

THA

HOTEL & HOSPITALITY OPERATIONS



New Zealand
School of Tourism

HOTEL & HOSPITALITY OPERATIONS

THA: New Zealand Certificate in Tourism Level 4

STUDENT WORKBOOK



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COMPONENT 2: HOTEL & HOSPITALITY OPERATIONS

MODULE: HOTEL & HOSPITALITY OPERATIONS

CREDITS: 3

LEVEL: 4

GRADUATE PROFILE 2	LEARNING OUTCOMES	ASSESSMENT
Apply workplace practices required of a tourism workplace including teamwork, team leadership, risk management, and compliance with relevant Acts and health and safety legislation	Students will be able to identify and evaluate the different business systems and processes within a hotel that contribute to the delivery of a quality visitor experience and contribute to overall business effectiveness.	A written assessment on the operational areas of hotels and the application of applicable workplace legislation. (GP2, Cr2) (GP4, Cr1)
GRADUATE PROFILE 4	They will also be able to apply the relevant Acts and health and safety legislation that relate to this major sector of the tourism industry.	
Identify and evaluate tourism business systems and processes that enable the delivery of a quality visitor experience and contribute to overall business effectiveness.		

d) Who was the famous person interviewed in this episode and how does he usually get into hotels?
(Episode 2)

e) What things do the staff have to watch out for more when kids are around?
(Episode 3)

f) What different ways are the staff displaying engagement with children in the hotel?
(Episode 3)

g) What are the key learning you take from watching these three episodes?
Students could come up with the following



Find a review online relating to staff interactions with customers staying at the Mandarin Oriental Hyde Park using Trip Advisor (**customer service**). Print out these reviews (or write them out) and bring to class on Friday.

- One Negative Review
- One Positive Review



Complete the Hotel & Hospitality Operations Recap quiz on Moodle. Aim to get 100%, you can keep trying.

My Mark is: _____

Any additional assigned tasks/work your trainer has set you

ART DAY

9.00 – 10.00

10.00 – 10.15 Morning Tea

10.15 Assessment

FRIDAY AFTERNOON & WEEKEND



Complete the Broadmoor module in Moodle

This is located in the THA Self-Directed Learning Guide

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INTRODUCTION



Tourism New Zealand Footage (1.52 min)

Hotels play a crucial role in the tourism industry, as accommodation is a necessity when travelling. However, there are many different choices and types of hotels that travellers can choose. In previous modules in level 3 you have focused on the types of accommodation and the jobs in them. This module will focus more on:

- Various departments of a hotel and how they work together to create a seamless hotel operation
- Problem solving
- Numeracy in hotels, e.g. occupancy rates, and how much bed linen is required by a hotel
- Operational functions in a hotel
- Relevant legislation a hotel must comply with

WHAT IS A HOTEL?

EXERCISE ONE

a) How do you define what a hotel is? Write your definition below.

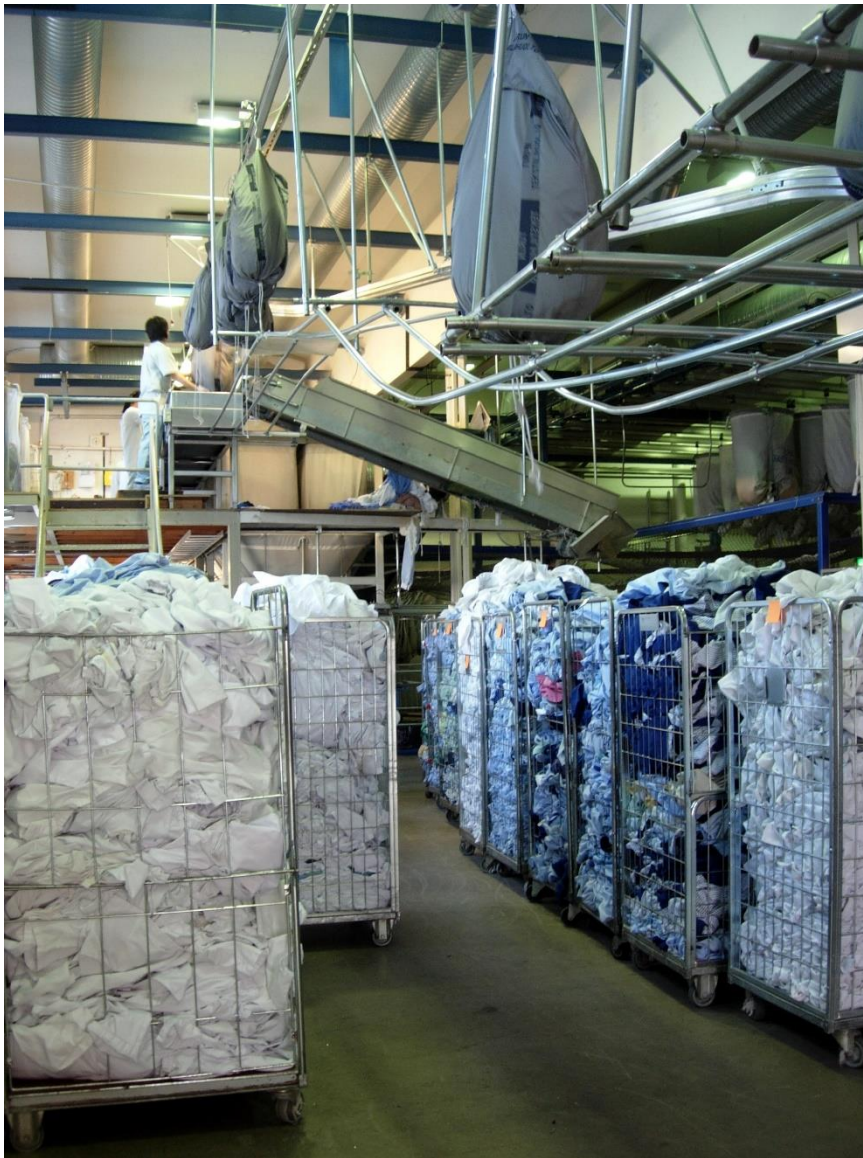
b) Where do people sleep, eat, workout, in a hotel? What makes up a hotel?

Use the pictures that follow to;

- Think of all the possible scenarios that could occur in this space of the hotel:
- Think of who might the people involved be?











EXERCISE TWO

Throughout this component, we will review some terminology used in the hotel & hospitality industry. Let's start by reviewing some of the basic acronyms, some of which are a review from level 3 while others will be new to you. Have a go and work out what they mean.

Acronyms

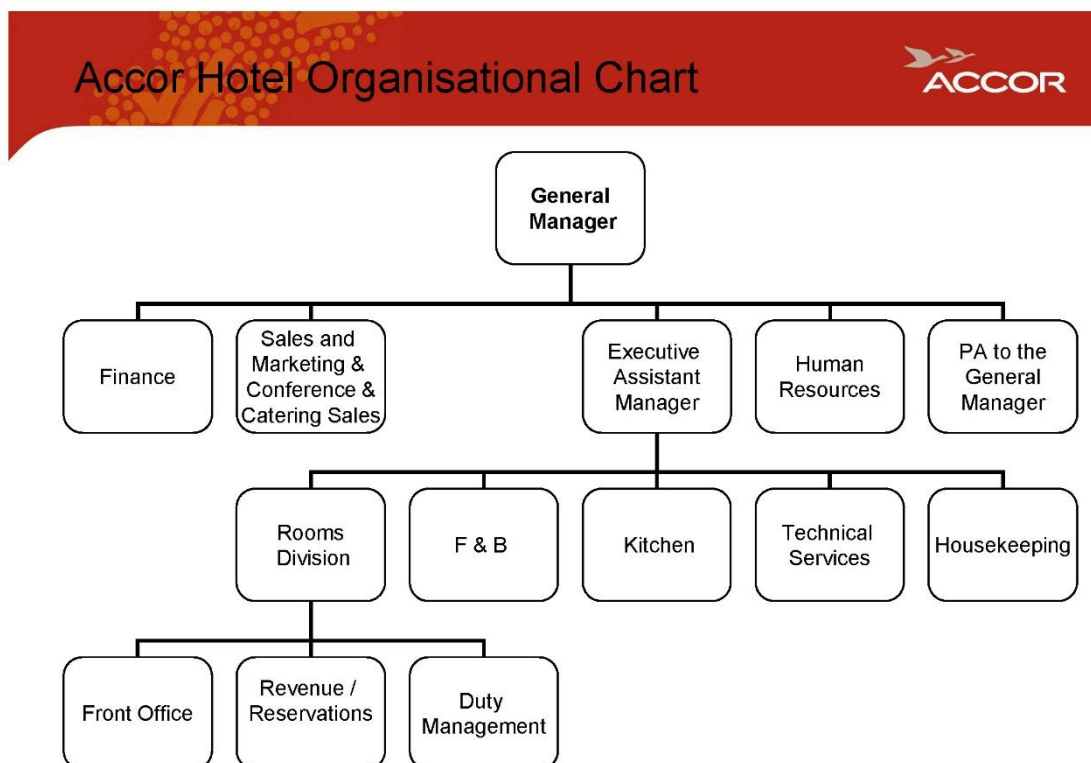
- a) TBA
- b) DBL
- c) AD
- d) CH
- e) ROH
- f) FOC
- g) PR
- h) ECI
- i) PN
- j) PP
- k) LCO
- l) DLX
- m) STU
- n) OOO
- o) WIFI
- p) MICE
- q) PMS
- r) ADR
- s) VIP
- t) PIA
- u) ALOS
- v) BAR
- w) IBE

HOTEL DEPARTMENTS

Now that you understand the endless possibilities available to you in this industry, we need to look at hotels in more depth. Each hotel requires several departments that work together to provide the service and facilities guests expect.

EXERCISE THREE

Look at the following two organisational charts and list down what some of the departments are in a hotel:





In this module will concentrate on five main departments:

- Rooms division including front office
- Food and beverage
- Kitchen
- Housekeeping
- Sales

We will look at each of these in terms of the areas of responsibility and tasks performed.

SALES

The sales and marketing department are responsible for promoting the hotel and all its facilities. They endeavour to fill the accommodation rooms ensuring high occupancy and seek to attract functions and conferences and events to the hotel as well.

Roles include Business Development manager, Sale Executive, Sales assistant Conference Sales Executive, Conference Coordinator and more.

This role is less about tasks and more about creating opportunities and liaising with clients to meet their needs. Staff in this department may attend expos, visit travel agents, develop brochure material, advertising campaigns, packages and incentives to promote the hotel to the target audiences.



ROOMS DIVISION

The rooms division of a hotel usually incorporates the front office division and the reservations division.

FRONT OFFICE

Front office department is responsible for checking in and checking out guests, making bookings, being of assistance to guests in terms of luggage, questions, travel advice. They are often the first interaction between the hotel and guest, so first impressions count!



RESERVATIONS

The reservations and revenue department is responsible for the occupancy of the rooms. Making reservations, setting rates, creating packages and discounts and maximising revenue for the hotel.

A welcoming manner and positive attitude are required for roles in these areas. The ability to keep calm under pressure is beneficial in dealing with unhappy guests, rooms that are double booked, discount requests etc. Problem solving is a key task.





RECEPTION

WHAT EXACTLY DOES THE ROLE INVOLVE?

- Welcome the customer personally and warmly, handle all the operations involved with the customer's arrival and departure
- Respond to the various customer demands
- Coordinate work with the housekeeper or rooms' team for cleaning rooms
- Always propose an alternative solution (within the Group if possible) if the hotel is full
- Handle invoicing and payment and abide by the brand's commercial offers

SKILLS AND ATTRIBUTES

- At ease with people
- Welcoming and service orientated
- Open minded and reactive
- Esprit commercial
- Good listening and anticipation skills
- Diplomatic and self-controlled
- Organised

TASKS & DUTIES

- Welcomes guests as soon as they arrive with due care and attention
- Helps encourage customer loyalty by developing friendly, personalised relationships
- Handles any guest complaints and/or remarks; provides a response as soon as possible
- Carries out all operations concerning guest arrival and departure in compliance with internal procedures
- Informs guests about the formalities, any special conditions relating to their stay and the services available
- Handles phone calls
- Passes on information as necessary to other departments (floor staff, technical etc.) and to other members of the front desk team

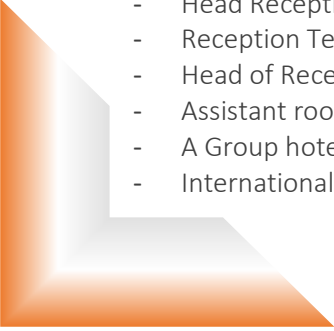
MANAGEMENT AND ADMINISTRATION

- a) Respects the procedures governing invoicing and cash operations
- b) Manages the cash under his/her responsibility

QUALIFICATIONS/EXPERIENCE

- Vocational training in Hospitality/Reception
- Fluent English (another language is appreciated)
- Knowledge of desktop applications
- First experience in a customer contact position

PROGRESSION

- 
- Head Receptionist
 - Reception Team Leader
 - Head of Reception (after experience)
 - Assistant rooms' division manager
 - A Group hotel of a different brand or with higher capacity
 - International mobility

RESERVATION AGENT

WHAT EXACTLY DOES THE ROLE INVOLVE?

- Take reservations over the phone, by fax or internet, and handle all associated operations
- Increase and optimize room sales in line with the brand and hotel's sales policy

SKILLS AND ATTRIBUTES

- Good listening and analytical skills
- Dynamic
- Available and reactive
- Sale spirit
- Welcoming and service orientated
- Diplomatic and self-controlled
- Organized
- Self-confident

TASKS AND DUTIES

- Provide a friendly and personal welcome for guests
- Rapidly identify the new customer and modify the sales pitch accordingly
- Cater to the needs and inform customers of Services provided
- Provide answers that are adapted to customers' needs
- Familiar with the local area around the hotel, including the competition
- Communicate in English

MANAGEMENT

- Help optimize occupancy and average room rates
- Respect and apply the hotel and brand's pricing policies
- Implement the Revenue Management policy

PROFESSIONAL TECHNIQUES/PRODUCTION

- Follow up the administration of reservations
- Transform a request for information into a potential reservation
- Present the brand and/or Group's loyalty programme to customers
- Counter any objections with a suitable and structured sales argument

- Handle reservations by applying the various step-by-step processes defined by the company
- Enter and confirm the reservation

COMMERCIAL

Communicate and cooperate with the other hotel departments

QUALIFICATIONS AND EXPERIENCE

- Professional training hospitality, reception, or telephone contact position
- Knowledge of the hospitality sector
- Fluent English (another language is appreciated)
- Knowledge of desktop applications
- Some experience in a customer contact position

PROGRESSION

- Reception (after training)
- Larger hotel or of a different brand
- International mobility



EXERCISE FOUR



Hilton Employee Training Video (8.25 min)



If you worked for Hilton Hotels Worldwide, you would be trained in welcoming and checking in guest using their recommended procedures. Hilton have produced a training video for their staff which you will watch now.

- a) Watch the video and write down Hilton's recommended procedures for dealing with guests:

LEGISLATION: THE PRIVACY ACT 2020

[HTTPS://PRIVACY.ORG.NZ/PRIVACY-ACT-2020/PRIVACY-PRINCIPLES/](https://privacy.org.nz/privacy-act-2020/privacy-principles/)

This Act applies to every person or organisation in New Zealand. It is to do with personal information held on anyone and for any purpose other than for personal, family or household affairs. It is a particularly relevant act for a hotel, and especially the front office department.

The Privacy Act is made of 13 specific principles that apply to different situations. These are:

1. **The purpose of collection of personal information.** Information must be collected for a lawful purpose and must be necessary for that purpose.
2. **The source of personal information.** Information about an individual is required to be obtained from that individual with a number of limited exceptions including where the information is publicly available and where the individual has authorised its collection.
3. **Collecting information from an individual.** Where information is collected from an individual the individual must be made aware of several specific matters including that the information is being collected and the purpose for which it is being collected.
4. **Manner of collection of personal information.** Information may not be collected unlawfully or in circumstances that are unfair or that intrude to an unreasonable extent upon the personal affairs of the individual.
5. **Storage and security of personal information.** Information is to be stored with sufficient safeguards to protect against loss or unauthorised access.
6. **Access to personal information.** Where information is held about an individual in a form that can be readily retrieved the individual concerned is entitled to obtain confirmation that information is held and have access to that information.
7. **Correction of personal information.** Where information is held about an individual the individual is entitled to request the correction of that information. There is an obligation to ensure that information retained is accurate, up to date, complete and not misleading.
8. **Accuracy of information.** Information must be checked before it is used. A person holding information is not entitled to use the information until it has been checked as accurate, up to date, complete, relevant and not misleading.
9. **Information not to be kept longer than necessary.** Personal information must not be retained longer than is necessary for the purpose for which the information is lawfully able to be used.
10. **Limits on use of personal information.** A person holding information that is obtained for one purpose is not able to use it for other purposes except in certain limited situations.

FOOD AND BEVERAGE

The Food and Beverage department often shortened to F & B, is a bustling environment responsible for all food and beverages served to guests including restaurant, bars, room service, functions, and conferences. The department encompasses all the restaurants and bars on a premises, as well as all conferencing venues.

The Food and Beverage Manager is responsible for wait staff, function staff, the creation of menus, the ordering of food and beverages and setting pricing. It is a fast-paced environment with varied hours to meet the many needs of the hotel.



KITCHEN

The Kitchen is sometimes considered part of the Food and Beverage department and sometimes a separate department of its own. It is responsible for cooking and preparing food and beverages, plating, and sometimes serving. It is also responsible for stocktaking and ordering of all raw materials and products required for the food and beverage department to operate. These are things such as meat, vegetables, fruit,

Roles include executive chef, sous chef and front of house staff, production manager, barista and more.



Extra Task

Accor hotels have an excellent online quiz which shows you what type of job you are suited to. Complete the online Accor quiz to find out which type of job suits you best. This can either be done in class or in your own time after class.

<http://www.accor.com/en/recruitment-and-careers/rh-quiz.html>

EXERCISE SEVEN

There are many terms that are commonly used in a hotel. Your trainer will now give you a matching exercise to complete where you will match hotel terminology with the correct definition. At the end of the exercise your trainer will give you a copy of the correct answers which you can paste into your workbook.

LEGISLATION: THE SALE AND SUPPLY OF ALCOHOL ACT 2012

The sale of alcohol is a part of life in the hotel industry. A hotel may have multiple bars and restaurants that serve alcoholic beverage. However, they also supply liquor as part of room service, in hotel mini bars and at guest functions. Therefore, hotels are subject to the law that goes with alcoholic beverage sale and supply. In New Zealand this is governed by the Sale and Supply of Alcohol Act 2012

The main features of the act are as follows:

The Object of the Act is that:

(a) The sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and

(b) The harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

National maximum trading hours

8am - 4am for on-licences, this means trading must stop at 4am in the morning.

7am - 11pm for off-licences, including over the bar sales

Hotel mini-bars are exempt from the 8am - 4am maximum trading hours

Persons can be on premises from 6am so long as no alcohol is sold or supplied before licensing hours.

On-License Areas

Restricted: an area to which minors must not be admitted

Supervised: an area to which minors must not be admitted unless accompanied by a parent or guardian:

Promotions

The following types of promotions are **offences** under the Act:

- Doing anything likely to encourage excessive consumption of alcohol
- Offering free alcohol, (unless on premises and cannot be seen or heard off premises), except complimentary tasting on off-licences.
- Offering discounts on alcohol of 25% or more below the price that alcohol is "ordinarily sold" (unless on premises and cannot be seen or heard off premises)
- Offering prizes or other goods or services on condition of alcohol purchase except in loyalty programmes that are not primarily for

alcohol, (unless on premises and cannot be seen or heard off premises).

- Promoting alcohol in any way likely to appeal to minors
- Grocery stores and supermarkets can only display and promote alcohol in one designated area.

Supply of low alcoholic and non-alcoholic refreshments and food

- A reasonable range of both non and low alcoholic beverages must be available at all times at reasonable prices
- Drinking water must be available free of charge.
- A reasonable range of food must be available at all times at reasonable prices and within a reasonable time

Infringement offences for licensees and staff

- 'On the spot' infringement offences for:
- Permitting minors in restricted or supervised area \$250
- Manager intoxicated on duty \$500
- Employee intoxicated on duty \$500
- Sales of spirit in vessel exceeding 500mL \$250
- Offences in relation to evidence of age documents \$250
- Failing to display name of manager on duty \$250
- Higher fines and suspensions may also be imposed on separate application to the ARLA (suspensions) or District Court (fines).

Infringement offences – the public

- Buying of alcohol by people under purchase age \$250
- Minors in restricted or unaccompanied in supervised areas \$250
- Presenting a fake or falsified ID \$250
- Using someone else's ID to buy alcohol \$250
- Giving or lending an ID (falsified or genuine) to an underage person \$250
- Fines of up to \$2000 may be applied on separate conviction by the District Court.

EXERCISE EIGHT

- a) What are the maximum trading hours?

- b) Do these hours include hotel mini bars?

ARTICLE

Read the following articles about the effects of non-compliance with the sale of Alcohol Act by the Rydges Hotel in Auckland.

One of Auckland's major hotels has been left dry for nearly a month over the holiday period because of a mix-up in renewing its liquor licence.

Rydges Auckland, which has a Qualmark four-star-plus rating, has been unable to sell alcohol since the end of December after the hotel paid its annual alcohol licence fee but failed to renew and pay for a further extended licence.

It's understood the 267-room Federal St hotel, which describes itself as an "urban oasis" and "among the finest hotels in New Zealand", will not be able to serve alcohol until early next month because of the error.

When a Herald staffer visited yesterday, a sign at the hotel's bar informed guests that no liquor was being served and apologised for the inconvenience.

A spokesman for the hotel told the *Herald* last night the mix-up involved a new fee introduced under legislation that used to be paid by ratepayers.

The spokesman declined to estimate what the mix-up had cost the hotel in lost alcohol sales but said the situation could have been worse if the enforced dry period had come during the busy corporate season.

"It's hard to quantify due to the time of year. Unlike standard bars or restaurants, hotel bars generally do softer trade in January because it's mainly families."

The council had issued the hotel a special licence for an upcoming wedding.

Auckland Council's alcohol licensing manager, Rob Abbott, said the hotel had received notification that its annual licence fee was due, and this fee was received by the council.

It was also sent notification that a renewal application and fee for a further three-year licence was due and Rydges did not make an application for renewal.

"We have discussed this with Rydges' management, and they understand the process and the reason why they cannot sell alcohol without a current licence," Mr Abbott said.

One hotel guest remarked online that he should have been told upon check-in that alcohol couldn't be sold in the hotel bar, rooms or restaurants.

Hotel management had since asked its front desk staff to mention the fact to every guest.

Identifying Alcohol Impaired People

The Act defines Intoxication as being observably affected by alcohol, other drugs, or other substances to such a degree that two or more of the following are evident:

- (a) Appearance is affected
- (b) Behaviour is impaired
- (c) Co-ordination is impaired
- (d) Speech is impaired

The hospitality industry, police and associated government agencies assist servers of alcoholic beverages by supplying them with training, information and tools to recognise and deal with intoxicated patrons. One such tool is shown in the graphic below. It is not only the task of licensed premises to identify intoxicated patrons but to also be responsible for them, and endeavour to stop them from becoming intoxicated to the point where their judgement is severely impaired. Each hotel that engages in the service of alcohol must understand its responsibilities and the responsibilities to their guests and the wider community clearly.

An intoxication assessment tool has been developed to assist servers of alcohol and those working in an environment where alcohol is sold to identify and control drinkers who are at risk of intoxication.

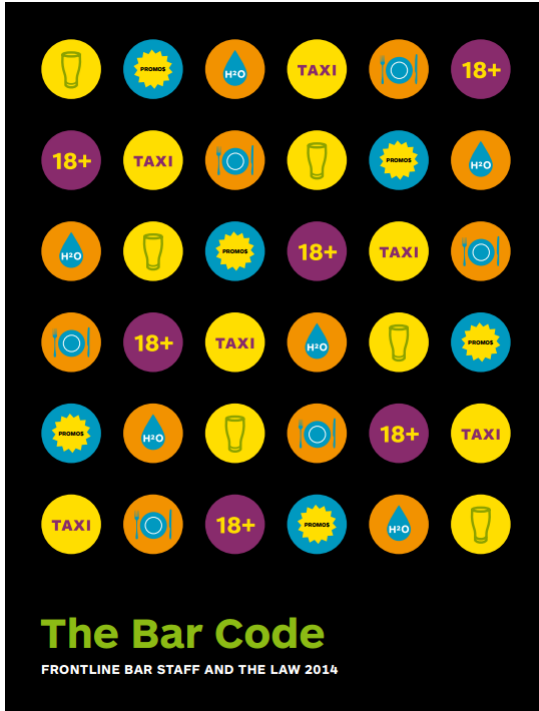
Intoxication Assessment Tool			
Indicators may include but are not limited to:			
	SOBER	INFLUENCED	INTOXICATED
S peech	Coherent, clear speech, normal tone/volume, may be talkative.	May be overly talkative, opinionated and interrupts, may stumble over words, becoming loud, inappropriate language, jokes, comments.	Slurring, difficulty forming words, loud, repetitive, loses train of thought, nonsensical, unintelligible.
C oordination	Coordinated, balanced, standing without help or support.	Slowed or delayed reactions, swagger or occasional staggers or sways.	Spills drinks, stumbles, trips, weaves, walks into objects, unable to stand un-aided or sit straight.
A pppearance	Tidy, clear eyes, alert.	Vacant or blank expression, smell of alcohol on breath, may look untidy.	Bloodshot eyes, eyes glazed, inability to focus, tired, asleep, dishevelled.
B ehaviour	Behaving sensibly but may be more relaxed.	Over friendly or withdrawn, inappropriate or risky actions, argumentative, annoying, fading attention, increased consumption rate.	Seriously inappropriate actions or language, aggressive, rude, belligerent, obnoxious behaviour affecting other customers.
	Monitor & serve responsibly	Intervene	Deny & remove

AL804 | June 2013



EXERCISE NINE

Use “The Bar Code” document in the appendix of your workbook to complete the exercise your trainer will now describe to you.



HOUSEKEEPING

Housekeeping is an important department in a hotel. This department is responsible for cleaning all areas of the hotel that are used by guests. This includes the cleaning of guest rooms, lobby, restaurants, bars, toilets, conference rooms etc. They are sometimes responsible for replenishing mini bars in rooms and also for laundering lined or guest clothing as many large hotels also have their own laundry which is run by the housekeeping department.

Housekeeping works closely with the front office department to ensure rooms are available and serviced for guests.



LEGISLATION: HEALTH AND SAFETY AT WORK ACT 2015 (HSWA)

EMPLOYER RESPONSIBILITIES

Hotel employers must take all practicable steps to ensure the safety of employees while at work. This pivotal requirement of the Act is set out in section 6. This section describes the duties of the employer:

- Provide and maintain a safe working **environment**.
- Provide and maintain **facilities** for the safety and health of employees at work.
- Ensure that **plant** machinery and equipment in the place of work is designed, made, set up, and maintained to be safe for employees.
- Ensure that **systems of work** do not lead to employees being exposed to hazards in or around their place of work; and
- Develop procedures for **dealing with emergencies** that may arise while employees are at work.



EMPLOYEE RESPONSIBILITIES UNDER HSWA

Section 6 of the Act requires **employees** to:

- take whatever steps are needed to ensure the safety of themselves and others in the workplace
- use the safety equipment provided
- not knowingly expose themselves or others to harm

In other words, it is the responsibility of **everyone (employers and employees)** in the workplace to keep the workplace safe.

This is to everyone's advantage and will limit damage to people and property, will maintain production levels, and avoid fines and other costs for non-compliance.

An example of how this Act is applied in a hotel situation might be that if a fire drill sounds at the hotel, then they should themselves act immediately as they have been trained to do and move to the evacuation zone whilst encouraging others to do the same.

Read the next two pages that look at health and safety issues in hotels.

EXERCISE TEN

Use the chart below to identify main types of hazards in different areas of a hotel. Use the managing the risk information to assist you with this.

Main Types of Hazard

Managing the Risk

Kitchen

Cutting injuries or amputations.

- Always cut or chop on a board, never in the hand.
- Do not leave knives in sinks.
- Store knives in suitable racks or sheaths.
- Make sure dangerous machines, such as slicers, mixers and food processors are suitably located, securely fixed and adequately guarded.

Burns and Scalds

- Do not top up deep fat fryers with oil from large containers.
- Provide suitable gloves and aprons for dishwashing and only use special oven cloths for removing hot items from ovens.
- Use long handled baskets for deep sinks.

Fire Risks

- Do not overfill or leave deep fat fryers unattended.
- Do not leave ovens and ranges unattended.
- Ensure suitable fire fighting equipment is available.

Restaurant

Tripping or falling while carrying hot food.

- Provide adequate lighting and sufficient room.
- Train staff in safe working practices eg. never carry hot food over the head of a customer, be aware of handbags etc.
- Establish a "one way" system in and out of the kitchen.

Bedrooms

Lifting furniture, bending and stretching when cleaning can lead to accidents and cause injury. Substances used for cleaning baths, toilets and floors are potentially dangerous chemicals and may cause dermatitis and chemical burns.

- Train staff in safe handling techniques eg. ensure assistance is available when lifting heavy furniture.
- Safe working practices for cleaning rooms should be developed e.g. clean the far side of the bath first to avoid having to lean over a slippery surface.
- Use the safest possible cleaning agents and instruct staff how to use chemicals.

Kebs and Gas Stores

Incorrect handling and storage of gas cylinders is dangerous.

Unsafe stacking of kebs and cases is dangerous.

- Handle cylinders with care and keep away from heat and direct sunlight.
- If standing upright make sure they are secured e.g. with a chain.
- Do not stack above normal shoulder height.

Bar

Falls, cuts from broken glass and injuries from manual handling are among the most common accidents.

- Provide mops so that spills can be cleaned up immediately.
- Provide a separate container for the safe disposal of broken glass clearly marked for safe handling.

Grounds

The main hazards are associated with traffic flow, car parking and the use of equipment and pesticides for grounds maintenance.

- Car parking spaces should be clearly indicated and located away from the main entrance and emergency exits. The speed limit for traffic should be clearly indicated and monitored.
- All outdoor electrical equipment should be supplied through a circuit protected by a 30mA RCD.
- Training on the storage and use of pesticides should be given.

Fire Safety

Electrical faults in wiring, lights and equipment, burning fat and grease, flare-ups in cooking appliances and smoking are the main causes of fires in hotels.

- Ensure that all means of escape are properly maintained and kept free from obstruction, unlocked and easy to open. Ensure that the fire alarm can be heard in all parts of the building including the stores. Ensure electrical systems are checked regularly and faults reported and repaired immediately.

Entertainment

Entertainers have been injured and even killed from electric shocks while performing.

- Ensure that all sockets used to plug in audio equipment are protected by a residual current device (RCD). RCDs are relatively inexpensive and are widely available from retail outlets selling electrical goods.

Legionnaires Disease

The bacteria which cause Legionnaires Disease live in damp warm conditions. The bacteria cause illness when they are inhaled in significant numbers. This might happen by breathing in the fine spray from a contaminated water supply from a shower.

- Ensure all shower heads are cleaned and disinfected on a quarterly basis, with additional cleaning where usage is low. Empty water storage tanks annually, leave for a period of 2 - 5 hours, disinfect and rinse.

Maintenance

People have lost their lives, others have suffered injuries as a result of accidents during maintenance work, e.g. window cleaning, watering plants, changing light bulbs, painting etc. or lift and equipment maintenance.

- Do not overlook routine cleaning and maintenance work when considering health and safety. Develop safe systems of work.

Violence to Staff

The main risk is to bar and reception staff.

- Watch staffing levels and ensure a male/female balance especially at night.
- Train staff on how to spot the warning signs of a potentially violent situation and on how to handle the situation.
- Consider the use of alarms.
- Make sure you know how your staff get home at night.

AREAS OF CONCERN UNDER THE ACT

Now that you are familiar with the responsibilities of the employer and the employee, let us apply those to specific areas of concern. Each workplace should have an effective method of identifying hazards, delivering information about health and safety, evacuation procedures, etc. It is imperative for hotels and hospitality workplaces such as restaurants and cafes to have thought of every possible danger to ensure the safety of its staff and guests.

Key areas of concern under the act include:

- Identify hazards on a hazard register
- Information and training
- Emergency Procedures
- First Aid
- Accidents
- Workstations
- Housekeeping
- Access and Storage

EXERCISE ELEVEN

Employees should be provided with information on all the hazards to which they may be exposed to avoid harm. What hazards do you see in the picture here?



EMERGENCY PROCEDURES

A range of emergencies may occur while at work. How prepared are you for fire, flood, earthquake, or cyclone? There should be emergency procedures in place in the workplace. Everyone should be familiar with these procedures e.g. how to exit buildings, where to assemble. There should be emergency drills such as fire drills practiced regularly.

FIRST AID

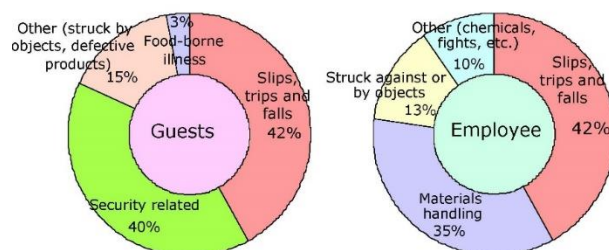
There should be a well-stocked first aid box. Everyone should know where it is located. There should be a system in place for restocking and staff trained in First Aid.

ACCIDENTS

A register should be kept of all serious accidents, which details what happened and what if any changes were made to prevent this happening again. These accidents must be reported to OSH (Occupational Safety and Health Service) on the prescribed form within 7 days.

Accident types

- "Slips and Falls" is the most frequent accident type by cost for both guests and employee



Slips and Falls

Locations of accidents

- In a hospitality setting, falls usually happen in one of these areas:

- 1) stairways
- 2) balconies or landings
- 3) ramps
- 4) parking lots
- 5) bathtubs or showers



- Important factors usually involved in these falls are:

- 1) presence of handrails/guardrails
- 2) presence of a non-slip surface
- 3) adequacy of landing areas
- 4) accident victim's field of vision
- 5) accident victim's health, behavior
- 6) adequacy of lighting
- 7) weather conditions (wet, snowy) and maintenance (cleaned, recently polished)

EXERCISE TWELVE

Looking at the previous graph,

- a) What is the most common type of accident for guests?
- b) What is the most common type of accident for employees?
- c) What is the next most common type of accident for employees?
- d) Looking at the previous extract, where do slips and falls normally happen in a hotel?
- e) What are 2 important factors involved in the fall that are not victim or weather related:

WORKSTATIONS

It is generally accepted that one of the most dangerous areas in the travel workplace is the use of the computer/Visual Display Unit. It is essential that the workstation is set up correctly and that the worker takes frequent breaks and does exercises to prevent Occupational Overuse Syndrome (OOS).

Care should be taken with the safe use of VDU's/ computer terminals e.g. height of chair, footstool, height of desk, distance from screen, correct lighting, glare screen, taking frequent breaks, doing exercises.

Which departments or roles of a hotel are most at risk?

HOUSEKEEPING/CLEANING

Housekeeping refers to those things around the workplace that we need to keep clean/tidy in case they become a health risk/safety issue, such as slippery floors, clean linen etc.

Look at the following extracts:

Bedmaking

General strategies

Bedmaking task may be responsible for a high degree of low back pain amongst room attendants.

- Housekeepers should make beds one side at a time, completing one side entirely before proceeding to the other side.
- Housekeepers should position their bodies close to the bed with their back rigid when pulling covers on and off.

- By using NIOSH lifting equation you can calculate injury risks.

National institute for Occupational Safety and Health (NIOSH), 1981, NIOSH Publication



Recent Study on "bedmaking"

A study on physical stress affected by size and height of beds

- Bed Height
The high bed condition is recommended since it resulted in less load on the low back (460 vs 560mm).
- Bed Size
A reduction in bed size would not necessarily result in reduced spinal loading.
- Spinal loading
Spinal loads in bedmaking may place the worker at risk of injury to the lower back.
Spinal loading depends on the way in which the task is performed (In "Pull Bed" task the load is lower).

Lumbosacral loads in bedmaking, P.D. Milburn et al, Applied Ergonomics 30 (1999) 263-273

The following checklist is found in the Code of Practise for Manual Handling.

Are any of these factors present in the task?

- Twisted, stooped, awkward asymmetrical postures
- Fixed, sustained, rigid, prolonged postures
- Unvaried, repetitive movements
- Sudden, uncontrolled, or jerky movements
- Handling or reaching away from the body
- Using high or sustained force
- Handling heavy or awkward loads
- Whole body vibration or upper limb vibration
- Handling that goes on for too long without a break

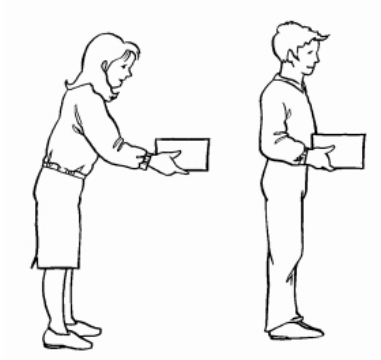
EXERCISE FOURTEEN

Complete the checklist for housekeepers asked to fold 1000 towels

Hazard identification checklist		
Are any of these factors present in the task?	NO	YES
Twisted, stooped, awkward asymmetrical postures		
Fixed, sustained, rigid, prolonged postures		
Unvaried, repetitive movements		
Sudden, uncontrolled or jerky movements		
Handling or reaching away from the body		
Using high or sustained force		
Handling heavy or awkward loads		
Whole body vibration or upper limb vibration		
Handling that goes on for too long without a break		

Did you know?

Heavy Lifting: Handling heavy objects can require high muscle forces. This can mean overloading of the tissues and joints, particularly of the back, knees, arms, and shoulders. A lighter weight object held at a distance from the body can require the same effort to handle as a heavy one held close. The force needed to move an object can be greater than the load itself if the load is moved quickly or jerked. It takes about three times the effort to lift a load 60cm from the body than to lift the same load when held close to the body.



When would this be a problem in a hotel?

PROBLEM SOLVING

In a perfect world, hotel operations would run smoothly, and rooms would fill to capacity every night but what if something goes wrong? Hotels do not operate in a perfect world and there are multiple problems that need to be dealt with daily.

To effectively solve problems, it is best to use a problem solving framework. This enables a systematic approach to problem solving and ensures the best possible outcome and solution for the problem.

Below is a useful framework for problem solving.

Problem Solving Framework

- * Identify or observe the problem
- * Looking for possible solutions
- * Make a decision
- * Implement a solution
- * Monitor the outcome and seek continuous feedback

EXERCISE FIFTEEN

- a) What sort of problems do you think you could have in hotels?

- b) Apply the problem-solving framework to the following scenarios.
In the first task some of the answers have been done for you.
The second you need to complete on your own.

Scenario 1

The hotel is booked solid for tonight. You are in the middle of a meeting with the Regional Sales Manager. He assumes he can stay the night at your property but hadn't booked in or let you know in advance. What do you do?

a) **Identify the problem**

There are no rooms available for the Regional Manager who requires a room tonight.

b) **Observe the problem build a clear picture**

c) **Look for possible solutions**

- Given that our sister property is next door, and they have rooms available tonight I could possibly put him in there though it is a lower standard.

d) **Make a decision**

e) **Implement solutions**

Talk to the regional manager after his meeting and let him know that you are aware he has not had the ability to try the new sister property next store as yet. So, you took the liberty of booking him a room there so he could experience it for himself. Ask him is this is suitable?

f) **Monitor outcome/ seek feedback**

Scenario 2

You are the manager of a hotel restaurant and one of your waiters has called in sick at the last moment. You have a very busy evening planned with several tour groups dining in the restaurant and you really need all the staff you can get.

a) **Identify the problem**

b) Look for possible solutions

c) Make a decision

d) Implement solutions

e) Monitor outcome/ seek feedback



Operations Management – A Case Study of a Hotel (27.34 min)

- g) Along with the General Manager, there are four other crucial roles which form the backbone of operations management in the hotel. Identify these four roles.

ROLE: _____

Key Responsibilities include:

- Make sure the rooms are serviced
- Public areas are clean
- Housekeeping stock is ordered
- Housekeeping staff are rostered on

ROLE: _____

Key Responsibilities include:

- Reservations
- Check in & out
- Night management of the property

ROLE: _____

Key Responsibility:

- Looks after the running of the restaurant, bars and conferencing facilities

ROLE: _____ Key

Responsibilities include:

- Orders all the restaurant food
- Plans the menu
- Oversees the kitchen staff
- Ensure the hotel is serving delicious food

- h) Identify and discuss the four areas of strategic planning and what it involves.

Facilities Management

Materials Management

Quality Management

BOOKING SOURCES

When you work in a hotel it is wise to know where your bookings are coming from. Do your guests have a reservation? Have they walked in off the street, or have they prepaid their travel agent?

There are several booking sources including:

- Direct
- Retail Travel agencies/I-sites
- Wholesalers/tour
- Third party website

As you may already have learnt, the distribution channel means traditional offline bookings come either directly from the guest, via a retail travel agent or a wholesaler. (via walking in, phone or email).

These sources are also being generated online now. The newest online distribution channel is third party websites.

Let's discuss these further.

DIRECT BOOKING

Direct bookings come 'directly' from the guest. They either phone, email walk-in or book their room on the hotels' website directly. They pay full rate or any discounted rates available.

Example: Novotel room passenger pays \$150.00

RETAIL TRAVEL AGENCY

Retail bookings arise when the guest books the hotel indirectly via their retail travel agency. The travel agency will then either phone/email the hotel or use a wholesaler.

New technology allows some retail travel consultants to look at live availability for a hotel via property management systems and book commissionable rates online.

Guests pay full or discounted rates, and the travel agent pays a net amount less approximately 10% commission.

Example: Novotel room guest pays \$150, of which the travel agents pays \$135 to Novotel and keeps \$15 commission.

WHOLESALE/ TOUR COMPANIES

Wholesale or tour company bookings arise when the guest books the hotel as part of a package or escorted tour via a retail travel agency, who in turn books it with a wholesaler or tour company. These companies usually will be given an allotment of rooms from the hotel to freesell up until a certain date prior to arrival.

New technology allows some wholesalers and tour companies to look at live availability for a hotel via a property management systems and book commissionable rates online.

Guests pay full or discounted rates as part of a package. The retail agency pays the wholesaler net rate less 10% commission, and the wholesaler pays the hotel less another 10% off the retail rate.

Example: Novotel room passenger pays \$150, of which the travel agents pay \$135 to the wholesaler and keeps \$15 commission. The wholesaler pays \$120 to the Novotel and keeps \$15 commission.

THIRD PARTY WEBSITES

Third party websites arise when hotels offer their live availability to other parties. Companies such as wotif, trademe, travel bug, expedia, Neditnow etc... all amass accommodation around the world onto their website so that guests have a one stop shop for online bookings rather than going to each hotel's website individually.

These sites link directly to the hotel's property management system (or via a channel manager). So, the guest can see in real time, whether a room is available on a certain date and book and pay for it immediately.

(We will learn more about channel managers later on).

Sometimes these third-party websites are called OTAs (Online /Travel Agencies) and they command various commission rates for a property to be a part of.

EXERCISE SEVENTEEN

Look at the first section of the OTA and Channel Manager handout.

Write down some of the commission levels negotiated by OTAs:

EXERCISE EIGHTEEN

Choose a hotel and try to book 1 night's accommodation at the Novotel via each method:

E.g. Sofitel Melbourne on Collins

a) Direct

<http://www.sofitel.com/gb/booking/room-dates.shtml>

The screenshot shows the Sofitel website's booking interface. At the top, there's a navigation bar with 'CREATE YOUR ACCOUNT' and 'LOG IN'. Below that, the Sofitel logo and 'LUXURY HOTELS' are displayed. A progress bar indicates the current step: '1. Hotel list', '2. Rooms and rates', '3. Options', '4. Summary', '5. Payment', '6. Confirmation'. The main content area is titled 'Add additional information' and features a search for 'SOFITEL MELBOURNE ON COLLINS'. It includes a hotel description, address (25 Collins Street, 3000 MELBOURNE, AUSTRALIA), and a 'View the rates' button. A sidebar on the left contains a 'LE CLUB ACCOR HOTELS' membership promotion, a 'Hotel' information box, and a 'Loyalty or membership card number' field. At the bottom, there's a cookie consent banner.

Hotel
Sofitel Melbourne on Collins
25 Collins Street
3000 MELBOURNE,
AUSTRALIA

Arrival date
Departure date

Loyalty or membership card number
Discover Le Club AccorHotels

Preferential code
New search Recalculate

1. Hotel list 2. Rooms and rates 3. Options 4. Summary 5. Payment 6. Confirmation

Add additional information

SOFITEL MELBOURNE ON COLLINS

view the map
25 Collins Street
3000 MELBOURNE
AUSTRALIA

Sofitel Melbourne On Collins is at the Paris end of Collins Street, in the heart of the premier shopping, dining and theater... [Find out more](#)

[+] More photos

To view the rates, please select the dates of your stay and the number/type of rooms required.

Please select the dates of your stay

Arrival date Departure date

Please select the number/type of rooms required

Number of rooms 1

Room 1 Adult(s) 1 Child(ren) 0
(more than 12 years old) (0 to 11 years)

View the rates

About this hotel

Maximum 3 rooms per booking
Maximum 3 people per room
- Maximum 2 adult(s) per room
- Maximum 1 child(ren) per room

Children:
From 12 years old, children are considered as adults

To ensure you receive the best user experience, our site will use cookies to store information through your browser.
To find out more and view our privacy policy, [click here](#).
Continued use of this site indicates you have accepted our policy.

c) Retail Travel Agency

<https://www.discoveraustralia.com.au/hotels/sofitel-melbourne-on-collins-hotel-22871.html>

c) Wholesaler or Tour Company

<http://www.airnewzealand.co.nz/hotels>

AIR NEW ZEALAND

Flights Hotels Cars Holiday Ideas Special Deals Airpoints™ Help & Contact

Melbourne City Centre Accommodation, Hotels and Apartments

Change Search

Location: Melbourne City Centre (VIC)

Hotel Name:

Check-in: Jun Tue 3

Check-out: Jun Sat 28 Nights: 25

Adults: 2 Children: 0

go

Refine Search

Average Nightly Rate (NZ\$) \$87 \$87 to \$957 \$957

Minimum Rating All

Accommodation Style Any

Room Type Any

Amenities:

- Air Conditioning
- Parking
- In Room Spa Bath
- Swimming Pool
- More

refine

Sort By: Recommended (v) Total Price Hotel Name Star Rating Availability Rates include Tax Currency Converter: NZD

Results 1 - 80 of 80 Show all on map

	Tue 03-Jun	Wed 04-Jun	Thu 05-Jun	Fri 06-Jun	Sat 07-Jun	Sun 08-Jun	Mon 09-Jun	Tue 10-Jun	Wed 11-Jun	Thu 12-Jun	Fri 13-Jun	Sat 14-Jun	Sun 15-Jun
Atlantis Hotel ★★★★★ 3.5 Map Melbourne	144	144	144	255	255	162	162	162	162	232	232	162	
Quality Hotel Downtower on Lygon ★★★★★ Map Carlton	191	191	191	191	191	191	191	191	191	191	191	191	191
Adina Apartment Hotel Melbourne, Northbank ★★★★★ Map Melbourne	181	181	181	291	314	232	169	169	169	232	250	169	
Adina Apartment Hotel Melbourne ★★★★★ FREE NIGHTS Map Melbourne	208	208	208	208	256	256	181	208	208	256	256	208	
Oaks on Market ★★★★★ FREE NIGHTS Map Melbourne	185	185	208	284	296	208	208	185	185	197	284	284	197
Mantra on Russell ★★★★★ Map Melbourne	198	198	198	238	307	238	174	185	224	238	267	185	
Stamford Plaza Melbourne ★★★★★ FREE NIGHTS Map Melbourne	332	332	332	332	443	332	274	332	332	332	390	274	
George Powlett Apartments ★★★★	87	87	87	87	87	87	87	87	87	87	87	87	87

d) Third party website

http://www.wotif.com/

The screenshot displays the Wotif website interface for the Sofitel Melbourne on Collins. At the top, there is a navigation bar with the Wotif logo and menu items for Accommodation, Holiday rentals, Flights, and Packages. A banner for 'THE LION KING' musical event is also visible. Below the navigation, the page title 'Sofitel Melbourne on Collins' is shown along with a 'Self rated' indicator and a 'Choose a room from AU\$215' button. A large gallery of images shows the hotel's interior, including a grand lobby and several hotel rooms. To the left of the gallery, a rating of 4.6 out of 5 is displayed, accompanied by a 'BEST THING...' quote from a guest. Below the rating, there are icons for amenities such as broadband, valet parking, and restaurant services. A map shows the hotel's location at 25 Collins Street, Melbourne. The bottom section of the page lists 'Activities and facilities' including a business centre, concierge, and laundry services.

e) Third party website endorsed by a fourth party:

<http://nzschooloftourism.co.nz/insurance/>

(At the bottom of the home page you will find our preferred online travel agency; TravelBug).

The screenshot shows the website for the New Zealand School of Tourism. The header includes the logo and navigation links: ABOUT US, COURSES, CAMPUSES, INTERNATIONAL, STAR/GATEWAY, STUDENT SUCCESS, and CONTACT. A banner features a woman and the text "DREAM JOB - HERE WE GO!". Below this is a purple navigation bar for "INTERNATIONAL STUDENTS" with sub-links: OVERVIEW, STUDYING IN NEW ZEALAND, ENTRY REQUIREMENTS / HOW TO ENROL, IMMIGRATION & VISAS, INSURANCE (highlighted), OUTSTANDING FEATURES, and FEE PROTECTION. Further down are links for COURSE CONTENT, COMPLAINTS, ACCOMMODATION, and INTERNATIONAL STUDENT SUCCESS STORIES. The main content area is titled "INSURANCE" and includes a sub-section for "Medical & Travel Insurance". A teal box on the right displays "OPEN 03 FEB" and "DAYS 17 FEB" with contact information: "Info tours start at 10am, 2pm and 4pm" and "Call us if you can't make it 0800 10 26 20".

The screenshot shows the "TRAVEL BUG" search interface. It has a blue header with the text "Search accommodation". Below this are two dropdown menus: "Any region" and "Any district". There are two rows of date pickers: "In" with "Tue 19" and "Aug", and "Out" with "Wed 20" and "Aug". A red "Search" button is positioned below the date pickers. At the bottom, the "travelbug by trademe" logo is displayed.

PROPERTY MANAGEMENT

We have just learnt about where the bookings come from. Where does the hotel store all this information? How do they know if a room is available on a certain date or not? How do they manage their availability?

A Property management system or (central reservation system)

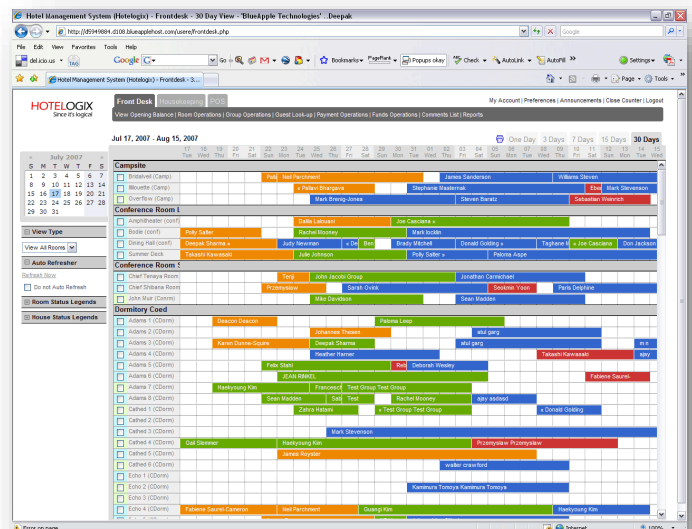
A property management system is a computerised calendar that stores information such as:

- Client reservations
- Client profiles
- Group bookings
- Accommodation room rates
- Accommodation room availability and bookings
- Record of payments
- Record of housekeeping
- Conference room availability and bookings
- Room service and Restaurant bookings
- Function menus/orders
- Function requirements/ Audio Visual (AV)

PROPERTY MANAGEMENT SYSTEMS

Property management systems include:

- Micros- Opera (Many large 4-5 star hotels use Micros Opera).
- Motelmate
- Resbook
- Bookit
- RMS
- Frontdesk
- Callista
- Guest Centric
- Hotelogix
- And many more...



ONLINE BOOKINGS

The inception of this new technology has meant that the PMS is not only a record of information for the hotel, but for other parties as well. So whilst the hotel's reservations agent or receptionist is inputting data manually, so too is information going in automatically.

These intricate PMS now can link to all other booking sources previously mentioned online. A live connection exists between the hotel's PMS and other systems such as the hotel's website, the retail travel agency reservations system, the wholesalers reservation system and third party websites systems.

These relationships are explained in the diagram following. Booking availability can be shared real time across all sources.

CHANNEL MANAGERS

This is somewhat like Facebook. These are systems that each hotel has an account with. They take the information from the hotel's PMS live availability and rates and connect it to all its 'friends' (third party websites). It ensures the same information is seen by all friends, and if one friend (third party website) books a room, then it is immediately taken off the PMS and all other friends can see that it is no longer available!

Look at the second part of the OTA/Channel Managers handout. You can see there are few channel managers mentioned here. Some of them also operate a PMS system as well.

STAAH is probably the truest example of a channel manager as that is all it does. Connects to any PMS and spits out the info to all other websites.

The other companies mentioned also happen to be PMS systems. Meaning they take the information from that brand of PMS and spit it out to all websites.

There are monthly fees involved in doing this on top of the third-party website commission.

Why would a hotel want a channel manager?



INTERRELATIONSHIPS BETWEEN DEPARTMENTS IN A HOTEL

If we consider the process of a guest booking a hotel room it can highlight how interdependent hotel departments are on each other for providing the guest experience, ensuring the smooth operation of the hotel, and ultimately determining if the hotel will be successful.

EXERCISE TWENTY

Look at the following flow diagram of a guest interaction with a hotel and identify which hotel departments are involved at each step

Guest wants to book a hotel room

- a) Which methods can they use to book, and which hotel departments or personnel will influence the decision to book?

The guest travels to the hotel and checks-in

- b) Which department of the hotel, and which specific roles will interact with the guest at this point? At this point a guest could also make a booking by being a walk-in.

Guest goes to their room

The guest is then likely to use other hotel facilities

- c) Look at the following scenarios and indicate which hotel departments are responsible for meeting the guest need or want in this situation.

The guest may decide to dine in the hotel restaurant.

They may ask reception or the concierge for advice or directions.

They may order room service.

They may want to have their clothes laundered.

They may ask for a late check-out

They may ask for a wake-up call

They may ask for extra towels for their room.

The following pages will look at the housekeeping department, a hotel restaurant and the sales and marketing department and how they operate. Read the information which follows and answer the questions related to it.

Front Desk

Jan 16, 2016 - Feb 15, 2016 Search: Current

Blocked	0	0	0	0	0	0	2	1	2	1	1
How to use?	16	17	18	19	20	21	22	23	24	25	26
DBL											
101	4. Maria Cash(G)				23. David Drucker		33. F Smith		18. Richard Gere		
102	5. Eric Palmer(G)				24. Tom Jones		17. January Sun(G)	48. Sam Snead			
103	6. Bradley Pitt(G)				25. A Purpler		31. J Jackson	42. F Touche			
104		9. Chloe Grace					32. R Ashwin	45. Chris Rock			
105		10. Neil Armstrong						46. Alfred Balman			
106					26. Sandy Sanderson			47. Eric Palmer			
107					22. Grant Thomas		34. Robert Watt	49. Joe Rogan			
108					27. W Grace		36. Freda Knight				
109					28. D Bowie						
110					29. B Houlhan			43. D Dodds	44. F Schmler		
111							35. A Merica				
112							37. George Franks	50. S Mile(G)			
113								51. S Mile(G)			
114											
TWIN											
115	7. Joe Rivers				30. G Anderson		38. Brad Hitt	52. Todd Hastings			
116		8. January Sun					40. Fred Dagg				
117		11. Richard Gere					39. Tony Hill	53. C Ruben			
118		12. Joe Rivers						54. April Cuba			
119							41. George Seymo				
120											

LiveSupport ONLINE

How to use?

Room Operations

- Check in list
- Check out list
- Reservation list
- Temp Room List
- No Show List
- Cancelled Reservation List
- Check out Pending List
- Pending Folio(s)
- Booking Deposits Tracker
- Payment Tracker
- Guest In-House List
- 3rd Party Reservation List

Guest Look-up

House Status

Tariff Chart

Accounts

EXERCISE TWENTY-ONE

If we look at the room bookings for the 21st of January, then we can see that there are some vacancies. For the purpose of this exercise, we will only look at 20 rooms in total:

- a) How many rooms are available, and what type of rooms are they?

- b) How many rooms are checking-in on this date?

- c) How many rooms are stayovers?

For housekeeping, they need to know this information. So the front office team must communicate how many rooms are booked, how many of these are stayovers and how many are new check-ins. From this information housekeeping can then make a cleaning plan. There will be two main types of room servicing:

- **Full service:** replacing all of the bed linen, emptying rubbish, vacuuming the room, cleaning the bathroom, replenishing all of the drinks in the mini bar, all of the complimentary products in the room
- **Turnover service:** Making the bed- but not replacing the bed linen, emptying the rubbish bins, vacuuming the room, cleaning the bathroom and replenishing all complimentary items but not the towels, replenishing the mini bar.

Some rooms will also not require any servicing on a given day. This would be because they will have been serviced on a previous day and have remained unoccupied from that time.

Question for discussion

If each room took 20 minutes for a full service by 2 housekeepers, how long would it take to service all of the rooms?

Do you think this is an acceptable time to clean all of the rooms?

EXERCISE TWENTY-TWO

Use the reservation information from the Hotelogix system to complete the table below.

Room Number	Hotel Room Servicing				
	Check-out	Full service	Turnover only	No service required	Room Type
101					DBL
102					DBL
103					DBL
104					DBL
105					DBL
106					DBL
107					DBL
108					DBL
109					DBL
110					DBL
111					DBL
112					DBL
113					DBL
114					DBL
115					TWN
116					TWN
117					TWN
118					TWN
119					TWN
120					TWN

LAUNDRY AND LINEN

As well as being responsible for servicing of room the housekeeping department, and in particular the executive housekeeper, is responsible for the laundering of linen and the planning associated with this. It is vital that a hotel has enough sheets and towels for guests, but also important that the laundering of linen is done economically. Some hotels will have their own laundry department, which is under the control of the housekeeping department whereas others will outsource the laundering of linen.

EXERCISE TWENTY-THREE

Housekeeping - Daily linen and toiletries for rooms

Bed Linen

- DBL 1 x Queen Beds - 2 queen sheets (1 top/1 bottom)
- TWN 2 x Double Beds - 4 double sheets
- 2 pillow cases per bed for all configurations

All check-out rooms require new bed and bath linen.

Stayover rooms require new bed linen every third day.

Otherwise bed linen only requires turnover not replacement.

Bath linen: DBL/TWN rooms

Check-out

- 2 x large towel, 2 x small towel, 2 x facecloth per room, 1 x bathmat per room

Stay over:

- Large towels changed every 3rd day unless requested to do so earlier.
- Small towels, bathmats and facecloths changed daily

Toiletries: DBL/TWN

- 2 x Toothbrushes per room
- 2 x Small bar of soap per room
- 2 x Shower caps per room
- 2 x Bottles of shampoo per room
- 2 x Bottles of conditioner per room



Use the information in the table above to fill in the form on the next page, showing how much linen and how many toiletries are required to service the 20 rooms from the previous exercise on 21st of January. For this scenario assume that every occupied room has two occupants.

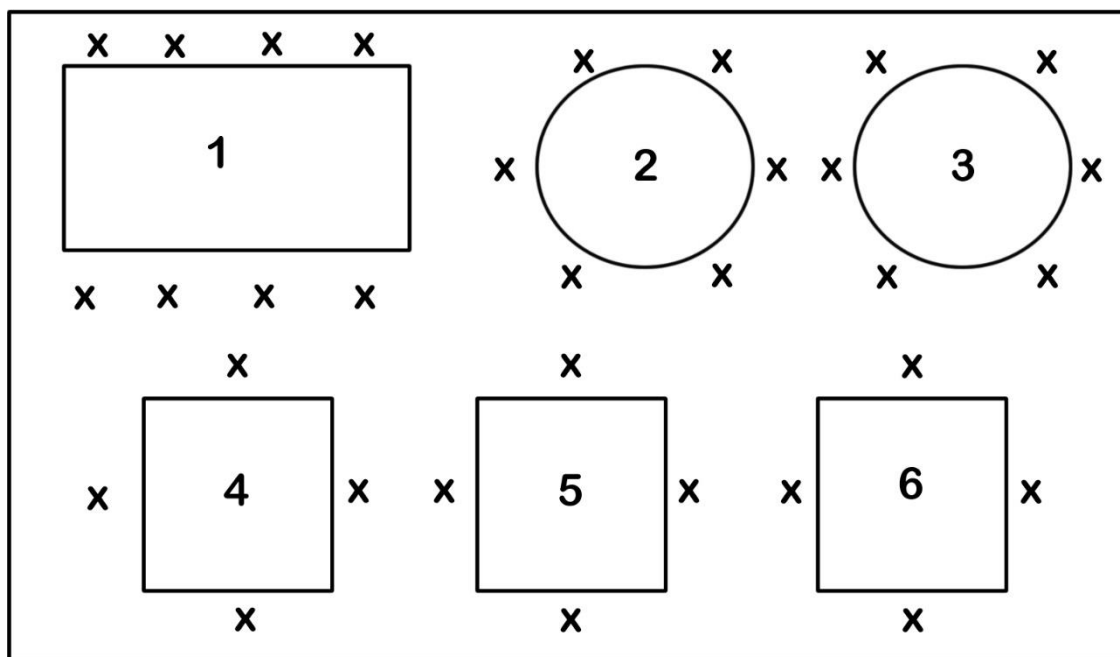
Housekeeping Job Sheet																					
Room	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	Total
Bed Linen																					
Queen sheets																					
DBL sheets																					
Pillow cases																					
Bath Linen																					
Large towels																					
Small towels																					
Face cloths																					
Toothbrush																					
Bathmat																					
Soap																					
Shower cap																					
Shampoo																					
Conditioner																					

RESTAURANT

Restaurants need to carefully plan service as they have limited table space and many use casual or part-time staff so need to know how busy they will be so as to have the correct staffing level.

EXERCISE TWENTY-FOUR

Look at the restaurant floorplan below with table numbers and seats indicated on it.



a) How many seats are there available in the restaurant?

Rectangular table:		
Round tables:		
Square tables:		
Total Seats:		

6.00pm Bookings	Table number	Number of Pax
Table for 2		
Table for 8		
2 Tables for 4		
Total		
7.00pm Bookings		
Tour group 20 Pax (Set Menu)		
Table for 6		
Table for 2		
Total		

The restaurant usually has 1 waiter for every 8 guests, so if we asked the question-

“How many wait staff would be required for the lunch period?”

It’s most likely you would say 2 for the first hour and 3 for the second hour.

You wouldn’t be wrong, as that is the restaurant policy. However, it’s highly unlikely that a restaurant would only have wait staff come in to work for one hour. It’s most likely that that 3 staff would work for the entire lunch period. That would mean that 4 staff wouldn’t be required in the second hour.

As stated, one staff member is generally required for 8 diners. By having an extra staff member in the first hour tables could be cleared and reset faster, meaning greater efficiency. As a large group, who were travelling on a tour together, were coming in together on a set menu all the courses would be prepared at the same time. This would mean that time would be saved in taking orders and courses being delivered separately as with an A’La carte menu. Therefore, it should be easy for two staff members to look after the 20 from the tour group. That would also mean that the other staff member could look after the other 2 tables (table for 6 and 2).

BAR

Running a bar also requires planning and organisation, especially in the form of stock management. The mainstay of a bar is of course the drinks that they serve. Bars can be basic and just serve beer, wine, soft drinks, and juice drinks. They can also be more complex in terms of what they have on the menu and may have a range of cocktails, expensive cognacs, or champagne as part of their menu. For a bartender, bar manager or supervisor, or food and beverage manager then knowledge of drinks and drink making is essential.

One of the most fundamental tasks in a bar is ordering of stock and stock rotation. A bar will have a level of stock that it carries every day. For example, it may mean that every day the bar must have 100 bottles of Steinlager in the bar fridges, along with set levels of other beverages. So, if 50 bottles were used that day the bar fridge would need to be restocked with stock held in the cooler. The cooler itself would be located away from the bar, most likely in the kitchen storage area. The 50 beers taken from the bar would also need to be replaced. This would be done when an order for more stock to be brought into the hotel was made. This could range from a daily delivery for very busy bars to weekly for others. So as a bar manager understanding the level of stock in the bar, and in the storage coolers is essential.

A lot of larger bars have an automated stocktake system that calculates how many beverages have been used and then automatically sends an order through for more stock to reset it to par levels. There will however be times when larger (or smaller orders) need to be made manually. This may occur due to things like events or public holidays.

EXERCISE TWENTY-FIVE

Read the following scenario and complete the questions on it that follow.

The Avalon Hotel Bar is a small house bar stocking beer, wine and non-alcoholic drink.

Stock levels for beer are as follows;

Bar fridge			Cooler		
Heineken bottles	80	330ml	Heineken bottles	400	330ml
Steinlager bottles	80	330ml	Steinlager bottles	400	330ml
Speights bottles	80	330ml	Speights bottles	400	330ml
Export Dry bottles	70	330ml	Export Dry bottles	400	330ml
Tui 2.5 bottles	40	330ml	Tui 2.5 bottles	200	330ml

Complete the chart on the next page and then the questions that follow. When working out the answers for this be aware that

Stock levels are the stock left in the bar at close. So if the par level for stock is 100, and the stock level in the bar at the end of the day is 20 then 80 bottles would be required to restock the fridge to its par level.

Stock Levels-Totals	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
Heineken	60	20	55	15	55	75	25	
Par Level	80	80	80	80	80	80	80	
Restock #								
Steinlager	40	50	40	25	65	75	30	
Par Level	80	80	80	80	80	80	80	
Restock #								
Speights	40	35	40	60	0	75	15	
Par Level	80	80	80	80	80	80	80	
Restock #								
Export Dry	60	20	25	50	65	60	10	
Par Level	70	70	70	70	70	70	70	
Restock #								
Tui 2.5	10	0	20	1	20	30	0	
Par Level	40	40	40	40	40	40	40	
Restock #								

- a) How many bottles would be needed to stock up the bar fridge, so it is ready for service on Tuesday?

Heineken
Steinlager
Speights
Export Dry
Tui 2.5

- b) How many bottles of Speights are remaining in stock at the end of the week?

- c) What are the reorder levels for all the beers listed for the week?

Heineken	255
Steinlager	235
Speights	295
Export Dry	200
Tui 2.5	199

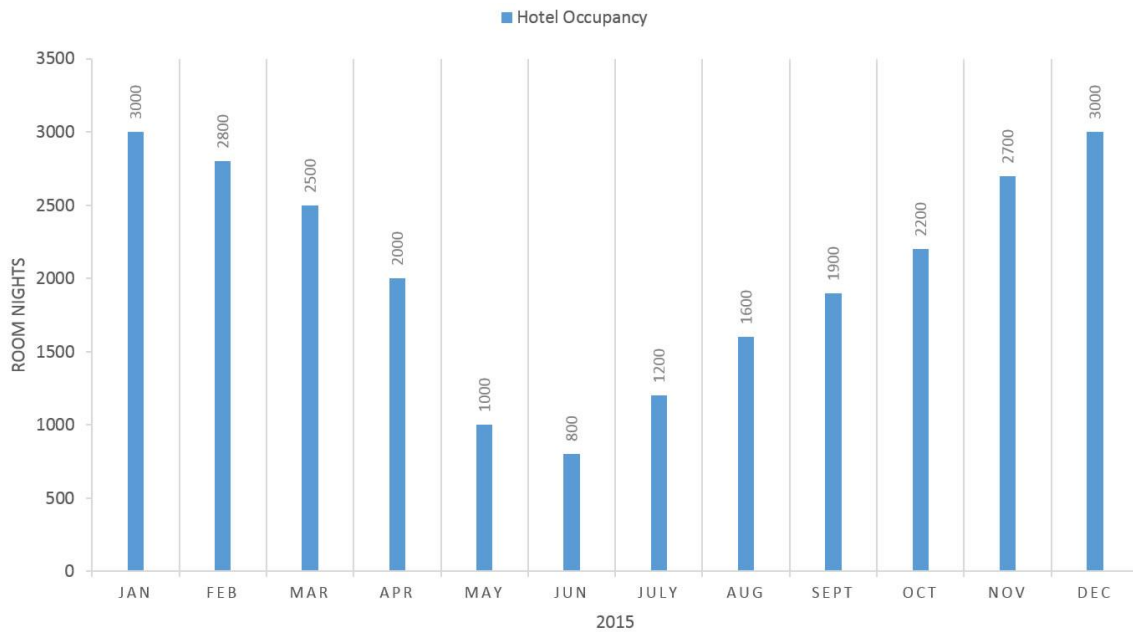
- d) What is the most popular beer sold in the bar?

- e) If every bottle of beer in the bar was sold for \$10 each. What were the total sales in dollar value in the past week?

SALES AND MARKETING

EXERCISE TWENTY-SIX

- a) Look at the chart below regarding hotel occupancy rates for the past year. What information does the chart show?



- b) What can you say about room occupancy over the past year?
- c) What reasons do you think could cause such a fluctuation in occupancy rates?
- d) The overall occupancy rate for the year for this hotel is 68.6% which for a hotel isn't too bad, however it could be improved. If you worked in the sales and marketing department what would be some ways you could increase occupancy?

OCCUPANCY

Now that you know about the operations of the hotel, and how it runs, we need to ensure it makes money!

How does a hotel manage its revenue? How does it measure its success?

Occupancy is a percentage. It simply refers to how well the hotel sold the rooms that could have been sold.

We will cover this first then talk about the 2 other measures.

EXERCISE TWENTY-SEVEN

Your trainer will give you instructions.

Imagine you had to fill every chair in this room with a specific guest, how would you manage it?

Count how many chairs are in the room and how many are occupied.

E.g. 18 / 25

What percentage is this?

This is your Occupancy Rate!

Hotels spend a lot of time determining their occupancy rate and trying to increase it. Consider that you received \$100 in revenue for every seat booked in the classroom, what did you make today? _____. What could you have made if you filled every seat? _____

ADR

The ADR refers to the average daily rate.

What this means is the sales per occupied room.

ADR equation=

$$\frac{\text{Total \$ room sales}}{\text{\# rooms sold}}$$

To Calculate the ADR for the classroom for example

$$\text{E.g. } \frac{18 \text{ seats sold @ } \$100 \text{ sales } \$1800}{\text{\# seats sold}} = \$100$$

$$\text{E.g. } \frac{\text{\# seats sold}}{18}$$

To Calculate the ADR for the campus for example

$$\text{E.g. } \frac{4 \text{ classrooms sold @ } \$100 \text{ sales } \$400}{\text{\# classrooms sold}} = \$100$$

$$\text{E.g. } \frac{\text{\# classrooms sold}}{4}$$

EXERCISE TWENTY-EIGHT

Calculate the ADR for the Novotel who has 150 room, 102 of which are occupied. 90 Superior rooms. 88 were each sold for \$169. 60 Executive rooms 14 of which were sold for \$209.

_____ =

REVPAR

The REVPAR refers to the revenue per available room

REVPAR equation=

$$\frac{\text{Total \$ room sales}}{\text{\# rooms available for sale}}$$

EXERCISE TWENTY-NINE

a) Calculate the REVPAR for the classroom

E.g.	18seats sold @ \$100 sales	\$1800
E.g.	# seats available	25

b) Calculate the REVPAR for the campus

E.g.	4 classrooms sold @ \$100 sales	\$400
E.g.	# Classrooms available	6

c) Calculate the ADR for the Novotel who has 150 room, 102 of which are occupied. 90 Superior rooms. 88 were each sold for \$169. 60 Executive rooms 14 of which were sold for \$209.

EXERCISE THIRTY

Determine the Occupancy rate, ADR and REVPAR for the following scenarios:

Mercure Hotel. 250 rooms. 100 Superior rooms. 99 sold \$99



Bellagio Hotel. 3933 rooms 3000 Guest rooms 2700 sold \$269
700 Fountain view Suites 633 sold \$369
233 Villas 106 sold \$459



EXERCISE THIRTY-ONE

Refer to the next page and compare occupancy rates for the month of May 2014 between the regions:

Best?

Worst?

In groups, analyse a regional accommodation report:

- Greatest annual increase for your region compared to previous year?
- Greatest annual decrease of your region compared to previous year?
- In your region's results compare the occupancy of hotels in general compared with other types of accommodation.
- Then compare these with the class and other regions. Is there a pattern showing for one accommodation type over another?
- What is one other statistic that jumps out at you?

Table 5.2

Regional Tourism Organisation Areas' Monthly Occupancy Rates⁽¹⁾*By accommodation type*

RTO area	May 2014 occupancy rate					
	Accommodation type					
	Hotels	Motels	Backpackers	Holiday parks	Total	Total excluding holiday parks ⁽²⁾
	Percent					
Northland	36.3	35.7	31.1	8.5	19.0	34.5
Auckland	76.7	56.6	47.7	13.7	58.7	65.6
Coromandel	C	30.7	C	7.7	13.1	23.9
Waikato	51.4	50.9	25.8	9.9	33.1	45.1
Bay of Plenty	42.0	50.1	52.7	11.9	30.0	49.6
Rotorua	54.2	45.7	28.6	12.3	36.0	43.0
Taupo	38.0	39.9	35.9	8.6	28.3	38.1
Whakatane-Kawerau	C	45.8	C	3.3	12.3	37.3
Gisborne	C	38.0	C	8.0	16.7	33.2
Taranaki	43.9	53.1	20.8	7.9	27.8	42.4
Hawke's Bay	39.8	41.6	26.2	6.7	24.7	36.8
Ruapehu	25.1	15.5	11.8	8.9	15.2	16.5
Manawatu	26.8	50.1	C	C	31.8	C
Wanganui	C	44.2	10.0	C	21.4	C
Wairarapa	C	36.3	C	4.4	16.9	34.0
Kapiti-Horowhenua	C	46.7	C	7.8	15.6	25.6
Wellington	72.8	57.5	C	C	56.0	C
Marlborough	33.0	44.1	31.0	11.2	27.6	35.5
Nelson-Tasman	40.5	34.5	34.0	7.6	20.4	35.2
Canterbury	50.9	57.2	35.6	17.1	36.9	48.3
Hurunui	38.0	41.1	13.3	11.9	21.3	27.5
Mackenzie	C	33.5	C	14.0	33.3	42.9
Timaru	C	60.7	C	8.8	27.0	49.6
West Coast	23.6	35.1	27.7	9.5	22.2	28.6
Wanaka	26.8	26.7	36.6	5.6	17.7	31.1
Queenstown	47.6	26.4	53.2	15.1	40.7	45.4
Waitaki	24.6	55.4	C	C	22.3	C
Central Otago	22.0	33.6	18.9	2.9	8.4	25.2
Dunedin	65.0	64.5	41.4	18.9	51.9	60.2
Clutha	C	39.9	C	5.7	14.8	23.1
Fiordland	23.5	28.2	26.8	7.9	18.2	25.8
Southland	37.9	48.3	13.2	7.6	27.3	35.5
Total	55.3	45.6	34.7	9.7	32.8	45.7

(1) Occupancy rates are calculated as the ratio of stay unit nights to monthly capacity.

(2) Occupancy rates excluding holiday parks are included because the capacity of holiday parks can distort the total occupancy rates.

Symbols:

C confidential

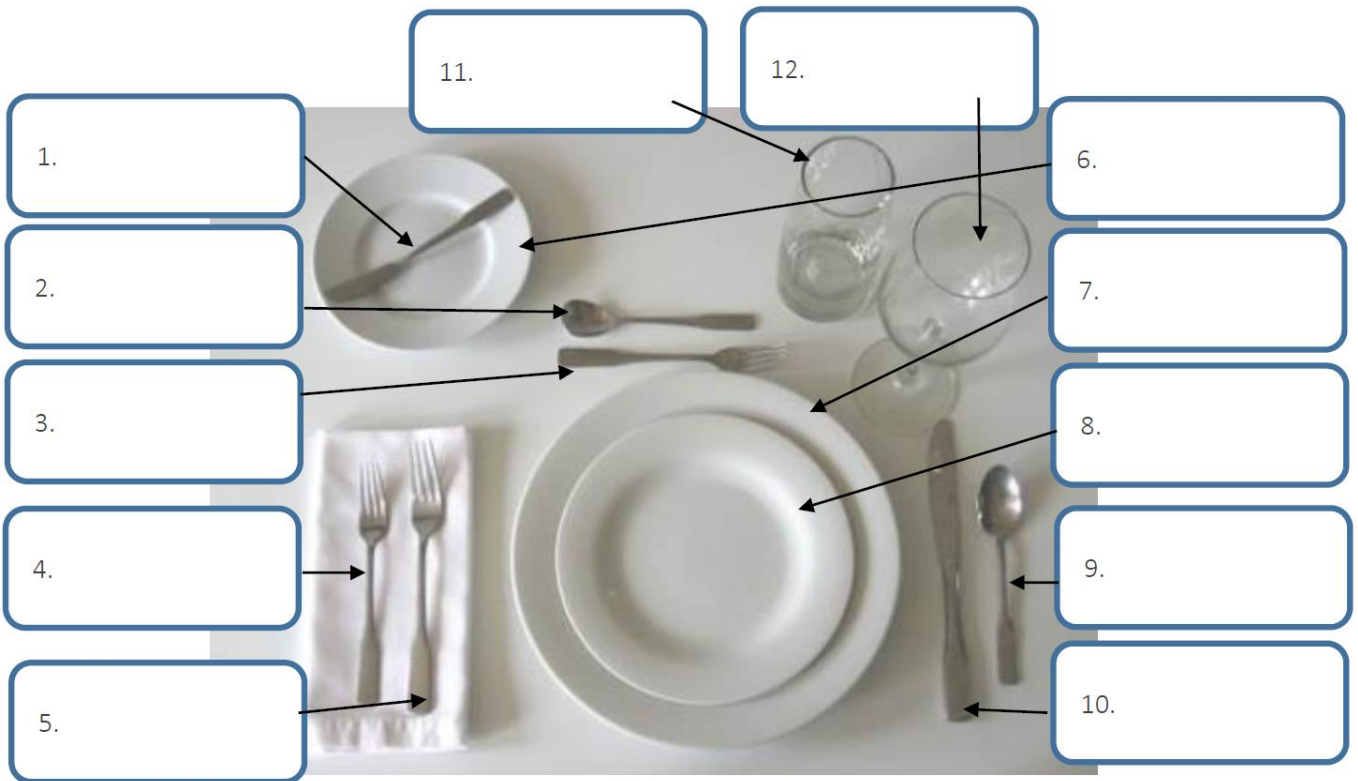
... not applicable

d) Typically, a hotel will stock 3x sets of linen per room. Using this as guideline, how would you work out how much bed linen the hotel needs to have in stock?

e) On average, how many cases of toilet rolls does the hotel go through each week?

f) Can you work out approximately how many toilet rolls are used each week?

- g) How many people does the restaurant need to cater for every day?
- h) Identify all the cutlery, crockery and glassware that are pictured below, and are required for each place setting for a dinner service.



- i) How would you change the Risotto recipe to make the right amount for 8 people?
- j) How could you upscale this recipe to make this cocktail for a group of 4 guests at the same time?

BREAK-EVEN ANALYSIS

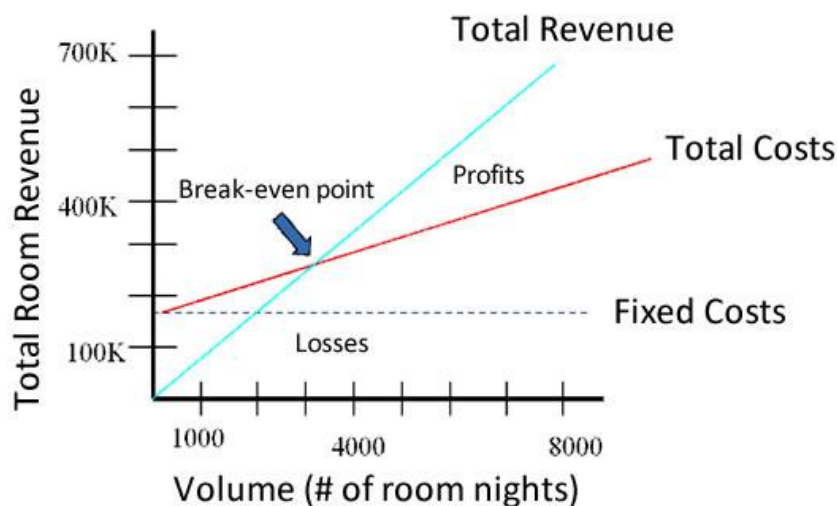
Sometimes it can be confusing understanding whether your hotel actually made a profit last evening, last month, or last year. While limited-service hotels typically only generate revenue from guestroom sales, and perhaps phone calls made from guestrooms, in-room movies purchased, or vending machine revenues, select-service and full-service hotels can have a more difficult task because of the additional services they offer for purchase. Regardless of the service level your hotel offers, every competent manager should know and be able to determine how much of any product or service they must sell in order to realize a profit.

Because of the various fixed costs associated with operating, maintaining and staffing hotels, there is a specific point, both in terms of dollars generated and room nights sold, where the hotel will start to realize a profit. Until the hotel reaches that magical number of guestrooms sold and revenue generated, all sales up to that point will essentially be used to pay for the fixed costs to operate the hotel plus the variable costs to supply and maintain the guestrooms that are used.

Break-even is a specific point, both in terms of dollars generated and room nights sold, where the hotel will start to realise a profit.

Look at the figure below as an example. For the time period in question, the hotel would have to sell 3,000 guestroom nights and in the process generate \$280,000 in room revenue (not including occupancy taxes) before its operation of selling guestrooms was to be deemed profitable. Interpreted another way, this would mean that the hotel must sell at least 3,000 guestrooms at an average daily rate of \$93.33 during the time period before it would generate a profit.

Breakeven Analysis



Total fixed costs

To calculate the breakeven point for a given time period, a manager must first be able to calculate the total fixed costs that the hotel will incur. Total fixed costs are the sum of all the expenses that a hotel must pay for during a time period that will not fluctuate because of occupancy. Typical fixed costs may include mortgage and insurance expenses, managers' salaries and benefits, property taxes, the payroll and benefits expenses of the least number of employees that must work even if the hotel has no guests, and the expenses of the utilities that must be maintained even if the hotel has zero occupancy (e.g., such as maintaining a minimum amount of heat to keep water pipes from freezing in the Winter). With each of these aforementioned expenses, the amount of the expense will not deviate regardless of how many or how few guestrooms are sold.

Fixed costs are the sum of all the expenses that a hotel must pay for during a time period that will not fluctuate because of occupancy

Variable costs

The next step is that a hotel manager must calculate the variable costs associated with selling each unit, in this case a guestroom. Variable expenses are deemed "variable" because they are only incurred if a room is sold or used. If the guestroom remains vacant for the night, there are no variable costs that the hotel must pay for; any required costs associated with maintaining a non-used guestroom would be considered a fixed cost.

Variable costs are the expenses incurred if a room is sold or used

Variable costs for guestrooms will typically include the expense of labour and supplies to service the room after use (e.g., room attendant labour, chemicals, amenities, and utility expense), the labour, chemical and utility expense associated with servicing the guestroom's linens for example.

Selling price

It is no surprise that hotels set the minimum selling price for each guestroom at or above the variable expenses for each guestroom. Failure to do so would be foolish and lead to assured deeper financial loss with every room sold. But the room price must also reflect its contribution towards supporting the hotel's total fixed costs. Knowing the total fixed costs for the entire hotel and the variable costs associated with each sold guestroom, when coupled with the average selling price, a hotel manager can easily calculate the breakeven point for the hotel, both in terms of number of guestrooms that must be sold but also in guestroom revenue that must be generated, in order for the hotel to realize a point of profitability.

Using breakeven analysis formulas

Here is an example to illustrate how to use the breakeven analysis formulas. Let's assume that the Ambassador Hotel has 900 guestrooms. The total fixed costs for the hotel on any given night are \$22,350.00. The variable costs per guestroom are \$9.54, broken down as follows:

Labour expense to service guestroom:	\$4.00
Laundry expense:	\$1.70
Cleaning chemicals and supplies:	\$1.00
Amenity items:	\$1.30
<u>Utilities consumed by guest and to clean room:</u>	<u>\$1.54</u>
Total variable expense per guestroom per night:	\$9.54

Now let's assume that the average daily rate for the hotel last night was \$88.93. To calculate the Breakeven Point in Units for a given time period use the following formula:

$$\text{BEP}_{\text{units}} = \frac{\text{Total Fixed Costs for the Hotel}}{\text{Selling Price per unit} - \text{Variable Costs per unit}} = \frac{\$22,350.00}{\$88.93 - \$9.54} = \boxed{281.52 \text{ rooms}}$$

This means that given the total fixed costs, variable costs per guestroom, and an average room rate of \$88.93 the Ambassador hotel would have to sell at least 282 guestrooms before it realized profitability last night. If it sold 281 or fewer guestrooms at an ADR of \$88.93 or less, the hotel would not generate sufficient gross revenue to meet its expense obligations.

To calculate the Breakeven Point in Sales one merely needs to multiply the Breakeven Point in Units by the selling price. In the above example, the selling price would be the average daily rate for the previous evening:

$$\text{BEP}_{\text{sales}} = (\text{Breakeven Point}_{\text{Units}}) (\text{Selling Price}) = (281.52 \text{ rooms}) (\$88.93) = \boxed{\$25,035.57}$$

Conclusion

Breakeven analysis is a powerful analytical tool that hotels managers can use for any item or service that they sell, not just guestrooms. As long as the business operation's total fixed costs, and the variable costs and selling price for each item can be determined, the breakeven point of profitability can be calculated. The above supplied formulas can also be used to determine how a change in expenses or selling price will increase or decrease the number of units that must be sold in order to achieve profitability.

If a hotel manager is neither aware of the expenses associated with their products or services or is ignorant as to their breakeven point, such a manager will struggle to ascertain when and if their lodging operation is a financial success or a drain on ownership's resources.

EXERCISE THIRTY-THREE

Calculate break even for the following;

a) **BEP units- Aotearoa Hotel**

Total Fixed Costs	\$28000
Variable Costs	\$9.90
Selling Price	\$88.00

$$\text{BEP}_{\text{units}} = \frac{\text{Total Fixed Costs for the Hotel}}{\text{Selling Price}_{\text{per unit}} - \text{Variable Costs}_{\text{per unit}}}$$

b) **BEP Sales- Aotearoa Hotel**

$$\text{BEP}_{\text{sales}} = (\text{Breakeven Point}_{\text{Units}})^{\times} (\text{Selling Price})$$

c) Briefly summarise what these results mean.

