

Project Management in Joint-Stock Companies: The Case of the Tourism Industry

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Abstract: In the era of globalization and rapid technological advancement, project management has become a key instrument for organizational success. For joint-stock companies (JSCs), where transparency, shareholder value, and governance play an essential role, project management ensures that corporate objectives are achieved efficiently and sustainably. This paper explores the application of project management within joint-stock companies, focusing on the tourism industry as a practical example. It analyzes theoretical frameworks, discusses challenges and opportunities, and illustrates the role of structured project management through case studies.

Keywords: Project management; Joint-stock companies (JSCs); Tourism industry; Corporate governance; Risk management; Transparency and accountability; Strategic planning; Sustainable tourism; Digital transformation; Innovation in tourism; Agile project management; Destination development; Tourism project challenges.

Introduction

Joint-stock companies (JSCs) are distinctive corporate entities where ownership is divided into shares held by individuals or institutions. This ownership structure places strong emphasis on accountability to shareholders, adherence to governance principles, and the delivery of measurable results. Within such an environment, project management provides the methodology to translate strategic visions into operational success.

Tourism, one of the largest and fastest-growing sectors of the global economy, offers a valuable field for examining the role of project management in JSCs. Projects in tourism are diverse: construction of resorts, organization of international events, digital platform development, or sustainable destination management. Each requires effective planning, resource allocation, and risk management, especially as the industry is highly vulnerable to external factors such as political instability, seasonality, or global crises.

This paper investigates how project management operates within joint-stock companies, using the tourism sector as a primary case.

Literature Review

Project management theory emphasizes the balance of the “triple constraint” — time, cost, and scope — alongside quality and stakeholder satisfaction (PMI, 2021). In JSCs, this is complicated by the involvement of shareholders, who require transparency, financial accountability, and long-term sustainability (Turner, 2019).

In tourism, project management has been applied in various domains. Getz (2017) highlighted its role in organizing large-scale events, where coordination and risk management are critical. Hall

(2020) noted that destination development projects rely on stakeholder collaboration and government partnerships. Pechlaner & Volgger (2019) emphasized innovation-driven projects such as digital tourism platforms and new service models.

The literature underscores that tourism projects face higher uncertainty compared to other industries, requiring flexible methodologies such as Agile or hybrid approaches.

Project Management in Joint-Stock Companies

Project management in JSCs must reflect the organization's governance structure. Unlike small enterprises, JSCs have boards of directors, investor groups, and regulatory oversight. Key aspects include:

Governance and Oversight

Projects must align with corporate mission and satisfy shareholder expectations. Steering committees and project boards are often created to monitor progress.

Transparency and Reporting

Regular reports on project milestones, budget usage, and risk assessments are required. This ensures accountability and builds investor confidence.

Risk Management

JSCs must identify and mitigate risks proactively, as failures can affect shareholder value and company reputation.

Efficiency and Innovation

Due to competitive pressures, projects must deliver innovative solutions within constraints of time and budget.

Case Studies in the Tourism Industry

Case 1: Hospitality Development Project

A multinational hotel chain (organized as a JSC) initiated a project to build a luxury resort in Southeast Asia.

Project Scope: Construction, staff recruitment, and launch of promotional campaigns.

Challenges: Seasonal demand, environmental permits, and supply chain delays.

Outcome: By applying PMI's framework, the company completed the project on schedule and within budget, leading to increased shareholder returns and improved brand presence.

Case 2: Digital Transformation in Tourism Services

A travel agency JSC developed a mobile booking platform to attract younger customers.

Methodology: Agile was applied to allow flexibility in adapting to customer feedback.

Challenges: Integration with existing systems, data security, and cross-cultural usability.

Outcome: The platform increased customer engagement by 40% and reduced operational costs by 25%. Transparency in reporting project progress enhanced investor trust.

Case 3: Destination Marketing Campaign

A tourism board structured as a JSC launched an international promotional project to attract tourists after the COVID-19 crisis.

Project Focus: Online campaigns, collaboration with airlines and hotels, and hosting international fairs.

Challenges: Limited budget, global travel restrictions, and competition from other destinations.

Outcome: Despite challenges, the campaign boosted arrivals by 15% within the first year, showcasing the value of structured project management.

Challenges in Tourism Project Management

Tourism-related JSCs encounter several obstacles:

External Volatility: Natural disasters, pandemics, and geopolitical instability.

Stakeholder Conflicts: Balancing short-term profitability for shareholders with long-term sustainable growth.

Cross-Cultural Coordination: Managing diverse teams and projects across international markets.

Regulatory Hurdles: Compliance with government policies, environmental standards, and international regulations.

Opportunities for Tourism JSCs

Despite challenges, opportunities are expanding:

Digital Innovation: AI-driven travel assistants, big data analytics, and VR-based destination previews.

Sustainability Initiatives: Eco-friendly resorts and responsible tourism projects aligned with ESG (Environmental, Social, Governance) standards.

Personalized Services: Growth of customized travel experiences, creating new project possibilities.

Global Partnerships: Collaborations with airlines, online platforms, and governments to expand reach.

Conclusion

Project management in joint-stock companies provides a vital framework for translating strategic visions into reality. In the tourism industry, where projects are diverse and external risks are high, structured project management ensures efficiency, innovation, and accountability.

By adopting modern methodologies, maintaining transparency, and focusing on sustainable growth, JSCs in tourism can achieve both shareholder satisfaction and competitive advantage. Effective project management not only enhances organizational performance but also contributes to the long-term resilience of the global tourism sector.

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