

Strategic Restructuring for Hotels: Navigating Economic Crises

Declining revenue, unpredictable costs, and falling occupancy rates are primary drivers of financial instability in the hospitality sector. Due to commercial and tax law obligations, hotel management must act immediately upon identifying such trends to find viable solutions with stakeholders. A professional restructuring opinion (Sanierungsgutachten) or turnaround concept often serves as the essential foundation for these high-stakes decisions.

Legal Standards and IDW S6 Compliance

In Germany, restructuring concepts must adhere to the strict requirements of supreme court rulings. The objective is to provide a financially and legally resilient overview of the company's situation.

According to the latest **IDW S6 standard**, a formal statement on the company's "ability to be restructured" (Sanierungsfähigkeit) is now mandatory. Furthermore, the convergence of out-of-court restructuring and insolvency-based reorganization must be clearly outlined, incorporating specific insolvency-related considerations.

Market Analysis and Crisis Identification

Every restructuring concept begins with a thorough assessment of the company's current standing. This includes:

- **Environmental Analysis:** Assessing demographic, technological, political, and economic trends.
- **Industry Development:** Identifying profitability benchmarks within the hospitality sector.
- **Crisis Root Cause Analysis:** Distinguishing between product/service crises, strategic crises, stakeholder conflicts, and earnings or liquidity crises.

The proposed turnaround measures must directly address these identified root causes to ensure long-term stability.

The Future Business Model and Financial Plausibility

We define the current and future business model by analyzing core business areas, service offerings, and revenue/cost structures (including industry-standard yields and equity ratios). This includes optimizing processes, systems, and resources.

A critical component is the **integrated financial forecast**. All restructuring measures are incorporated into this plan to demonstrate financial feasibility. By using industry-specific KPIs, we provide clear evidence that the turnaround is plausible and sustainable.

Transparency for Stakeholders and SMEs

A restructuring report must enable an objective third party to verify the entire strategy and critically assess management's commitment to its implementation (e.g., through a declaration of completeness).

For Small and Medium-sized Enterprises (SMEs), we focus on essential core elements to ensure the process remains cost-effective without sacrificing the depth required by IDW S6 standards. A mere analysis of isolated sub-sectors is insufficient; a holistic approach is mandatory for a successful recovery.

Expert Consulting for Hotel Properties

We offer specialized expertise in developing restructuring concepts for the hospitality industry. Let us help you secure the future of your property.

Contact our experts at **+49 176 4884 62 90** or use our [Contact Form](#).