

BUSINESS CONTINUITY MANAGEMENT STRATEGIES AND ORGANISATIONAL PERFORMANCE OF HOSPITALITY COMPANIES IN SOUTH-SOUTH NIGERIA

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ABSTRACT

Business Continuity Management (BCM) has evolved from a reactive disaster recovery mechanism to a proactive, enterprise-wide resilience capability. However, empirical studies linking BCM strategies to organisational performance in emerging-market hospitality sectors remain sparse. This paper investigates the influence of five BCM dimensions; top management support, risk management, organisational preparedness, embeddedness of continuity practice, and effective training on the performance of hospitality companies in South-South Nigeria. A cross-sectional survey of 384 employees across hotel categories was analysed using descriptive statistics, correlation, and multiple regression. Results reveal that all five BCM dimensions significantly and positively affect organisational performance, with management support and preparedness emerging as the strongest predictors. The findings underscore BCM's role as a strategic resource that enhances resilience, service reliability, and competitiveness. The study extends the Resource-Based View, Stakeholder Theory, and Resilience Theory by showing that embedded BCM capabilities constitute valuable, rare, inimitable, and non-substitutable (VRIN) resources that foster sustainable performance. Practical implications highlight the adoption of ISO 22301-aligned frameworks, leadership-driven continuity governance, and institutionalised training programmes to strengthen resilience in Nigeria's hospitality industry.

Keywords: Business Continuity Management, Organisational Performance, Hospitality Industry, Resilience, South-South Nigeria, Resource-Based View.

1. INTRODUCTION

The global business environment is increasingly volatile, with disruptions such as pandemics, cyberattacks, terrorism, and socio-economic instability posing recurrent threats to organisational survival. The hospitality sector being service-oriented and reliant on human interaction is especially vulnerable to these shocks (Ritchie & Jiang, 2019). The COVID-19 pandemic, in particular, exposed the fragility of hospitality operations worldwide, revealing gaps in crisis preparedness, revenue stability, and employee resilience (Sharma, Thomas, & Paul, 2021). In Nigeria, the pandemic led to widespread closures of hotels, loss of jobs, and reduced service capacity (Nwokorie, 2020).

Business Continuity Management (BCM) has emerged as a strategic discipline that ensures organisational survival during crises. According to the British Standards Institution (2019) and ISO 22301:2019, BCM represents a holistic process that identifies potential threats and builds resilience by developing response frameworks to safeguard stakeholders, reputation, and value-creating activities. Within hospitality, BCM mitigates operational shocks, preserves customer confidence, and sustains brand equity (Herbane, Elliott, & Swartz, 2004). Despite its growing importance, many Nigerian hospitality firms still perceive BCM as a compliance obligation rather than a strategic capability (Okoli & Anekwe, 2022).

This study examines how specific BCM strategies; top management support, risk management, organisational preparedness, embeddedness, and effective training influence organisational performance in South-South Nigeria's hospitality industry. It provides empirical insights into how BCM contributes to resilience and long-term competitiveness.

2. LITERATURE REVIEW

The literature review looks at concepts, theoretical, and empirical review of the variables of the study.

2.1 Conceptual Background

BCM has evolved from Disaster Recovery Planning (DRP), initially focused on information-technology restoration, into a socio-technical framework encompassing prevention, preparedness, response, and recovery (Elliott, Swartz, & Herbane, 2010). The ISO 22313:2020 guidelines view BCM as a continuous improvement process integrated into corporate governance. Effective BCM requires managerial sponsorship, resource allocation, and organisational learning to ensure uninterrupted delivery of essential services.

2.1.1 Business Continuity Management Dimensions

Management Support: Executive commitment provides vision, policy direction, and funding for BCM initiatives. Leadership engagement legitimises continuity as a core strategic function (Herbane, 2019). In hospitality firms, management support determines whether continuity policies are enacted and sustained.

Organisational Preparedness: Preparedness involves proactive planning, resource allocation, and capability testing (Torabi, Giahi, & Sahebjamnia, 2016). Hotels with systematic preparedness demonstrate faster recovery and stronger customer loyalty post-crisis.

Embeddedness of Continuity Practice: Embeddedness reflects how deeply BCM principles are woven into corporate culture and daily routines (Järveläinen, 2013). Embedding continuity practices transforms BCM into a living organisational capability rather than a static plan.

Risk Management: Integrating risk assessment into strategic decision-making stabilises operations and reduces volatility (Jafari, Aghaei Chadegani, & Biglari, 2011). BCM operationalises risk management through structured scenario analysis and contingency mapping.

Effective Training: Regular simulation exercises and staff training reinforce procedural knowledge and behavioural readiness. Trained employees respond effectively to crises, ensuring service consistency and minimising downtime (Sahebjamnia, Torabi, & Mansouri, 2015).

2.2 Theoretical Framework

This study integrates three complementary theories:

Resource-Based View (RBV) – Firms gain sustainable advantage by developing valuable, rare, inimitable, and non-substitutable capabilities (Barney, 1991). BCM, when institutionalised, functions as such a capability.

Stakeholder Theory – Firms have responsibilities to multiple stakeholders; BCM protects stakeholder interests during disruptions (Freeman, 1984).

Resilience Theory – Organisational resilience reflects adaptive capacity to anticipate and absorb shocks (Linnenluecke, 2017).

2.3 Empirical Review

Yulianto and Zainal (2025) investigated business continuity management, resilience and performance in Indonesian tourism, surveying 140 tour operators, PLS-SEM analysis was employed and finding revealed that embeddedness of continuity practices (ECP) significantly enhanced organizational resilience and boosted financial and non-financial performance, while gaps in management support, preparedness, and external requirements limited benefits.

Zahiri, Sadeghi and Pourebrahim (2024) investigated the impact of business continuity management systems on operational and economic performance: evidence from Iranian payment companies. Managers of payment companies were surveyed and PLS-SEM was employed for analysis. The study revealed that BCM systems were found to effectively reduce operational and economic risks, thereby improving financial performance of firms. Payment companies with mature BCM had more rapid crisis recovery and lower disruption costs, translating to better economic outcomes.

Odigie (2024) looked at business continuity planning and financial performance in Nigerian banks. Cross-sectional survey was used to solicit data from 120 managers across 24 banks, and Spearman correlation was employed for testing. It was found that Business continuity planning (BCP) was significantly positively related to bank performance. Banks with robust BCP frameworks reported higher profitability, service quality, and market-share growth. Conclusion: BCP enhances overall performance under turbulent conditions.

Ali, Hanafiah and Hakim (2024) examined business continuity management Practices and tour operators' performance, a study done on the Malaysia tourism sector. The study surveyed 331 tour operators, and employing PLS-SEM analysis. Findings revealed that BCM practices (esp. organizational preparedness and embeddedness of

continuity plans) had a significant positive effect on both financial and non-financial performance. Top management support and external requirements showed partial positive impacts.

Boudi and Alshaikh (2024) carried out a research on Business continuity management and organizational performance in Saudi Arabian government agencies. 200 staff of government agencies were electronically surveyed. Finding showed that BCM implementation was significantly linked to improved organizational performance, mediated by planned and adaptive resilience. Government entities with strong BCM practices showed greater operational continuity and stakeholder trust, bolstering performance.

Ali and Ali (2023) examined business continuity planning and MSME performance during the COVID-19 lockdown in the Philippines. Descriptive survey (100 micro/small enterprises) was the research design for the study. Correlation analysis was used for test, and findings revealed that no significant relationship was found between the level of business continuity planning and short-term business performance during COVID disruption. MSMEs in 2020 saw sales drop despite BCP efforts, though sales rebounded in 2021; BCP alone did not guarantee performance, suggesting other factors at play.

Twaissi and Alawad (2023) study looked at lessons learned from post-COVID-19 business continuity management: A multigroup analysis in Jordan's tourism firms. 200 tourism firms were surveyed and PLS-SEM modeling was employed. Findings revealed that performance adaptability, innovation, talent preservation, strategic agility, and proactive strategy were critical factors that improved BCM effectiveness post-COVID. These, in turn, strengthened continuity of operations. Strategic agility moderated the impact of those factors on BCM success.

Al Ameri and Musa (2021) examined business continuity management and public organisation Performance. The study surveyed public employees and quantitative analysis was adopted. Findings showed that business continuity management factors (management support, external requirements, preparedness, risk management) had a significant positive effect on public organizations' performance. The findings highlights the importance of BCM for both financial and non-financial performance in crises.

Păunescu and Agartu (2020) carried out a study on strategic uncertainty and BCM, surveying 200 multinational firms and employing SEM. Finding revealed that Strategic BCM integration boosted market-share growth by 6% during volatile periods. Soufi, Torabi and Sahebjamnia (2019) examined integrated BCM & recovery. Methodology used was quantitative modeling and case validation. Study found that combining preventive and corrective controls improved recovery-time compliance by 25%.

3. METHODOLOGY

A cross-sectional survey design was employed to assess the relationship between BCM strategies and organisational performance in hospitality firms across six South-South Nigerian states. Using Cochran's formula, a sample of 384 respondents was drawn from hotels of varying categories (luxury, mid-range, and budget).

A structured questionnaire measured five independent variables; management support, risk management, preparedness, embeddedness, and training on a 5-point Likert scale. The dependent variable, organisational performance, encompassed financial (profitability, efficiency) and non-financial (customer satisfaction, employee productivity) indicators.

Data analysis involved descriptive statistics, Pearson correlations, and multiple regression using SPSS 25. Diagnostic tests confirmed normality, reliability (Cronbach's $\alpha > 0.70$), and absence of multicollinearity ($VIF < 5$).

4. RESULTS AND DISCUSSION

The correlation and regression analysis are summarized below

4.1 Descriptive and Correlation Analysis

Respondents indicated high awareness of BCM practices. Correlations revealed strong positive relationships between all BCM dimensions and organisational performance ($r = 0.62 - 0.79$, $p < 0.01$).

4.2 Regression Results

Table 1: Regression Results

Predictor	β	t-value	Sig. (p)
Top Management Support	0.321	5.88	0.000
Risk Management	0.176	3.42	0.001
Organisational Preparedness	0.284	5.03	0.000
Embeddedness of Continuity	0.212	4.19	0.000
Effective Training	0.195	3.96	0.000

Model summary: $R = 0.831$; $R^2 = 0.691$; Adj. $R^2 = 0.683$; $F = 86.25$ ($p < 0.001$).

All predictors significantly influence organisational performance, explaining approximately 69 % of variance.

4.4 Discussion

The findings corroborate prior research showing that executive commitment and preparedness enhance operational resilience (Herbane, 2019; Ritchie & Jiang, 2019). Top management support emerged as the strongest determinant, emphasising leadership's pivotal role in sustaining continuity culture. Preparedness also ranked high, aligning with ISO 22301's insistence on proactive resource planning.

Embeddedness reinforces organisational learning and ensures BCM becomes part of strategic DNA (Elliott et al., 2010). Risk management and training further complement performance by minimising loss exposure and enhancing staff competence. Collectively, these results confirm that BCM capabilities act as strategic resources and are consistent with the RBV, and generate competitive advantage through improved service reliability and stakeholder trust.

5. CONCLUSION

This study provides empirical validation that BCM strategies significantly and positively affect organisational performance in Nigeria's hospitality industry. BCM serves not merely as a defensive measure but as a strategic enabler of resilience, innovation, and competitive differentiation. This study validates that BCM strategies significantly enhance performance in Nigeria's hospitality industry. BCM operates as a strategic enabler of resilience, not merely as a risk response tool.

Executives should integrate BCM into corporate scorecards and governance structures. Adoption of global standards should be done to strengthen credibility and auditability. Regular drills and inter-departmental simulations should be carried out as it improves readiness. Hospitality firms should extend BCM protocols to vendors to ensure supply-chain resilience.

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