the company including finance, human resources and company philosophy values.

There are several theories of motivation, including Maslow's Hierarchy of Needs Theory, McGregor's Theory of X and Y and McClelland's Theory of Achievement. Maslow (1943) with Maslow's pyramid explains the levels of human needs ranging from physical needs, security needs, social needs, the need for recognition and appreciation, self-actualization recognition, where everyone moves to climb the hierarchy of needs. McGregor (1967) with the theory X and Y classifies individual traits into two groups, namely group X is

pessimistic or views human behavior negatively so that it must be done hard so that they are motivated to carry out their duties and group Y is optimistic and looks positively at human behavior so it must be done. given an award to stay motivated to do their job. The theory of motivation from McClelland (1961) about the theory of needs or The needs Theory was built by David McClelland in his 1961 book entitled "The Achieving Society".

Venesaar et al. (2006) which states that the motivation for a person to establish a company is divided into three dimensions, namely, first, ambition for freedom is a motivation to have more free activity, own business, be more respected, be at the forefront of implementing new ideas, develop a hobby in business. Second, self-realization is motivation to gain a better position in society, feel more challenged, motivate and lead others, to continue family traditions, to implement ideas or innovate, or to follow the success of others. Third, Pushing factors that are motivated because of job loss, the desire to earn a better income, and dissatisfaction with the current job.

Murthy, et al. (1986) (in [yourarticlelibrary.com](http://yourarticlelibrary.com), 2020) states that entrepreneurs are motivated to start a business because of three factors, namely ambitious factors, driving factors and facilitation factors. Murthy also conducted research on "Entrepreneurship Development in Assam" and found that there are six motivations to build a business, namely 1). Self-actualization which consists of money / economic motivation, doing something new, because doing business is a person's duty and not all can do it, and to be able to optimally utilize one's abilities. 2). The nature of the Work Motive which consists of contributing to the good of society and business is a pleasant job. 3). Economic and Power motives, which consist of freedom (to be your own boss), because doing business is someone's job and not all can do it, the right temperament between self and business, and the flexibility of a balanced job with family. 4). Status motive, which consists of reputation and recognition and takes the family business to a new level. 5). Affiliation motive, which consists of providing more comfort for the family and the desire to provide financial security for someone, and 6). Deontic motive, namely because doing business is someone's duty and not all can. This research by Murthy, et.al (1986) also only examines the internal motivation of individuals to build new businesses using quantitative methods.

The Leeds Metropolitan University survey (Thomas et al., 1997) of 1396 small tourism and hospitality companies showed that only 9% of respondents stated that they wanted to make a lot of money as the main motivation to own a small business, 66% identified it as earning a reasonable living, 58% said they wanted to be the boss, and 41% stated that the main reason for owning a small business is enjoying the entrepreneurial lifestyle. Research by Thomas, et.al (1997) is the same as research by Venesaar, et.al (2006) and Murthy, et.al (1986) which only examines the internal motivation of individuals in building new businesses.

Deci & Ryan (1985; 2000) developed a motivation theory which states that people tend to be driven by the need to grow and gain satisfaction. Ryan and Deci identified three general needs that are the basis for self-motivation and the integration of personality needs for competence, connectedness and autonomy. Sweeney (2008) states that push factors create a situation where the individual is compelled to start a business while the pull factors suggest benefits for the individual. The two factors in the form of pull and push can arise from internal and external factors.

This study will use Maslow's Hierarchy of Needs theory (Maslow, 1943) to classify human needs into five levels, namely physiological needs, security needs, social needs, self-esteem needs, and self-actualization needs. Everyone moves up the ladder of this hierarchy of needs, and everyone has not yet reached a higher level of need before fulfilling other needs. Maslow's hierarchy of needs is illustrated in Figure 1. The first level of the hierarchy of human needs is our physiological needs. This level consists of the most basic physical needs to stay alive including food, drink, shelter, sleep, and oxygen (clothing, food, shelter). After meeting the needs of the first level, we can start trying to satisfy the second level of needs, namely safety needs. Apart from physical security, this need also includes stability and dependability, as well as protection from crime, terrorism, war, disease, natural disasters, and others.

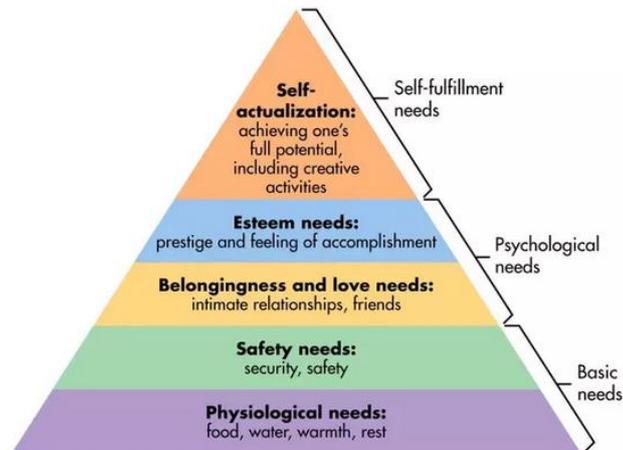


Figure 1 – Maslow's Hierarchy of Needs (Source: <https://www.simplypsychology.org/maslow.html>)

After our physiological needs are met and we feel safe, then the next step is our need to feel love as well as a sense of belonging and belonging, or social needs, such as the need to feel needed to be considered members of the social community. These needs can include the desire to be friends or to have a partner and offspring, the need to be close to their family, as well as the desire to give and receive love. In a business context, this need can be met by providing opportunities for employees to work together and socialize. This can be done by assigning group work or scheduling a group recreation.

After the physiological needs are met, security is guaranteed, and have become part of a certain social community, there will be a need to have esteem needs, or the need to be respected. This need is the ego's need for the desire to achieve and have prestige. These can include the desire to be respected by others, fame, recognition, attention, reputation, and status ownership. Apart from external needs, humans will also need self-belief, competence, achievement, independence, freedom and mastery. In a business context, we can realize this need by acknowledging the jobs that subordinates do, when they do something good or when they are successful, we have to convince them that we recognize that achievement. In addition, we can also give promotions, status, or praise in front of other employees.

After all of the above needs are met, there is a need for self-actualization, or self-actualization needs. This need is about proving and showing oneself to others. To do that, we will develop ourselves to the maximum of all our potential. The purpose of this need is to be the best we can be. Not many people can reach this stage, because many of us have unmet needs. The needs of this level are different from the previous needs. At this stage, what we are doing is to prove it to ourselves. In a business context, to meet our employees who are at this stage, what we can do is to give them the opportunity to use new skills or challenges that can help them learn and develop.

## METHODS OF RESEARCH

This study was compiled using a qualitative method design to explore the experiences of related parties regarding the phenomenon of the emergence and development of local hotel operators, especially internal motivation and external considerations in establishing local hotel operators in Bali. Although some of the research was carried out in the Covid-19 pandemic situation, data collection and analysis was carried out under normal operational conditions of Local Hotel Operators. Data analysis used motivation theory and entrepreneurial motivation concepts. This research was conducted on local hotel operator companies in Bali as the object of research that manages business units scattered in regencies / cities in Bali. Badung Regency, Gianyar and Denpasar City are the areas with the most management units because these three Regencies / Cities are the most populous tourism locations in Bali and show the rapid development of accommodation development in

the last few decades. Interviews were conducted with founders of local operating companies about their motivations for establishing the company. This research technique is in-depth interview, observation, documentation study and netnography. The informants in this study were determined purposively on the founders of local hotel operators, namely Bali Villa Properties and Alpha Hotel Management, Astadala Management, Agata Hospitality, Puri Villas Indonesia, Pramana Experience, The Zeeti International, Fresh Water Asia, The Nusa Hospitality and Stanagiri Management. Of the nine local hotel operators as research objects, all of them were founded by professionals who have long experience in the hotel industry by occupying strategic positions, having qualified academic knowledge and mastering local culture. With these resources, they have managed to manage business units that are scattered throughout the tourism area of Bali. The analysis technique that will be used is qualitative analysis, where the data collected from the results of interviews, observations, documentary studies and netnography will be analyzed interpretatively qualitatively using relevant theories and concepts, and then analyzed critically and in depth according to the phenomena and "common practice" in the field.

## RESULTS AND DISCUSSION

### Internal Motivation

Willingness to take risks, desire to excel and to have creativity are important individual elements that entrepreneurs have to be motivated to build new businesses (Ross & Lashley, 2009). Willingness to take risks is an important individual element that does not work alone but through the support of various situations that give individuals confidence to achieve. The assumption of benefits and the assumption of convenience are factors that attract individuals to do something while various situations in the form of pressure can encourage individuals to want to do something (Sweeney, 2008). LHO founders are willing to leave high positions, large salaries, adequate facilities at work and take risks to build a business because of various motivations including the assumption of business benefits. Owning a company provides economic benefits through higher income, ownership of wealth (assets) from the business being built and the development of a wider range of businesses. Getz et al. (2004) describe entrepreneurs as individuals who work to increase personal benefits in the form of economic benefits or in social status but who create benefits in broader social and economic settings through increased economic activity, job creation and wealth creation. Internal motivations for establishing local hotel operators include economic motivation, motivation to achieve personal ambition and motivation to achieve.

The economic motivation for the establishment of a local hotel operator is to have higher income, have assets, and develop a wider business range.

Having a higher income is one of the founders' motivations for building a new business, which is received from salaries, business profits and income from reinvested wealth. The LHO founders know the potential economic benefits that can be obtained through managing the data they have accessed while working in hotels. The position they hold allows them to know the amount of management services that the hotel must pay to the manager.

*Higher income can be obtained by building your own business through salaries, business profits and other income. When starting a business, we know the initial income so that we pay our salaries realistically to manage the company's cash flow. But the management benefits once the unit is fully operational allows us to budget for higher salaries as motivation.* (Sumerta, BVP Founder, Interview 22 June 2020)

As company founders, these professionals carry out the company's operations directly to ensure the success of the business, so that when they start they are in the "self-employee" quadrant who pays themselves in return for "work" done. When preparing the hotel for opening, the company's cash flow relied solely on technical services and a pre-opening fee because management services were derived from gross operating profit. The cash inflow will be greater when the unit is operational and generates a profit so that the owner can budget a larger salary for himself in addition to getting profit from the GOP distribution.

*Having a bigger salary is a motivation because when we were in the GM position, we*

*could not always achieve the desired salary. But by building a business we can pay ourselves more through company profits* (Ginastra, Founder of Agatha Hospitality, Interview, 23 June 2020)

Higher income than reinvested profits was the motivation that Komang Astawa had in establishing Astadala. The profits gained from managing Astadala are reinvested in other businesses in the culinary field.

*I am very selective in managing the unit, because so far only four properties are managed. My motivation is to enter the next quadrant to get bigger benefits, namely as a property owner. Of the four units that we manage, currently there are two of them where we invest. Apart from that, operational profits are also invested in other businesses, such as in the culinary sector in several places such as Kerobokan and Renon* (Astawa, Founder of Astadala management, Interviewed on 24 June 2020)

Another economic motivation is the desire to have wealth in the form of a built business entity, owning its own unit that can be managed and through the ownership of a certain brand. As stated by Astawa as the founder of Astadala Management, his motivation is to move to the next quadrant, namely to participate as the owner (investor) of the managed unit business.

Some founders who have introduced certain trademarks have the aim of obtaining economic benefits from their brands, such as Alpha Hotel Management which introduced the BnB Style Hotel, Litus Hotel, Managed By and Luxury Collection trademarks..

*Many international brands operate in Bali that have high value, where property owners have to pay a certain value if they want to use the brand. This is income other than management gain. We started to introduce our own trademark named BnB Style Hotel as a budget hotel and Litus Hotel for economy class. Through this trademark, we want to pioneer to be able to build our own hotel because the investment is not too big* (Sumerta, Founder of BVP/AHM, Interviewed on 22 June 2020)

Trademarks reflect experience and guarantee the quality or value of a product. Trademarks that already have a strong market share and good positioning can generate income from fees for using the brand in the form of franchising cooperation. Various foreign trademarks circulating in Bali have a very high value and the owner has to pay a fee for the use of the brand. Property owners who intend to manage their own hotel can pay fees for using certain product brands to obtain certain positioning and market share guarantees.

Pramana Experience, Fresh Water Asia, Agatha Hospitality are some of the LHOs that have developed a wider business reach. Pramana Experience has reached beyond the management area through the Amber trademark by managing Amber Kampot in Cambodia and Amber Komodo. Meanwhile, Fresh Water Asia utilizes FWA's existence to expand its business reach through business diversification by managing club and spa businesses. Agatha Hospitality develops business reach through the existence of Agatha Hospitality by penetrating into the transportation business, providing systems, and developing organic-based food ingredients.

*We are inspired to develop a brand that can also reach markets outside Bali, even overseas. This was realized when we met partners who were developing properties in Cambodia and Komodo Island, and brought the Amber brand to these two companies.* (Sudirga Yusa, Founder of Pramana Experience, Interviewed on 18 June 2020)

The use of trademarks in various countries or regions can accelerate the expansion of business reach, as has been done by Pramana. The Amber by Pramana brand in Cambodia will enhance Pramana's reputation in the Asian region and Amber by Pramana's operations in Komodo will introduce Pramana's reputation at the national level.

*Through FWA we build consumers including local market share to develop our business in the culinary field. Tlaga Singha as a manifestation of our plan to develop the culinary business which will be opened in 2020* (Dharma Suyasa, Founder of Fresh Water Asia, Interviewed on 18 June 2020)

The expansion of the business reach by FWA in the ancient sector is made possible from the development of a market share database that has stayed at the FWA management unit. Tourists traveling to an area or country will need eating and drinking facilities in addition

to accommodation so that the expansion of the business reach in the culinary field is very relevant.

*Accommodation requires supporting facilities such as transportation, an economical system and foodstuffs to serve tourists. Because our units are small in scale and many are in rural areas, we are developing an organic crop business to serve the needs of tourists and developing an e-cloud-based system to sustain operations. In addition, we also manage the need for tours for tourists by building transportation services.* (Ginastra, Founder of Agatha Hospitality, Interviewed on 23 June 2020)

The economic benefits of building an LHO are not only for LHO owners but for property owners, the surrounding community through employment, through small businesses such as laundry, transport, suppliers and also for craftsmen and artists.

Building your own business "is the next step" of the LHO founder after gaining long experience with international networking companies. Running your own business is a form of "new assignment" that needs to be mastered as a more challenging and risky skill which cannot be obtained if you still stay in the GM position which is the highest position in the hotel.

Having ambition is another individual element that builds motivation to achieve personal ambition. The motivation for self-actualization in this research includes wanting to achieve, preserving local cultural values into the industrial environment and empowering local talents, as well as wanting to have a higher social status in the community. Motivation for achieving personal ambition is non-economic but can create benefits in broader social and economic settings through increased economic activity, job creation and wealth creation. Obtaining a higher social status than business ownership so that it is more respected is the motivation for the self-realization of establishing entrepreneurship (Venesaar, et., Al., 2006).

Deci & Ryan (1985) stated that people tend to be driven by the need to grow and gain satisfaction through achievement. There are three general needs that are the basis for self-motivation, namely the need for competence, connectedness and autonomy. It is easy to carry out this business activity so that it is sure to be successful by several factors, including having knowledge and expertise in the field of tourism, having good relationships with tourist suppliers, and easily meeting investment needs. Knowledge, expertise and experience are internal resources owned by company HR as internal motivation in doing something (Matikiti & Mpinganjira, 2018) The founders of The Zeeti International are hotel professionals who have more than 30 years of experience working with OHM and national operators. Gede Suryawan as one of the founders of The Zeeti said that at the beginning of his career in hospitality, he was amazed to see the greatness of multinational groups, felt that education, experience was not enough, and associating lacked ethos, image and less atmosphere with foreigners. After holding high positions in various companies, he felt that local people had equal abilities but were often not aware of it. Local generic capabilities exist in the mastery of local wisdom, cultural values, ethos and character of human resources as the main element of service which is the main product of tourism.

*After working for a long time in the world of tourism, I believe that we local people have equal abilities but are often not aware of it. The archipelago has the potential in various ways to be developed as a tourism product but it is not fully explored. I am encouraged to develop the potentials and values of the archipelago through The Zeeti.* (Suryawan, Founder of The Zeeti, Interviewed on 18 June 2020).

The increased knowledge, expertise, and networks of professionals in Bali that they get from their experience working with multinational hotel operators (MHO) is one of the motivations that motivates them to establish LHO. The founders of this LHO are individuals who have decades of experience in handling roles and responsibilities in strategic positions in hotels, formal education in the field of hospitality, good relationships with colleagues to get sales and affordable investment capital value gives confidence that building the hotel operator business is easy to implement.

Sudirga Yusa, one of the founders of Pramana Experience (PE) who grows and develops in the Ubud area, said he was tired of working with other people and wanted to do something different to determine a better fate as the initial motivation for establishing PE.

With his experience as a Resort Manager at the WAKA Group in 2013, Sudirga and his four colleagues initiated the management of accommodation products in Ubud in 2014 when the progress of Ubud's tourism products was at its peak in 2014-2016 which provided opportunities for him. At the beginning of its emergence, PE managed three properties at once in the form of cottages with 8 rooms owned by Surabaya businessmen, cottages with 15 rooms owned by local businessmen and guest houses with 8 rooms in Nyuh Kuning in 2013. At that time the management started with a consulting model and activities are mostly carried out directly in the managed units without having a special office. Administrative tasks are carried out from the managed units.

*We started with consulting services, did not have a special office and used managed hotels as offices. Capital is not much needed because the core of our products is in the form of knowledge and expertise that we have* (Sudirga Yusa, Founder of Pramana Experience, Interviewed on 18 June 2020)

The ability to meet relatively small capital requirements in starting a business is because the main products of LHO are knowledge and expertise, while hotel products are the responsibility of investors' investment. Most LHOs start a business based in a unit because they can directly monitor the operation of the unit being managed. Financial condition is one of the resources as a company's internal motivation (Matikiti & Mpinganjira, 2018).

The application of local cultural values has various ways and forms as an effort to preserve local Buddhist values. As The Zeeti applies the noble values of Balinese culture into the work ethic, this is conveyed by Suryawan:

*We want to participate, give color to the world of hospitality by applying the noble values of Balinese culture through work ethics. Let's live life wholeheartedly, undergo every process faithfully. Everyone has their independence to work hard and have an honest, loyal work ethic, which we apply in quality management.* (Suryawan, Founder of The Zeeti, Interviewed on 18 June 2020)

In the motivation of establishing The Zeeti, the founders had a fundamental goal of maintaining the noble values of Balinese culture in the form of honesty and loyalty. Philosophical values in the form of The Zeeti's 7 ethical values, which consist of 1). Obeying God Almighty, 2). Honestly, 3). Professional, 4). Discipline and Commitment, 5). Ethics and Courtesy, 6). Kinship, and 7). Social and Environment, is based on "Chess Dorm" about the cycle or life cycle and life stages which are believed by the founder to be the competitive advantage of The Zeeti.

The values of life stages or Dormitory Chess by The Zeeti are described as follows: 1) Brahmachari is the stage of studying or learning to form loyalty, honesty, and professionalism which are the company's culture. 2) Grhastha is a household stage that demands commitment and discipline. Grh which means body is translated as self-restraint or self-discipline which is also a corporate cultural value. 3) Vanaprastha is defined as a broad place to test whatever has been learned, is an application of the knowledge, expertise, and experience they have. In this application the process of learning, self-discipline, and commitment is still being carried out so that this life process is actually becoming one, not step by step. This happened when The Zeeti started operating by managing hotels outside Bali where the process of running the management (Vanaprastha) was accompanied by the process of learning the local culture and maintaining the company's commitment to achieving investment goals. 4) Bhikshu is the implementation of policies in management where Bhikshu is the policy itself. The Zeeti believes that Balinese cultural principles or values can be applied anywhere.

Another Balinese cultural philosophical value that underlies The Zeeti as the foundation for its competitive advantage is "Tri Hita Karana" which is believed to be not only limited to a harmonious relationship between humans and God, humans and humans, and humans with nature, but must be followed by responsibility. The relationship between Tri Hita Karana values and The Zeeti's 7 ethical values is as follows: 1) Obedience to God Almighty is a form of responsibility to God. 2) Honest, professional, discipline & commitment, ethics & courtesy, and kinship are the responsibilities of relationships between people. 3) Social and

environmental care, including several points in number two, is a form of responsibility for the relationship between humans and nature.

Ketut Sumerta adopts Balinese cultural values as a foundation to form a corporate service culture with the consideration that tourists come to Bali to experience local culture. Sumerta sees that the creativity to adopt local cultural values into the company's service culture will receive full support from local investors.

*With the growth of local entrepreneurs as owners, BVP hopes that the equal benefits of tourism can be enjoyed by the local community and the local Balinese cultural values will be easier to implement as a company service culture because the owners have a good understanding of these values.* (Sumerta, Founder of BVP, Interviewed on 22 June 2020)

Good communication will be established between the manager and the (local) owner because they have the same understanding of cultural values that can be applied in management, both in the concept of products, services and governance. Local owners better understand local-based governance such as setting work schedules at certain times, bonding between employees and various policies in dealing with various operational problems that are resolved amicably. This local management concept is easy to communicate and present to local owners.

Owning a company provides non-economic benefits such as higher social status in the community due to the achievement of owning a business, having an equal position with hotel owners through a cooperation agreement. Obtaining a higher social status than business ownership so that it is more respected is the motivation for the self-realization of establishing entrepreneurship (Venesaar, et., Al., 2006). Having more time (to carry out social obligations) is the motivation for ambition for freedom (Venesaar, et., Al., 2006) where the availability of time is very important for Balinese people who have dense social and cultural activities.

Higher social status can be obtained by carrying out management, as stated by Yoga Iswara.

*The owner is obliged to provide products and facilities with reference to the agreed quality and FWA has the expertise and knowledge to operate the product, where the object that is operated will have a value that is much higher than the investment value (capital gain) because after being operated the hotel becomes an active investment, has a share. market and good image. Owner ideas are accommodated when planning products and services but the right to management autonomy belongs to the operator* (Yoga Iswara, Founder of FWA, Interviewed on 18 June 2020).

Meanwhile, Ketut Sumerta stated that achievement as an achievement of personal ambition can be felt through social status in the eyes of property owners. The hotel / villa owner will position the manager to an equal position through operational management cooperation.

The management cooperation agreement states that the owner and manager have the same position and are equally important (Sumerta, Founder of Bali Villa Properties, Interviewed on 18 June 2020)

The right to autonomy to carry out LHO competencies is emphasized at the negotiation stage of establishing partnerships with property owners where property owners cannot place the LHO as subordinates to achieve company goals, but have an equal position through partnerships. The equality of position in question is that the property owner is the owner of the hotel / villa building and its contents and the LHO is the owner of the knowledge and expertise to operate the hotel / villa so that both parties have an equally important position and need each other. This point is considered important and fundamental by the founders of the LHO in an effort to get the same position in establishing a partnership that was never owned while still being the GM of the hotel.

Meanwhile, Ketut Ginastra feels that society views individuals who have management businesses as successful individuals and become role models.

*Friends in the hospitality industry think that we give inspiration after being able to build a business and we are often invited by tourism schools to share sessions as guest lectures.* (Ginastra, Founder of Agata Hospitality, Interviewed on 23 June 2020).

Being at the forefront of implementing ideas, leading and successfully running a

business is self-actualization motivation with the aim of getting appreciation from society. Running your own business can promote a higher social status (Murthy, et al., 1986).

Another individual character is creativity where most people have the capacity to be creative as long as they are stimulated in the right way (Robbins, 2005). The desire to get involved in the tourism industry is because the tourism industry is included in the creative industry which fits perfectly with the character of the LHO founders. Through creativity, the founders of LHO apply innovation and creation in products such as boutique concepts, villa concepts and product concepts that highlight regional ornaments. In addition, creativity is carried out in building a service culture based on local culture and applying flexible management management to ensure that the company's goals to achieve profits can be achieved.

Building an LHO business is also felt to be useful as a solution in the future. Everyone has a golden age and will gradually go into retirement. At that time, the business that was pioneered could serve as a place to channel passion (passion) and hobbies so that creative ideas are accommodated to ensure that the business continues. By educating human resources to continue the business, the founders have the confidence that they will have free time to carry out social obligations in society and that economic needs are maintained through the results of business ventures managed by trained human resources..

Everyone has a golden time (golden time) that must be used to build a container to channel skills when the golden age has passed and entered retirement. FWA was built to prepare a place for retirement so that creative ideas can still be channeled. (Yoga Iswara, Founder of Fresh Water Asia, Interviewed on 18 June 2020).

Creative ideas can be carried out in planning product concepts. Creativity is also needed when planning investments in limited land in less popular places, such as in a rural area away from the crowds. Time bound by working for other people who are full of rules, demands and barriers to implementing ideas can be overcome through the establishment of an LHO. Many Balinese people who have limited land and capital want to start a business in the hotel sector so that professionals in the field of service management who master the concept of products and types of products have the opportunity to carry out their creative ideas. In addition, it is not uncommon for Balinese people to have locations that can be pushed into investment but have unknown locations and are rarely considered to be developed by international network operators.

Location that is remote and remote but has uniqueness that is rarely considered by OHM to be managed is a big potential for LHO and assesses that this location is very potential. With advances in technology to reach market share through cooperation with OTA, portal agents, travel agents that specifically handle the wellness market share and utilize social media for marketing. Examples of Wellnes travel agents are Bookyogaretreat.com and Moksatreat.com.

Rural areas or rural areas are very popular with European guests where the unique village lifestyle in question can be highlighted in products and services. (Ginastra, Founder of Agata Hospitality, Interviewed on 23 June 2020).

Local hospitality professionals have the motivation to exercise creativity in the service element through the establishment of the LHO. Through mastery of the noble values of local culture and their creative nature, these professionals believe that their full creativity can be carried out if applied to their own businesses. Among other things, this creativity is in the form of service models and values that are incorporated into the elements of company service.

*Many hotels in Bali have a limited number of rooms and require a good management system. Even though the number of rooms is limited with the potential for sales to be smaller, the salary cost per person remains the same as for big hotels, namely filling with UMK. Meanwhile, operational functions must be carried out so that to minimize salary costs, it can be done through multy-tasking where several functions are performed by one person. For example, a butler will perform the functions of the receptionist, waiter and housekeeping at the same time* (Duartha, Founder of Puri Villas Indonesia, Interviewed on 24 June 2020).

Another creativity of the LHO founder is to build a corporate service culture through the

application of the noble values of Balinese culture into the work ethic. Service concept creativity is also applied by adopting local harmony values such as Tri Hita Karana and Tat Twam Asi into the company's service culture..

*We want tourists to enjoy services built through the application of local cultural values to provide more authenticity. In our opinion, culture-based services can be relied on to attract customers* (Sumerta, Founder of BVP/AHM, Interviewed on 22 June 2020).

Sumerta implements a service that puts more emphasis on personality that can be formed directly through training so that prospective employees can still come from vocational graduates and the equivalent. Services that emphasize personality will give a score of one to personality, while the ability, capability and experience are given a zero score so that to achieve high scores, personality is prioritized. Thus the value will be a thousand. Service that emphasizes personality leads to genuine service through extra effort and genuine smiles.

*Personality-based services can be built through honesty, sincerity in serving unconditionally, being polite and courteous and willing to serve more than the tasks set out in the employee's job description. Ready and alert to serve and have the ability to anticipate the needs and desires of customers. This capability can be obtained through continuous training of employees and inculcating the value of the company's service culture.* (Sumerta, Founder of BVP/AHM, Interviewed on 22 June 2020).

Motivation to run creativity is applied in various fields, such as in the field of service through the butler concept which requires multi-skills because it will multi-task in doing tasks that highlight personality full of personality in carrying out sincere service beyond the limits of the assigned task.

Creative management is carried out by implementing flexible organizational structures and standards according to the character, size and sales potential of the unit. Creativity in governance can be obtained through long experience in the industry and understanding of the talents possessed by employees.

In carrying out its functions, The Zeeti adjusts the size and shape of the organization in each unit according to the size, sales potential and uniqueness of the unit. The Zeeti considers that three-star hotels and below do not have to be managed by OHM because from the calculation of the investment the costs to be paid are not appropriate. The Zeeti applies a "customized system" in operating hotel / villa units where one unit will have a different system according to hotel characteristics, financial potential, and owner's needs. The character of the hotel and its potential will be studied first to determine the operational system that is applied, especially for hotels that have been built first, then request management services.

*There are several owners who come and ask for management services after the hotel is completed, so the system must be adjusted to the character of the product. There are also owners who come because the hotel has never been built and to encourage the hotel to be completed and immediately operated, this owner came to The Zeeti to ask for consulting and management services. Of course this requires expertise and experience in determining the system that should be implemented* (Wiwin Suyasa, Founder of The Zeeti, Interviewed on 18 June 2020).

Sudirga Yusa (PE founder) centralized marketing and sales activities at the corporate level because not all units employ a sales staff and not all units can budget for marketing costs. Marketing and sales activities are coordinated by the corporate team which creates a yearly calendar of events in the form of activities that must be followed by units with share cost activities. Some units have a sales manager and can create programs outside the corporate agenda with the unit's budget. Three-star hotels and below are headed by an Operation Manager while four-star hotels and above are headed by a GM or Resort Manager or Villa Manager.

### **External Consideration**

External environmental factors play an important role in individual motivation to do something. This motivation can be in the form of pull factors, namely pull factors and push factors (Sweeney, 2008). Pull factors are positive conditions that encourage growth

(Zimmerer & Scarborough, 2005) while driving factors can be pressures or conditions of inequality in society, such as responsibility to fulfill social obligations to serve the community, pressure by dissatisfaction with conditions of inequality in tourism benefits.

Encouragement to establish a business by the many opportunities and opportunities to be able to successfully set up a management service business. The number of independent hotels requiring administrative control and the rapid growth of hotel / villa developments in the 2000s provided the opportunity to successfully run an accommodation management services business.

*The US economic recession has brought investors into Indonesia and believes that investing in property in Indonesia provides more benefits. As a result, many hotels / villas built in Bali require administrative control as an opportunity for management cooperation* (Suryawan, Founder of The Zeeti, Interviewed on 18 June 2020).

Bali Villa Properties is a pioneering local operator that started its consulting services in 2002 as a response to the many opportunities for management services as a result of the rapid growth of hotel and villa developments. BVP can open more than one property at the same time for several periods. Through the provision of more and more villa products and a more professional marketing model, the villa market share has also grown from being favored only by the Taiwanese market, in that year other market shares have grown, such as Korea with the honeymoon package, Japan, Australia and several countries from Europe..

*We opened Villa Jerami Seminyak, The Seiryu Villas Seminyak and Sentosa Villas Seminyak in 2006. Opened Akasha Villas Batubelig and The Uma Villas Umalas in 2009 and opened The wolas Villas Seminyak and Mahagriri Villas Sanur in 2010* (Sumarta, Founder of Bali Villa Properties, Interviewed on 22 June 2020).

The same thing happened to Astawa's experience, the founder of Astadala Management. AM built two villa complexes at the same time in the Seminyak area where Astawa at that time was still doing consultancy services and acted as the General Manager of the two properties.

*We opened 52 units of Villa Seminyak and 17 units of Seminyak Suites at once in 2005* (Astawa, Founder of Astadala Management, Interviewed on 24 June 2020)

LHO grew and experienced a fairly rapid development between 2010-2015 due to opportunities from the growing development of hotels and villas which required more professional system control and management. The number of hotel rooms in Bali in 2013 was 38,173 rooms, an increase of 8,827 rooms from 2009 (Table 5.1 in Annex 2). Of these, there are around 9,480 rooms or 24.83% in the three-star category and below (BPPD Bali & STP Bali, 2014). BPS Gianyar in the 2018 statistics noted that Ubud has 15 star hotels and 311 non-star hotels. The total number of beds in non-star hotels is 4,091 or around 79.51% of the total beds of 5,145 (BPS Gianyar, 2018).

Apart from opportunities due to the rapid growth of hotel and villa developments, the increase in management demand is also driven by several other factors such as the need to control operational standards and due to the failure to achieve investment plans. Many hotels that grow sporadically only employ a Manager to operate the hotel have not achieved the expected results, so the owner is considering cooperating with the hotel operator. Such is the experience of Sudirga Yusa, one of the founders of the Pramana Experience operating in Ubud, Gianyar. The development of tourism in Ubud invited OHM to enter and manage large hotels causing small-to-medium hotels including villas to experience a decline in turnover. As a pioneering product for hotels in the Ubud area, these small and medium-sized hotels are self-managed by owners with limited knowledge so that the inclusion of OHM makes these hotels less competitive and requires more professional management.

*Supply and demand are no longer balanced because the owner's ability to build is not matched by the ability to operate his hotel. Many properties did not reach the planned profit target and even suffered a loss. This results in product damage because maintenance costs cannot be provided by the owner. So that conditions don't get worse, they look for professional managers to operate the property* (Sudirga Yusa, Founder of Pramana Experience, Interviewed on 18 June 2020).

Opportunities arise from competition with the entry of large companies that manage

hotels in the Ubud area. Independent hotels that previously enjoyed the benefits of becoming less competitive and require assistance from professional operators at affordable costs.

Some hotel owners consider the property name to be very meaningful and indicate their identity and social status so it is in the interest of raising or promoting the property name themselves. The need for local owners for LHO services is that they want their investment back in accordance with the target time for credit planning at the bank, want the property to be well maintained and maintained, want to get investment returns, get added value (capital gain) for the management carried out by the LHO and get the benefits of social status for a brand developed by LHO which is the owner's own brand or name.

*The owners put emphasis on service to expose the hotel name itself. What is important is that the expertise of the LHO is acquired and the brand names of the hotel owners are more exposed* (Swabawa, founder of Stanagiri Management, Interviewed on 26 June 2020).

Agata Hospitality maintains the hotel name chosen by the hotel owner which is a key component of the hotel owner in determining the operator. This shows that AH is very flexible and considers the needs of the owner and the needs of the product in submitting his proposal. The ideas of the owners too, while the promised results are projected projections no worse than OHM. Sales projections are smaller or almost the same as projections made by OHM but cost projections are much smaller because they do not incur additional costs such as costs for using product branding, training costs, sales and marketing costs and high costs of using foreign workers.

Efficiency can be pursued because it carries out sales and marketing and financial functions at the corporate level so that it does not require salary costs for several ways in the unit. The number of rooms and potential sales are considered in determining the organizational structure.

For example, Mahajaya Hotel, which has 99 rooms in Denpasar, is considering OHM but because they have to use one of the OHM brands and have to do renovations to match the final product standard to partner with us because they can still use the existing hotel name (Ginastra, Founder of Agatha Hospitality, Interview on 23 June 2020). Investors who will build a hotel must meet the requirements of the bank where the hotel to be built must be operated by professional management to guarantee the investor's ability to repay the loan. Some investors who build four-star hotels and above are required by the bank to be managed by OHM.

Hotels built using bank funds will be required to meet management requirements by professional Operators to ensure a smooth return on investment (Suryawan, Founder of The Zeeti International, Interviewed on 18 June 2020).

Some hotel owners like this will use the OHM at the beginning to meet the requirements of the bank and then form a partnership with the LHO for further management so that they can use the hotel name according to their own wishes. Of course, in this case the hotel owner considers that the benefits obtained are relatively the same between establishing a partnership with OHM compared to LHO. This is an opportunity for LHOs to manage investments that only use OHM as a requirement for bank loans and then collaborate with cheaper hotel operators.

Having more time (to carry out social obligations) is the motivation for ambition for freedom (Venesaar, et., Al., 2006) where the availability of time is very important for Balinese people who have dense social and cultural activities. Demands for social responsibility to society so that they want to be separated from the bonds of working time in order to serve the community is a motivation that encourages someone to do something. Push Factors, (Sweeney, 2008).

Fresh Water Asia (FWA) was built by Darma Suyasa and Yoga Iswara as a response to social responsibility to society during retirement. The founders believe that someday they will return to their hometowns to serve the community so that more time is needed to be able to carry out these tasks. The founders realized that when that time came they must still be able to meet economic needs and for that they built this company. One of the missions of the FWA is to develop HR (build people) so that in the future this HR can continue what was initiated by the founder. Thus the two goals of the founders can be fulfilled, namely more time

to serve the community and at the same time meet economic needs through the good performance of human resources in the company.

*The time to serve the community was very limited when we were still in the GM position where this position was a situation of 24-hour dedication to be ready to deal with existing problems so that often the GM position could not be achieved by us because of this situation. For this reason, we built an FWA so that our GMs can still be productive without having to handle 24 hours of work.* (Darma Suyasa, Founder of Fresh Water Asia, Interviewed on 18 June 2020).

The benefits of tourism are considered to be still not balanced so that it encourages LHO founders to make changes by providing greater tourism benefits to local communities by empowering local communities. Push Factors, (Sweeney, 2008).

*In addition to motivation to have more time, we want to provide space and space for local workers to hold the highest positions in hotels, and help local entrepreneurs to get the best results through cooperation to develop Bali according to their abilities, expertise and experience during this* (Darma Suyasa, Founder of Fresh Water Asia, Interviewed on 18 June 2020).

The development of Bali tourism is considered to be still not in favor of the concept of sustainable tourism so LHO wants to support Bali tourism so that it is properly maintained for future generations through efforts that are in favor of sustainable tourism. Ambition, (Murthy, 1986). K. Swabawa, one of the founders of Mahagiri Management, believes that local people have more control over management skills, especially in mastery of the terrain and the character of Bali tourism products. However, currently the locales still don't have a name and it will take the next few years to build a company profile through reliable performance.

*Currently Bali is controlled and exploited by foreign brands even though local people already have the knowledge and ability to manage accommodation products. In fact, in some cases the local is much more capable because they are more familiar with the terrain, better understand the character of Bali tourism, but they still don't have a name and reputation that can be trusted* (Swabawa, Founder of Stanagiri Management, Interviewed on 26 June 2020).

Some LHO founders are motivated to want to help and develop local entrepreneurs who have limited capital and unknown land locations to take part in the tourism sector, especially hotels, so that the benefits of tourism can be enjoyed by the local community, as stated by Sumerta, one of the BVP founders, as follows:

*We realize that some local people have the opportunity to become entrepreneurs but their capital structure is small to medium scale. BVP is motivated to encourage local entrepreneurs to build a business in the accommodation sector by providing development planning and management assistance that is tailored to the area of land, location and potential market share..* (Sumarta dan Sumerta, Founder of BVP, Interviewed on 22 June 2020).

### **Technology Availability**

Another external environmental factor that drives LHO growth is the availability of technology (Matikiti & Mpinganjira, 2018). Technology support as motivation for LHO founders is a supporting factor for the "convenience assumption", where technology provides various conveniences.

Technology can make it easier to reach a wider target market through collaboration with OTAs, websites, social media and communication media such as whatsapp, technology-based telegram. Before technology became available for the sales platform, the market share was only able to be achieved by large hotel chains with large budget budgets. Small hotels and independent hotels on a budget will find it very difficult to reach market share. It was only in 2008 that the development of OTA was very rapid and it was no longer home-based. The ability to reach a wider target market share is owned by LHO by utilizing the development of Information and Communication Technology (ICT). The benefits of ICT have provided opportunities and fostered the confidence of local professionals to come to the surface and start managing hotels and villas of various sizes.

*The benefits of ICT in reaching a wider market share were conveyed by Sumerta.*

*Technological advances have made it possible to dominate market share through collaborations with online travel agents (OTA) such as Wotif.com, Agoda.com and several local travel agents who carry out promotions through websites such as balivillasrental.com (Sumerta, Founder of Bali Villa Properties, Interviewed on 22 June 2020).*

Wotif.com and agoda.com are two OTAs that started operating in the early 2000s with home-based operations. During that period, many local agent portals were operating which became the foundation for villas to reach market share before OTA became the market leader.

*The availability of technology makes it possible to reach market share through cooperation with OTA, portal agents, travel agents that specifically handle the wellness market share and utilize social media for marketing. Examples of wellness travel agents are Bookyogaretreat.com and Moksatreteat.com and they are online based (Ginastra, Founder of Agata Hospitality, Interviewed on 23 June 2020)*

The development of technology is increasingly rapid and the provision of online sales platforms is getting more intense, not only providing convenience for conventional product market segments but also for those with special needs, such as retreats, yoga and wellness enthusiasts. This condition provides opportunities for the growth of unique product concepts developed in remote areas.

*The development of technology-based OTAs is very rapid and has begun to change room booking models such as Wotif.com and Expedia.com where they are no longer home-based. This model provides an opportunity to reach a wider and easier market share. (Astawa, Founder of Astadala Management, Interviewed on 24 June 2020)*

Through technological developments, they developed into a large company since the 2010s that provided an online marketing platform to reach market share directly and allow small companies (hotels and operators) to reach their target market share more easily and relatively cheaply.

In addition to helping achieve target market share more easily and effectively, ICTs also assist LHO in planning, organizing, executing, controlling and evaluating technical and principle policies to the managed units. The availability of a system that is relatively inexpensive and easy to operate allows the LHO to achieve the investment plan of the managed units. Although most of the units managed by LHO are small-to-medium scale hotel, villa, bungalow, cottage, home stay and guest house units, all business functions must still be carried out, starting from sales and marketing, accounting and finance, operations in various departments, human resources and administration. All of these business functions must be handled effectively and efficiently considering that the labor costs that must be borne remain the same, namely referring to the minimum wage of the district / city (UMK).

*The application of technology is to facilitate the implementation of work with accurate results. We use Zero for the accounting system and Hotelogic for the frontline system (PMS) which also provides statistical data for analysis of sales and marketing activities. Hotelogix is very helpful in implementing a sales strategy because it has an RMS feature (Ginastra, Founder of Agata Hospitality, Interview, 23 June 2020).*

The availability of technology can shorten, simplify, and speed up the operational process by implementing an e-cloud-based property management system at a very affordable cost. This PMS does not require a device for special data storage like the earlier conventional PMS which requires space and high costs for maintenance. This provides relief to property owners who do not have to invest in the provision of the system as system costs can be passed on to operations. This system is also able to support the sales maximization policy (revenue management strategy) because it provides information about room inventory, competitor strategies and price levels that can be purchased in the market.

The use of the system produces reports that are accurate, accountable at affordable prices through the application of a technology-based accounting system so that it can foster the trust of property owners through an open system of reporting. Property owners can access reports from the system through the password login provided by the manager. This condition fosters the trust of property owners in the LHO because with this system reports are made openly.

*Zero accounting system allows reports to be accessed from anywhere with a login password, thereby increasing the trust of the hotel owner in us.* (Ginastra, Founder of Agata Hospitality, Interviewed on 23 June 2020)

The Hotelogix system helps implement pricing and non-pricing strategies through the implementation of a sales management system (RMS), such as discounts, surcharges, room inventory control, provision of allotments to agents, and sales strategies for certain packages. RMS is a very crucial tool to be able to make sales in real time through analysis of demand and supply, including demand that occurs in areas where hotels / villas operate.

Figure 2 is a motivational framework for building a business in the field of accommodation product management services in Bali. The model describes the motivation to build an LHO business in Bali driven by individual elements, environmental factors and the availability of technology. Individual elements are willingness to take risks, ambition and creative character. External environmental factors in the form of potential and opportunities, and external conditions. Availability of technology in the form of a sales platform, e-cloud based PMS and system accounting. The motivation to support sustainable tourism is an internal motivation which is the ambition of the LHO founder and arises from individual elements. The ambition to support sustainable tourism is realized through running a new business in the form of a Local Hotel Operator (LHO). Internal motivation is a capability possessed by the founder which assumes the ease of the founder in carrying out business activities. While external considerations are situations and conditions that exist outside the individual that influence individual decisions to do something. Technological factors are considered as a significant factor to encourage someone to do something so that there are three factors that can influence, namely internal elements, external considerations and the availability of technology. These three elements determine the founders of local hotel operators in building new businesses. Entrepreneurial motivation is used to determine individual elements and important environmental factors that motivate the formation of new businesses (Ross & Lashley, 2009).

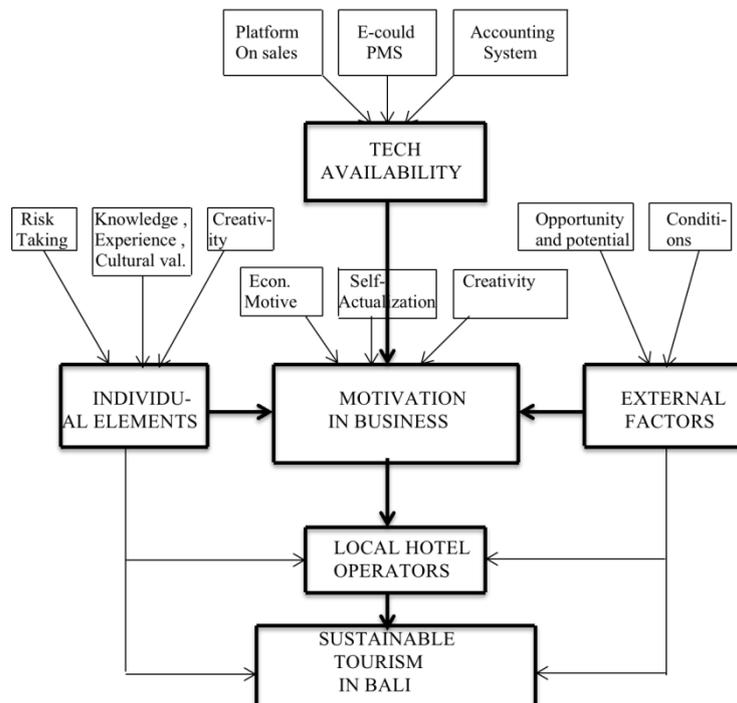


Figure 2 – The motivational framework model for building a new business in the accomodati services management

The finding of this research is the availability of technology determines the growth of new businesses, particularly the growth of local hotel operators in Bali. Although there have

been many studies on technology adoption in business activities, this study found that the availability of technology has provided LHOs with the ability to reach a wider market share at affordable costs, making it easier to manage business units that are widespread in various areas and make it possible to produce reliable financial reports. Considering the importance of the availability of technology, these findings complement the important elements in defining entrepreneurial motivation into individual elements (internal motivation), environmental factors (external considerations) and technology (technology availability) which previously defined only two elements, namely individual elements and environmental factors.

## CONCLUSION

The founder's internal motivation in building a new business consists of economic motivation, self-actualization motivation and motivation to run creativity. Economic motivation is driven by the desire to have higher income, have wealth (assets) and expand business reach. Self-actualization motivation is driven by motivation to achieve, preserving local cultural values and empowering local talents, and motivation to achieve higher status in society. Motivation to run creativity is driven by motivation to create product concepts, service concepts and governance. While external considerations consist of consideration of opportunities and opportunities, consideration of external conditions such as norms, habits and conditions of tourism development. Another external consideration is the availability of technology that helps to reach market share, simplifies operations and helps produce accountable reports.

### *Suggestion*

In addition to the individual element that encourages the growth of internal motivation and environmental factors that become external considerations in building a new business, practitioners who want to start a business should consider the availability of technology to reach market share, simplify operations and prepare reliable financial reports. Advice for academics to conduct research with quantitative methods in order to get the significance of the factors that drive new business growth

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