

TRT3701
Hospitality Management

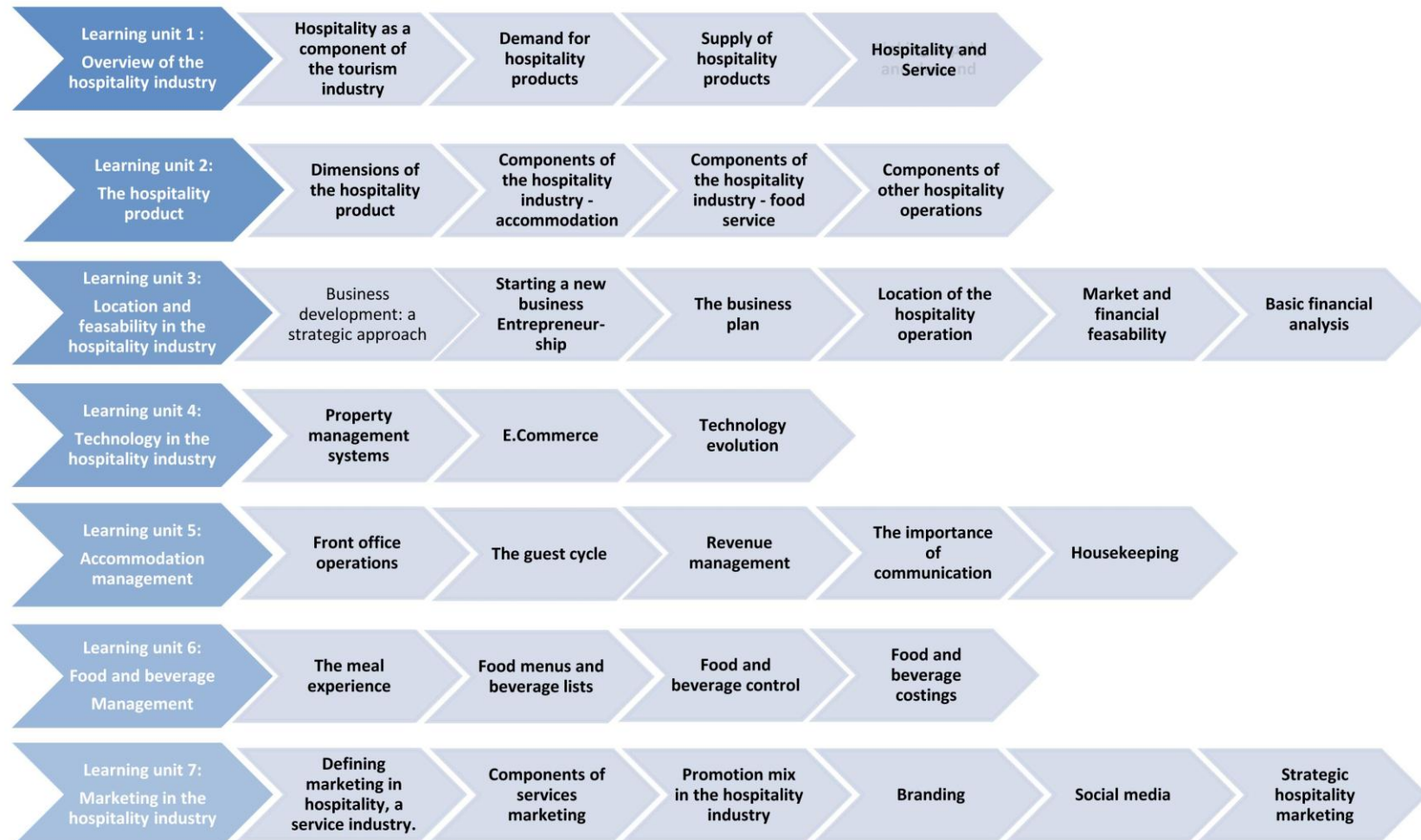
Learning unit 5:
Accommodation Management



TABLE OF CONTENTS

| | |
|---|----|
| LEARNING OUTCOMES | 3 |
| 5.1 INTRODUCTION | 3 |
| 5.2 FRONT OFFICE | 4 |
| 5.2.1 Functions and organisation of the front office..... | 4 |
| 5.2.2 Factors influencing the organisation of the front office..... | 6 |
| 5.2.3 Front office duties..... | 10 |
| 5.3 THE GUEST CYCLE..... | 14 |
| 5.3.1 Reservations | 16 |
| 5.3.2 Arrivals | 24 |
| 5.3.3 Occupancy..... | 37 |
| 5.3.4 Check-out and departure | 51 |
| 5.4 IMPORTANCE OF COMMUNICATION AND COOPERATION BETWEEN THE FRONT OFFICE AND HOUSEKEEPING | 54 |
| 5.5 ROLE OF HOUSEKEEPING | 55 |
| 5.5.1 Organisational structure for a housekeeping department | 56 |
| 5.5.2 What it takes to be a housekeeper | 57 |
| 5.5.3 Housekeeping and the front office..... | 61 |
| 5.5.4 Planning procedures in the housekeeping department..... | 67 |
| 5.5.5 On-premises laundry operations..... | 86 |
| 5.5.6 Use of labour contractors in housekeeping operations | 90 |
| 5.6 CONCLUSION..... | 91 |
| 5.7 SELF-ASSESSMENT QUESTIONS | 92 |
| 5.8 BIBLIOGRAPHY..... | 94 |

The Hospitality Management Model: A Schematic overview of the module content



LEARNING OUTCOMES

Once you have completed this learning unit, you should be able to

- assess each of the components of the guest cycle
- review the role of housekeeping in the hospitality operation
- analyse the main duties of front office and housekeeping personnel
- apply the concept of revenue management and demonstrate basic revenue management calculations

5.1 INTRODUCTION

Now that you have a better understanding of the demand and supply of hospitality products and the nuances of guest service, we hope you have a better understanding of what hospitality is all about and that you are excited to learn more! A well run hospitality operator - whether it be a five star full service hotel or even a small privately owned guest house - requires several key departments to operate optimally. Figure 5.1 outlines the organisation of a hospitality operator and portrays the basic functional areas. Let's look at some of the departments in the hotel who offer these services.

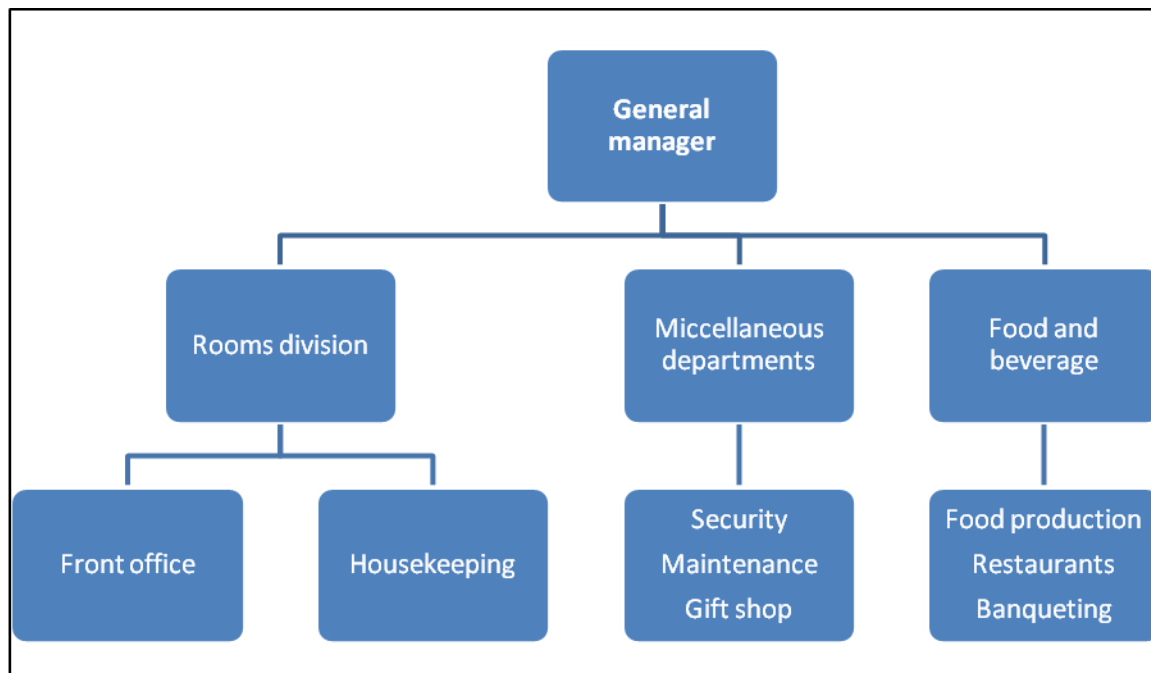


Figure 5.1 Departmental functional areas in hospitality operators

Source: Adapted from Barrows, Powers and Reynolds (2012) and Bardi (2011)

An integral department in the hotel environment is Rooms Division, which offers accommodation management services. The core business of any accommodation establishment is to sell rooms to guests and to maximise their profit margins. Rooms Division therefore plays a significant role for any hospitality operator and consists of Front Office and Housekeeping. Each of these departments and their function within the hospitality environment will be discussed at length in this learning unit.

5.2 FRONT OFFICE

According to Walker and Walker (2012:102) “[Front Office is] the hub or nerve centre of the hotel. It is the department that makes the first impression on the guest and one that the guest relies on throughout his or her stay for information and assistance.”

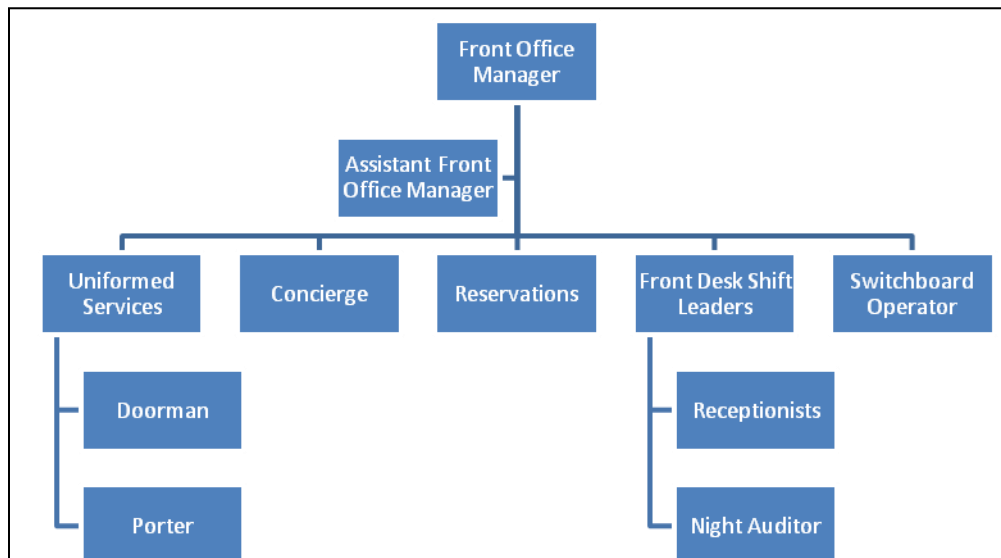


Figure 5.2: A generic front office organisational chart

Source: adapted from Walker and Walker (2012:103) and Bardi (2011:59)

5.2.1 Functions and organisation of the front office

The main function of the front office department is to support and facilitate guest transactions and services. Therefore the operation of the front office department is determined largely by the type and number of guest transactions which take place during the different phases of a guest's stay.

There are three main functions of the front office, as identified by Walker and Walker (2012:104): to sell rooms, to maintain balanced guest accounts and to offer services:

- *To "sell" rooms.* This is the main function of any accommodation establishment. Front office must do everything possible to "sell" as many rooms as possible every day. The majority of accommodation reservations are made during normal working hours; however, the reservations staff may try selling rooms to walk-in guests and also up-sell rooms, by suggesting a larger room or one with a better view. Reservations made long in advance may also be offered at a cheaper price than when a guest only books a room the day before, when a higher rate is charged. This is mainly due to the levels of demand (the number of people wanting accommodation) and supply (the number of rooms available), both of which have a large impact on any establishment. The principles of yield and revenue management will assist front desk staff in selling the available rooms at the best possible price.
- *To maintain and balance guest accounts.* It is of utmost importance that guests' accounts are continually updated, with both guest charges from other departments within the establishment and with payments received by the guest. Guests may pay an advance deposit which should be reflected on the account on arrival. Charges may also include room service orders, drinks from the bar or restaurant meals. All of these expenses must be debited to the guest's account. The guest can then make payment when checking out based on the correct charges, or the amount is transferred to the city ledger account (debtors) if the company has an account with the establishment. The process of maintaining balanced accounts will be discussed in more depth later in this learning unit.
- *To offer services.* These services include handling mail, faxes, messages and local and establishment information.

As previously mentioned, the front office is the heart of any accommodation establishment and the staff are continually asked questions and need to give advice in many spheres, not only about the services, facilities and activities offered by the hotel but also those within the local area of the establishment. With the level of technology in today's society, many guests will be able to make use of mobile and online devices to access this type of information. However, it is not only essential that staff know how to access this information by being able to use such facilities and technology, but it is also becoming more and more important that establishments offer free internet access and services for their guests' convenience. This can also be seen as an advantage to the establishment, as guests can find the information themselves and thereby minimise the time spent by Front Office on such services.

It is however advisable that Front Office keep a basic list of attractions and facilities offered within the local area in order to assist guests more efficiently. The front office is divided into different functional sections, each responsible for a particular area of work. Front Office responsibilities involve dealing with advance bookings, reservations, checking guests in and out, handling guest problems and dealing with guest accounts.

5.2.2 Factors influencing the organisation of the front office

The following factors are important considerations for front office operations:

- *Size of the establishment.* Large chain hotels employ more staff and tend to maintain high levels of specialisation among sections and staff. Smaller guest houses and bed and breakfast establishments depend on individuals who are multi-skilled. With increasing labour costs, multi-skilling of staff has become a growing trend, with more and more establishments requiring staff to work in more than one department.
- *Standard of service.* The grading of establishments determines the level of service offering by the particular hotel. For example, five-star hotels are required to offer 24-hour room service, whereas a smaller establishment may have certain services only available within specific hours. Extended service hours with a wider variety of services offered means more staff to ensure that standards of service are maintained.
- *Type of guests.* The type of guest determines the level of service and type of offering. For example, business people require efficient check-in and check-out services, but they are prepared to carry their own luggage. Leisure guests would still expect efficiency, but will not be as time bound as business guests would be.

Activity

Complete the table below by indicating the type of organisation that is required by the front office department for each factor in the four different establishments.

| ORGANISATION FACTOR | | | |
|--------------------------------------|---------------------------|------------------|----------------|
| Establishment | Size of the establishment | Standard service | Type of guests |
| 5-star game lodge, with 10 suites | | | |
| 3-star hotel with 60 rooms | | | |
| Small guest house in Pretoria | | | |
| Large bed and breakfast in Cape Town | | | |

Name any two five-star and three-star hotels located in the following provinces:

- Gauteng
- KwaZulu-Natal
- Western Cape
- Limpopo

Do an internet search to find out how each hotel is classified within its star rating.

What are some of the important considerations for a hotel to be rated?

Find out the price of booking a hotel room for one night's stay by visiting the hotel's website.

Then visit www.tripadvisor.com and compare the price advertised on this website. What is the difference in room rates for week nights compared to weekend rates?

Activity feedback

Did you struggle with this activity? Let's have a look at the first example to help guide your answers in the activities that follow.

You need to analyse the establishment for each of the three factors that help determine the organisation of the front office. This game lodge has only 10 suites, which make it a very **small and exclusive accommodation provider**. This means that there will only be a few staff employed by the lodge, but each of the staff will be multi-skilled and will be able to complete several tasks required by the establishment. For example the

receptionist may also be responsible for placing guests and for beverage orders, as well as hosting the guests for the meals in the dining room. Since it is a five-star lodge, a **high level of exclusive service** will be expected by guests. This means that although the staff may need to be responsible for many tasks, they will each need to ensure that they are excellent service providers and that they do their jobs really well. The **type of guest** who would probably frequent this type of lodge would include both business and leisure guests. Staff will therefore need to know the differences between the two market segments really well and ensure that each type of guest's specific needs are met. A business guest may for example require that there be free and fast internet facilities while a leisure guest focuses on the peace and quiet of the bush and needs a variety of leisure activities, such as a swimming pool, spa and game drives.

I hope this has helped you understand the differences between each organisation factor for the front office department. Now try to complete the rest of the table on your own.

The organisation of Front Office can be further clarified by means of the following organisational charts. Figure 5.3 illustrates the organisational chart for the front office in a full service hotel where a large number of different positions/roles are required. Keep in mind that this shows the different positions and that several persons may be employed in a position, for example as a desk clerk.

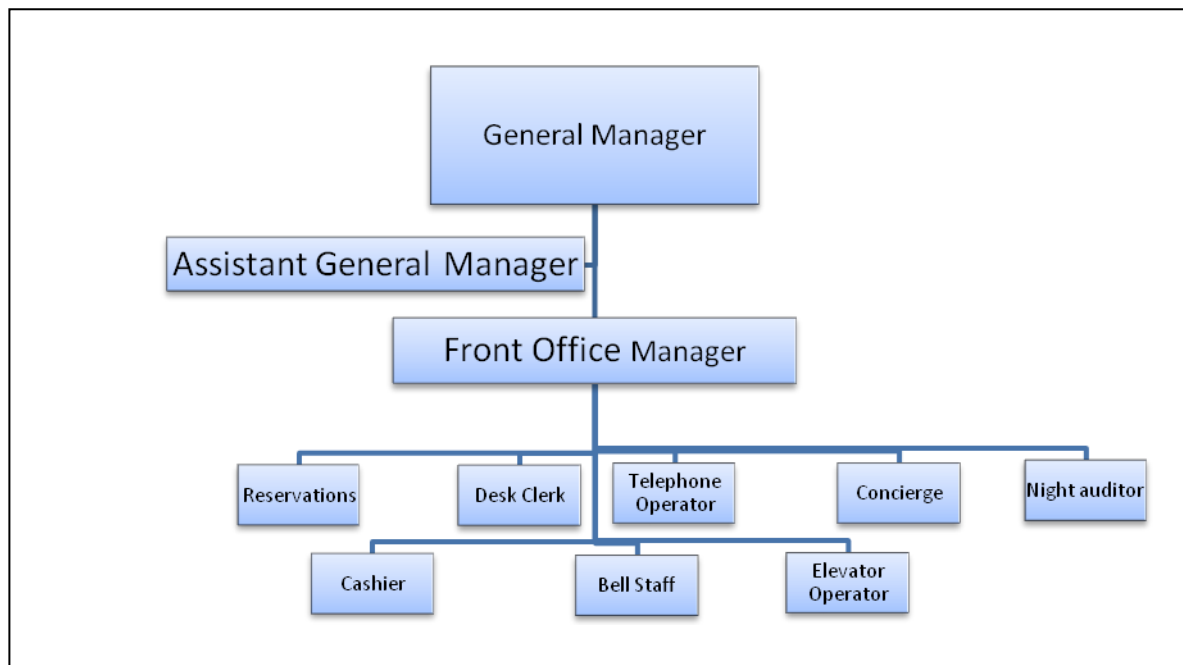


Figure 5.3: Organisational chart for a front office of a typical full service hotel

Source: adapted from Bardi (2011:47), Baker, Huyton and Bradley (2000:24) and Kasavana and Brooks (2005:50)

Figure 5.4 illustrates a simplified organisational chart which can be used in a select/limited service property. When you compare figure 5.4 to figure 5.3 you will note that far fewer positions are listed.

Staff in these types of establishments would generally cross-function and perform a number of roles, for example the receptionist will also do the duties of switchboard operator, reservationist, cashier and desk clerk. Bell staff, lift operators and concierge personnel are not required, as these services are not offered.

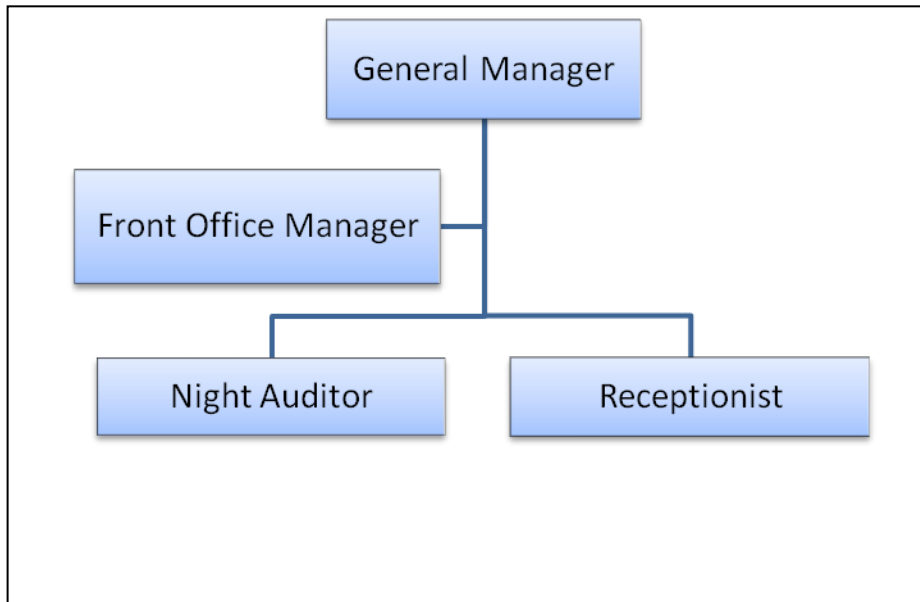


Figure 5.4: Organisational chart for a front office in a typical select service hotel

Source: adapted from Bardi (2011:47), Baker, Huyton and Bradley (2000:24) and Kasavana and Brooks (2005:50)

By understanding the duties of each of the front office personnel, management will be able to assess which staff is needed in their specific type of establishment in order to provide an efficient and professional service to their guests.

5.2.3 Front office duties

Let's take a look at the six primary **front office duty areas** that are required in an establishment to ensure success for the business and satisfaction of the guest's needs, as provided by Bardi (2011:60-61).

Some of the duties and jobs that fall under the responsibility of the front office include the following.

5.2.3.1 Reservations office

The reservations department of front office is responsible for taking advance and normal bookings, as well as closely monitoring bookings taken. It also monitors forecasting of future occupancies. It is also responsible for yielding (producing a return on an investment) the accommodation establishment in terms of different rates and the percentage of these rates that will be allowed. In some properties, the role of the reservationist is performed by the reception staff. The increase in online reservations directly into the hotel's property management system has led to a decrease in the number of reservations staff needed in the hotel. Many hotels who are part of a hotel chain may use the services of a central reservations office which will provide reservations support at a head office/central office level.

Reservations staff typically work normal office hours (08:00–17:00 or 07:00–16:00).

5.2.3.2 Reception

Reception is responsible for preparing pre-arrivals lists, allocating rooms to arriving guests, registering guests and ensuring that guests' accounts are settled in full on departure. Its ultimate goal is to achieve maximum revenue and the highest possible occupancy level. The role of reception is vital as this is the first point of contact with the guest.

Reception staff is rostered on alternating shifts to ensure that someone is on duty 24 hours a day. Reception staff also has the responsibility of screening potential walk-in guests to minimise the risk to the hotel, as well as ensuring that unwanted persons are shown away. In the absence of guest relations officers and porters, reception staff will also be a source of information to guests and may further perform the role of switchboard operator and cashier during their shift.

5.2.3.3 Porters

This department consists of a large group of uniformed staff such as doorkeepers and porters or bellboys. They are basically responsible for greeting guests on arrival, giving directions, calling taxis, organising luggage, opening car doors, taking guests to and from the airport and parking guests' cars. In a multi-skilled environment, porters may also assist housekeeping staff with keeping public areas clean. Porters are generally only found in full service upmarket properties.

5.2.3.4 Guest relations officer(s) or concierge. In large chain and fairly upmarket luxury hotels, guest relations officers (GROs) or concierges have a separate desk in the main lobby to make guests feel welcome and provide a broad range of more personal services, for example personal shopping, flower/gift delivery, and transport. They are also responsible for looking after very important persons (VIPs) and frequent guests. The concierge desk will have comprehensive information on local attractions, entertainment and dining in the area.

5.2.3.5 Front office cashier

The cashier supervisor and all cashiers have full responsibility for all cash and methods of payment received from guests. They are also responsible for all petty cash and visitor payouts (VPOs). The role of the cashier is often included in that of a receptionist.

Watch this!

View this clip on Front Desk Operations to give you a preview into the various opportunities in hospitality <http://www.youtube.com/watch?v=KyOiv3YoJFY>

Feel free to click on any other suggested clips for more insights into the daily roles of front desk staff.

5.2.3.6 Night auditor

Most hotels, and some smaller accommodation establishments, are open 24 hours a day because some guests arrive late, and for events such as weddings as well as restaurants, bars and other entertainment facilities stay open until late. These provide services to guests but at the same time it makes it difficult for hotels to balance guest accounts and manage the daily transactions, as it is always busy. For this reason a night auditor is appointed. This is an important position as this person plays a significant

communication role between the guest and hotel operations. The night auditor works night shifts from 23:00 to 07:00 and starts to balance guest accounts and prepare the night audit report during this period.

"The night audit is the control process whereby the financial activity of guests' accounts is maintained and balanced. This process tracks changes and payments (debits and credits) and the departmental receipts and charges on a daily basis" (Bardi 2011:270). The main function of the night audit is to verify the accuracy and completeness of guest/resident and non-guest/non-resident accounts against reports from different departments, including marketing, food and beverage, and human resources reports. The night audit report is important because it provides an objective overview of the hotel's financial position on a daily basis and not only at the end of a financial period. It further illustrates whether the hotel's marketing plans and operational activities have met their profit goals and it also monitors each department.

This allows the hotel manager to prepare and manage a budget for the establishment and ensure that good financial decisions are made (Bardi 2011:271).

The six basic steps involved in preparing a night audit are (Bardi 2011:272)

1. posting room and tax charges
2. assembling guest charge and payments
3. reconciling departmental financial activities
4. reconciling the accounts receivable
5. running the trial balance
6. preparing the night audit report

As mentioned, the **night auditor's primary function** is to complete the night audit report but he or she also has the following **responsibilities** (Bardi 2011:270; Walker & Walker 2012:105):

- Verify recorded entries to guest and non-guest accounts/folios.
- Record any charges that the evening shift was not able to record.
- Balance all front office accounts.
- Monitor guest credit limits.
- Check in and check out guests who arrive or depart after a certain time and process reservations.

- Handle any guest complaints that occur during the night shift.
- Carry out cashier duties for any events or functions.
- Carry out certain security duties, supervise fire safety systems, and deal with any emergencies.
- Perform the work of a manger if there is nobody on duty or the establishment is too small to have a night manager.
- Coordinate any housekeeping requests that may arise and resolve room status discrepancies.
- Prepare and distribute the night audit report. This important report presents the previous day's financial and operational activities and includes important information about the hotel's performance.
- Prepare managerial reports from the property management system (PMS) that can be used to manage and improve the hotel's performance and service levels.
- Make backups of all these reports in case the computer system stops working.

Example

A night in the life of a hotel night auditor in his blog entitled *Furth and Fortune*, Will Murray writes about his experiences working as a night auditor in the hospitality industry. Visit the following link to learn more about the duties and responsibilities of a night auditor: <http://blog.willmurray.name/msg/a-night-in-the-life-of-a-hotel-night-auditor/> You can also go to www.youtube.com and search for "night auditor" or "night auditor duties" or "night audit hotel" and watch some interesting videos to find out more about the role of a night auditor.

Activity

Now that you have read more about the night auditor and watched some videos of them in their real working environments, take time to think about the following questions:

1. How important is it for a hotel to have a night auditor on duty every night?
2. Do you understand the responsibilities of a night auditor?
3. Do you think you would like to work as a night auditor? Substantiate your answer.
4. Pretend you are a manager of a hotel and you need to train a new night auditor. Summarise the key guidelines you will provide this person.

Career Clip

There are many different career opportunities in the hospitality industry. Visit Hospitality Jobs Africa (www.hospitalityjobsafrica.co.za) Hotelstaff, Instaff or other tourism career websites and look at the many vacancies that are currently available on these websites. Click on a job that interests you and look at the following questions:

1. What qualifications, skills and competencies are required for the job?
2. What salary and benefits are offered?
3. Does the position include staff accommodation on the property?
4. What are the working hours? For example, do you have to work for three consecutive weeks and then get one week off?

Now that you have an informed understanding of Front Office and its functions and duties, let's have a look at each of the phases of the guest cycle in more detail.

5.3 THE GUEST CYCLE

The typical stay of a hotel guest can be divided into four distinct phases:

1. pre-arrival
2. arrival
3. occupancy
4. departure

Figure 5.5 illustrates the four phases of the guest cycle; it also indicates that there are certain standard transactions which should take place between the hotel and the guest. The figure indicates there are different types of guest transactions and services which are involved in the different phases of the guest cycle and these include

- reservations
- check-in and registration
- mail and information
- uniformed service and baggage handling
- telephone calls and messages
- handling guest accounts
- check-out and bill settlement

The front office performs most of the above-mentioned functions.

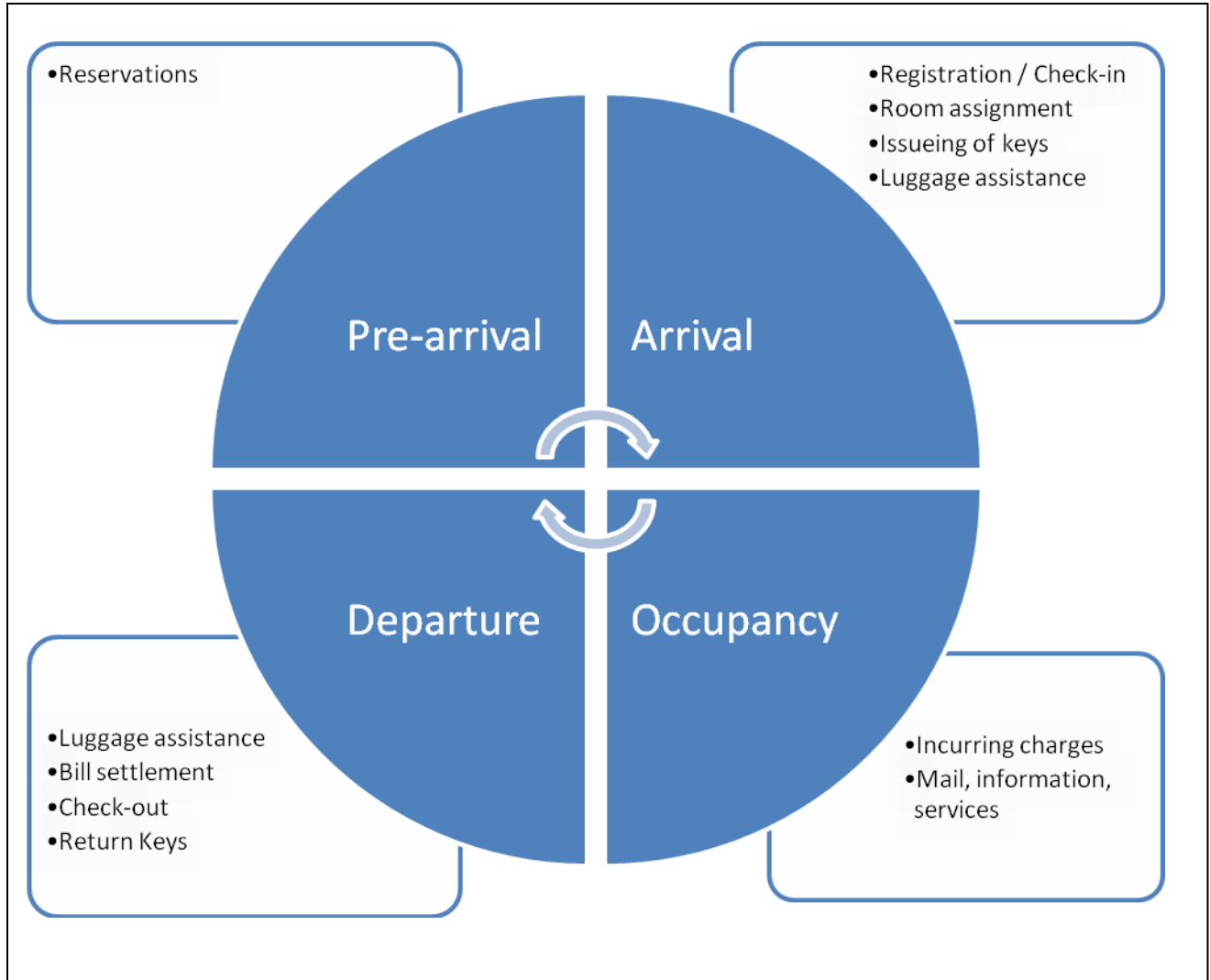


Figure 5.5: The guest cycle and related services

Source: adapted from Walker and Walker (2012)

5.3.1 Reservations

A reservation in the context of the front office of a hotel means the booking or reserving of a bedroom by a guest, and involves a particular type of guest room being reserved for a particular person or persons, for a certain period at a particular price/rate (Walker & Walker 2012; Bardi 2011)

When a reservation is made or a room is booked at a hotel, the hotel is expected to honour its commitment of having accepted that reservation and to guarantee that a room will be available when a guest arrives.

The reservation process is of vital importance to a hotel, because it

- gives the guests their first impression of the hotel
- sells the main product of a hotel
- generates customers for other departments
- provides important management information to other departments

The reservations office or the front office department is typically the largest revenue centre in a hotel and is responsible for selling accommodation, thereby generating income for the hotel. Bardi (2011:136) provides an overview of the reservations department and its responsibilities. In general, the reservations department can be used by the hotel and individual departments to fulfil a number of tasks. For example:

- optimising revenue through yield management
- preparing forecasts for future business periods which will assist departmental managers to plan their anticipated revenues and expenses
- carrying out long-term planning

The main responsibility of the reservations department is to take advance bookings and to manage all reservations queries from the various reservation sources.

Enquiries about accommodation can be made via the telephone, facsimile, letter, e-mail or an online booking system via a website. On receipt of the request, the receptionist should check on whether the potential guest is blacklisted. Blacklisting is a process where hotels place all unwanted guests on a special list. These guests appear on the list as a result of non-payment, stealing hotel property, obnoxious behaviour or association with a company which is labelled as a "bad payer".

If a guest is not on the list, the conversation will continue. If the hotel cannot offer the potential guest accommodation on the requested date, alternative offerings are made.

Alternative offers are special attempts made by receptionists to capture maximum business, even if they cannot accommodate a guest on a specific date. They can offer an alternative date, an alternative type of room, or even recommend an alternative hotel.

If a hotel can accommodate a guest, the reservations process will continue. Checking for availability is the next step in the process. Availability can be checked via a manual system or a computerised system. If accommodation is available, a guest profile will be opened, followed by the reservation. The following information must be obtained from the potential guest:

- date of arrival
- length of the proposed stay
- type and number of rooms required
- number of persons

Once the reservation has been made, a reservations/confirmation number will be given and a written confirmation is forwarded to the guest (Bardi 2011).

An example of the basic reservations procedure is best illustrated in figure 5.6.

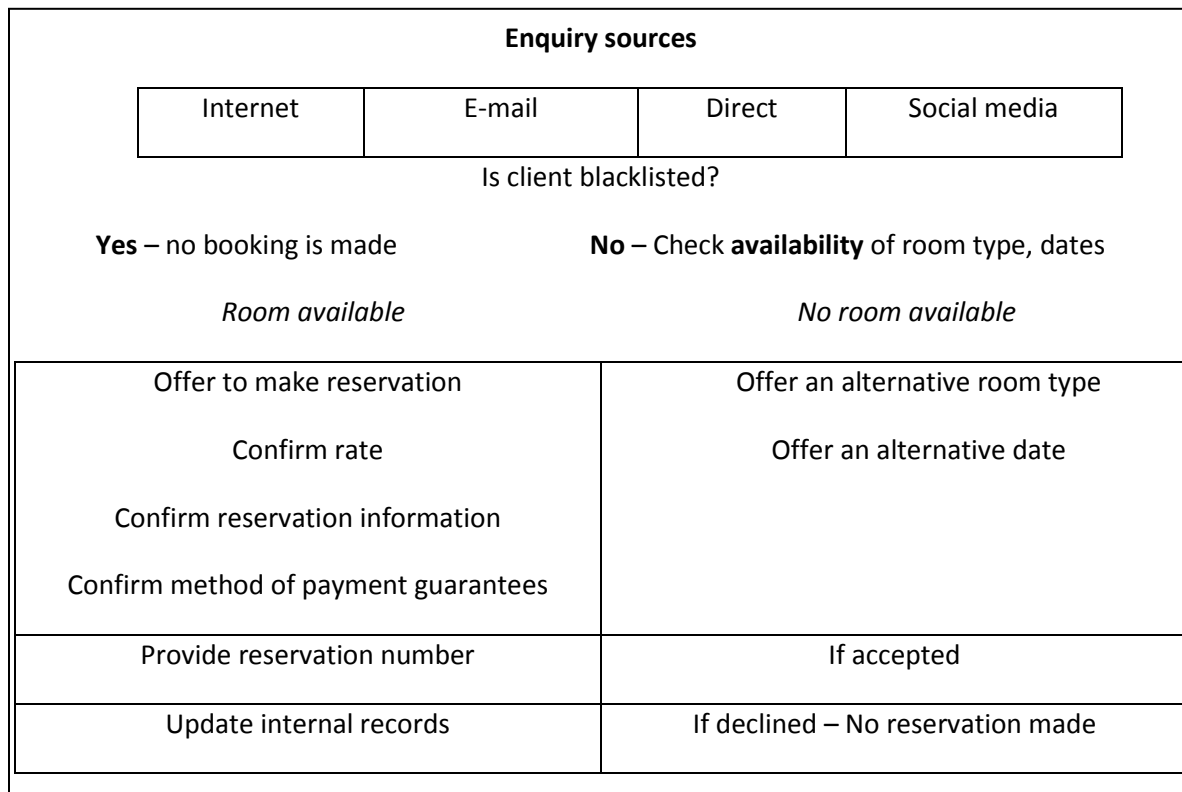


Figure 5.6: Basic flow of reservation enquiry

Activity

Online booking procedure

This activity requires the use of the internet.

Log on to the website of any major hotel group in South Africa. Check if the website has an icon for "book now / make a booking".

Make a booking at the hotel by completing the necessary information (do not proceed to the payment option).

Take note of the information required of you at each step, as well as the information given to you.

Activity feedback

Did you notice what information was required by you when attempting to make a booking?

Did the hotel website ask for arrival and departure dates?

Number of persons staying?

Did the website give you choice between different types of rooms? If you chose a different type, how did the prices change?

Did you notice that the above information was required even before you entered your name and personal details on the website? This process is called "checking availability". Once the website has established that rooms are available for your request, it will continue with the reservation and most probably request a credit for payment.

This process is called creating a guest profile.

5.3.1.1 Types of reservations

Reservations can be divided into two categories: guaranteed and non-guaranteed reservations. The type of reservation depends on whether a guest agrees to guarantee the booking by either by pre-payment or by contractual agreement (Bardi 2011).

a Guaranteed reservation

A guaranteed reservation means that the potential guest agrees to pay for his or her accommodation whether he or she arrives or not. In return, the hotel will promise to keep the room available.

Guaranteed reservations protect hotels from no-shows (guests who fail to arrive or who fail to cancel a reservation). In this way, hotels can ensure maximised revenue and can ensure that they will receive their money.

Reservations can be guaranteed in one of the following ways:

- by full pre-payment (advance payment of accommodation with bill settled in full based on a pro-forma invoice given at time of booking)
- by recording of the guest's credit card number; if the guest fails to arrive, the hotel has the right to bill the guest in the normal way (note that credit card information must be kept securely to prevent fraudulent transactions)
- by advance deposits (the guest will send a proportion of the accommodation rate in advance to secure his or her booking)
- by contractual agreements (some corporations have an agreement with a hotel where they pay for an agreed number of rooms regardless of whether the rooms are used or not)

Hotels may also accept company purchase orders, travel agent vouchers, or government purchase orders in order to guarantee reservations. The billing instructions on these documents need to be noted to ensure that the client pays directly for any charges not covered under the purchase order.

b Non-guaranteed reservation

A non-guaranteed reservation is a reservation in which potential guests have simply made a reservation and confirmed that they will arrive. It is normal for hotels to keep non-guaranteed reservations until the hotel's release time, which is 18:00 on the day of arrival. If the guest does not arrive by 18:00, the room can be released. The hotel can then freely sell the released room to another guest, or to the original guest if they arrive late and if the room is still available. The release time is called the cancellation time. The purpose of stating a release time is to avoid revenue losses for the hotel due to guests who fail to arrive (Barker, Bradley, & Huyton 1994:65; Kasavana & Brooks 2005:136).

5.3.1.2 Overbooking

Overbooking is the practice of accepting reservations for more rooms than may be available on a particular date. The number of rooms which are overbooked are generally based on historical no-shows, stayovers expected, understays and walk-ins.

Depending on the location of the hotel, overbooking may be a very difficult process to manage. Think of a resort hotel in the middle of the Drakensberg mountains. The nearest town is 70 kilometres away with no other hotel facilities nearby. This hotel will not encourage overbooking, as they would have difficulty in turning guests away to go to other establishments, should they be fully booked.

On the other hand, a busy city hotel will most likely overbook as there will be a number of suitable alternatives to which they can "overflow" their business. For this type of property, overbooking is an essential practice to ensure maximum occupancies.

The types of reservations held in the hotel system will also influence the overbooking policy.

Using occupancy figures and various formulas allows management to maximise occupancies and related revenues. Let's look at the principle of revenue management in more detail.

5.3.1.3 Revenue management

Bardi (2011:153) defines revenue management as "the technique of planning to achieve maximum room rates and the most profitable guests". The pricing of lodging establishments is based on supply and demand, with hotels applying yield management concepts to maximise revenue. Hotels would traditionally base their success rate on their occupancy percentage achieved, in other words how many of the rooms available were sold. This calculation is done daily, and a monthly and yearly average can also be calculated.

To determine the success of your hotel one needs to keep accurate records of all expenses and revenues. You need to analyse these key figures and ratio)s so as to see whether the current year is better than the previous year. Some of the key calculations include:

Revenue Per Available Room (REVPAR)

Average Daily Rate (ADR)

Occupancy Rate (OR)

Take note of the term “**available rooms**” and how it is used in the different segments of hospitality:

- In **reservations** “available rooms” means rooms that are ‘unsold’ and which can still be booked by guests.
- In **revenue management** “available rooms” refers to the total number of rooms in the hotel that can be sold to guests.

Watch this!

This clip provides insight into a research study “The future of revenue management” in a hospitality environment. A number of key concepts will be highlighted.

<http://www.youtube.com/watch?v=dQJIHYzIzos>

Watch this!

Visit the following two websites for more information about RevVPar and other hospitality forecast calculations:

<http://hmghotelsblog.com/2013/05/13/revpar-how-to-maximize-hotel-revenue/>

<http://hospitalityyieldmanagement.wordpress.com/2008/08/01/arr-and-revpar/>

Occupancy percentage calculation:

Number of rooms sold / Total number of rooms available x 100 = occupancy %

e.g. A hotel with 200 rooms which sold 150 rooms for the day

$150 / 200 \times 100 = 75\%$ occupancy

An **average daily rate (ADR)** is also calculated to determine what average rate the hotel staff are selling at. If the ADR is too low, the hotel may have very high occupancies but would be unable to cover its expenses.

Total rooms revenue / Number of rooms sold = ADR

e.g. A hotel sold 150 rooms to the value of R54 550 for the day.

$54\ 550 / 150 = R363.67$

The information, which can be gathered by studying **RevPAR** is very useful to determine how to price your guest rooms properly. There is a certain point where the price and occupancy rate meet that will maximize the revenue for your hotel.

Revenue per available room (RevPar) is another important component to determine the financial success of the hotel.

Total rooms revenue / Total number of rooms available (sold and/or unsold) = RevPar

e.g. A hotel sold R54 550 for the day, with a total of 200 rooms available at the hotel

$$54\,550 / 200 = R\,272.75$$

This means that the Revenue per available room is R272.75. This essentially indicates that each of the rooms that were not sold, could potentially have yielded (generated) R272.75 per room, if it had been sold.

A number of more complex calculations are used by revenue managers in their daily duties of ensuring maximum revenue and occupancies for the hotel. It must be understood that a revenue manager is not a financial manager, nor a reservationist, but rather a person who oversees the sale of hotel inventory (rooms) at the best possible price.

Bardi (2011:179) lists the following as duties of a revenue manager:

- monitor, analyse and report on demand patterns, sales and losses
- develop, implement daily and improve sales strategies as needed
- work with sales, catering and conference planning to balance transient group business
- provide feedback about potential new customers
- analyse no-shows, cancellations, early departures and unexpected stayover patterns
- direct weekly revenue meetings
- assist with product development and marketing of transient packaging
- adjust all rates and restriction on property through all transient channels
- provide weekly reports about business pace and changes in consumer behaviour that affect revenue

A number of different software programs are available to assist the revenue manager to make more calculated predications of the best room rates to sell. Regardless of the system in use, the following basic revenue management strategies are applied.

| Demand | Strategy |
|--------|--|
| High | Maximise rates, require minimum stays (e.g. book minimum 2 nights -- e.g. during Easter weekend, the hotel will sell rooms at the most expensive rate and guest will be required to book a minimum of 2 nights of the 4 nights of the long weekend) |
| Low | Maximise room sales, open all rate categories including discounts (e.g. during winter season at a coastal resort rates are discounted and specials such as paying for 2 nights and staying a third night free can be offered to entice potential buyers) |

Source: adapted from Bardi (2011:183)

The revenue manager, general manager and reservations will work closely together to ensure that the best possible rates are sold at all times, to increase occupancies, maximise revenue and ultimately make the hotel more profitable.

Note also the impact of technology on revenue management software as well as strategies to maximise revenue. Management would have to be aware of the purchasing behaviour of its target market in order to adopt the correct strategies.

Activity

1. Calculate the occupancy percentage of the Blue Marine Hotel if the hotel has 250 rooms and sold 145 rooms last night.
2. Calculate the ADR if the hotel sold the 145 rooms at a revenue of R67 250.
3. Calculate the revenue per available room (RevPar) using the above figures.

Activity feedback

Solutions:

1. Number of rooms sold / Number of rooms available x 100 = occupancy %

$$145 / 250 \times 100 = 58\% \text{ occupancy}$$

2. Total rooms revenue / Number of rooms sold = ADR (average daily rate)

$$67\,250 / 145 = R\,463.79 \text{ ADR}$$

3. Total rooms revenue / Total number of rooms available = RevPar (revenue per available room)

$$67\,250 / 250 = R269.00 \text{ RevPar}$$

Now that the guests have made their reservations and received the best possible rate as per the revenue management review, we move on to the next stage in the guest cycle: arrivals.

5.3.2 Arrivals

The arrival stage is most probably the first face-to-face contact the guest will have with the front office team. It is therefore vital that this process is efficient as this will set the tone for the remainder of the guest's stay. Remember, that first impressions are lasting impressions.

Some basic reports are in place to ensure that the hotel is fully prepared for the guest's arrival.

5.3.2.1 The room status report

Before a guest arrives at the hotel, reception staff needs detail on the status of the required guest room. This vital information is usually indicated by a room status report. Property management systems generally lists the room statuses by means of varied terminology.

See the section in housekeeping below about the housekeeping room status report to learn more about this specific terminology that is used in most establishments.

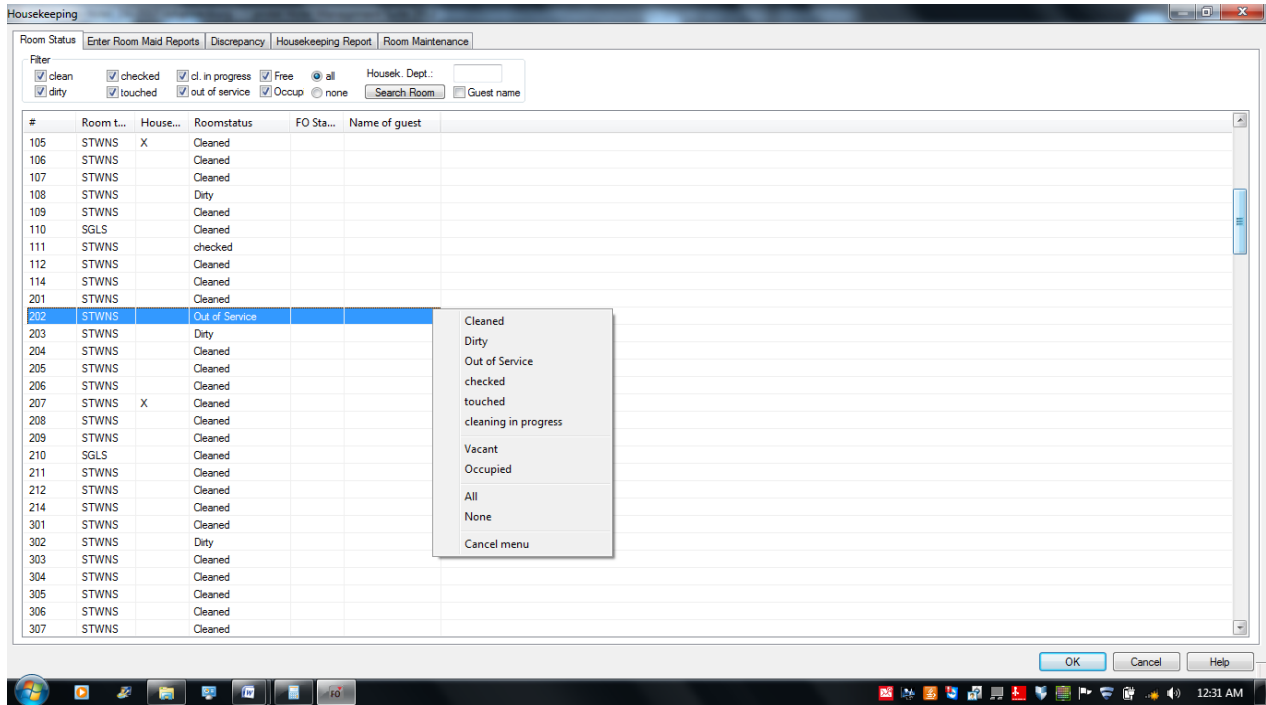


Figure 5.7: Information contained in the room status report

Source: Ankerdata Property Management System training module (2012)

5.3.2.2 The expected arrivals list

The expected arrivals list provides the front office with the basic information on guests who are expected to arrive on a particular date. This information can be compiled manually or by computer. The executive housekeeper would use the expected arrivals list to ensure that the correct rooms are prepared and returned to a checked/vacant ready status for arriving guests. Figure 5.8 provides an example.

| R. Name / | # | RT | A. | Arrival | Depart. | Cu. | Price | Rate code | Stat. | Gr. | C. | Tr. | S. | Starter |
|--------------------|---|---------|-------|---------|----------|-----|---------|-----------|-------------|------|----|-----|----|---------|
| Parents / Saul ... | 3 | 108 | STVNS | 20... | 26/09/12 | ZAR | 700.00 | POLCE | Confirmed | S... | | | | |
| Eari / Mparidi... | 0 | 408 | STVNS | 20... | 28/09/12 | ZAR | 1110.00 | RACKBB | Provisional | S... | | | | |
| Bella | 0 | 211 | STVNS | 1/0... | 27/09/12 | ZAR | 750.00 | SPRINGSP | Provisional | L... | | | | |
| Buaret & Dya... | 2 | 112 | STVNS | 1/0... | 26/09/12 | ZAR | 350.00 | POLCE | Confirmed | S... | | | | |
| Gym | 0 | 177H... | ROOM | 0/0... | 26/09/12 | ZAR | 0.00 | ZERO RATE | Confirmed | Gym | | | | |
| Hamsse / Vo... | 3 | 114 | STVNS | 2/0... | 26/09/12 | ZAR | 700.00 | POLCE | Confirmed | S... | | | | |
| Hamsse / Pbat... | 2 | 414 | STVNS | 2/0... | 26/09/12 | ZAR | 700.00 | POLCE | Confirmed | S... | | | | |
| Harabab / Bo... | 0 | 407 | STVNS | 2/0... | 28/09/12 | ZAR | 1110.00 | RACKBB | Provisional | S... | | | | |
| Mindi Nomalini... | 0 | 101 | STVNS | 1/0... | 27/09/12 | ZAR | 750.00 | SPRINGSP | Provisional | L... | | | | |
| Mogale NF M... | 1 | 205 | STVNS | 1/0... | 27/09/12 | ZAR | 750.00 | SPRINGSP | Provisional | L... | | | | |
| Molantsoa Te... | 0 | 314 | STVNS | 1/0... | 30/09/12 | ZAR | 1199.00 | RACKBB | Confirmed | T... | | | | |
| Molero | 9 | 177H... | ROOM | 0/0... | 27/09/12 | ZAR | 0.00 | ZERO RATE | Confirmed | M... | | | | |
| Momson Char... | 1 | 105 | STVNS | 1/0... | 27/09/12 | ZAR | 750.00 | SPRINGSP | Provisional | L... | | | | |
| Muyapha / Ch... | 0 | 405 | STVNS | 2/0... | 28/09/12 | ZAR | 1110.00 | RACKBB | Provisional | S... | | | | |
| Nokuthula | 0 | 307 | STVNS | 1/0... | 27/09/12 | ZAR | 750.00 | SPRINGSP | Provisional | L... | | | | |
| Nama Lethi M... | 0 | 203 | STVNS | 1/0... | 30/09/12 | ZAR | 1199.00 | RACKBB | Confirmed | T... | | | | |

Figure 5.8: An expected arrivals list

Source: Ankerdata Property Management System training module (2012)

A list of available rooms by room type can also be requested. Figure 5.9 provides an example.

Deonshire Hotel, ZA-2017, Johannesburg hotel Hotel Management Suite 2012 - [Available Rooms]

Reservation Cash Register Reports Office Options Profiles Window Help

Room Type Plan Room Plan Available Rooms CT CO Arrivals Departures Inhouse Reservations Add-Ons

From Date: Fr 21/09/12 No. of days: 1 To date: Sa 22/09/12 No. of rooms: 1 Incl. rate

| Room | RT | Stat. | Feature |
|------|-----|---------|---------|
| 0 | 506 | STDDBLS | Dirty |
| 0 | 508 | STDDBLS | Cleaned |
| 0 | 510 | STDDBLS | Cleaned |
| 0 | 511 | STDDBLS | Cleaned |
| 0 | 504 | STDDBLS | Dirty |
| 0 | 512 | STDDBLS | Cleaned |
| 0 | 505 | STDDBLS | Dirty |

Available: 7 Selected: 1

RT: STDDBLS (selected), STWINS, SGLS, SUIS

Buttons: All Types, No Type, GO!, All Rooms, No Room

Buttons: OK, Cancel, Help, Print, Reservation, Reservation-CI

Taskbar: Hello, Chrstel, cash reg. closed, Fr 21/09/12 00:49, 12:49 AM

Figure 5.9: Rooms availability by type

The reception supervisor must be able to determine

- that there are sufficient rooms to accommodate the expected guests
- the number of rooms available to accommodate any walk-in guests

If there are **insufficient** rooms to accommodate all the expected arrivals on a specific day (i.e. because of overbooking), the reception supervisor may have to seek additional accommodation at a nearby hotel. Referring to figure 5.9, provisional reservations will be released at 18:00 as these are non-guaranteed reservations. Priority is given to confirmed reservations in the system.

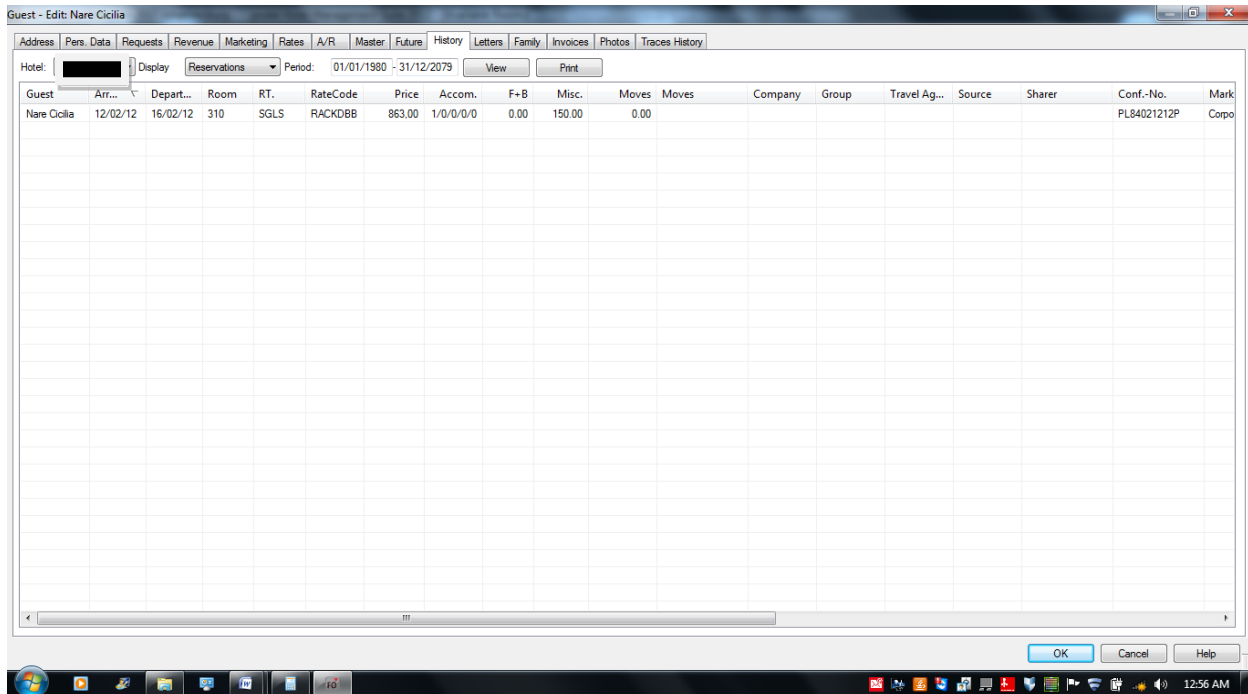
This process of having to book an expected arrival into another hotel because the hotel is full is known as “walking the guest”. In such a case, the original hotel will pay for transportation to and from the other hotel, as well as any excess room charges.

5.3.2.3 The guest history record

Many hotels keep a guest history record which contains details of all previous guests. When a guest checks out his/her reservation will fall away, but the guest profile is kept and stored into the guest history file. This information is easily available to any hotel that uses a property management system. If a guest history record is available, any names on the expected arrivals list should be checked against the guest history record to ascertain the following:

- If any of the guests have previously stayed at the hotel, see what possible measures can be put into place to insure the guests enjoy their stay at the hotel.
- If a guest, for example, has previously complained of a noisy room, the reception supervisor may assign a room on a floor away from the noise.
- If a hotel has previously upgraded a frequent-stay guest to a better room, but is unable to do so on this occasion, the hotel should then add special touches such as a fruit basket in the guest's room.
- A VIP or frequent-stay guest should be greeted by the front office manager or guest relations officer when he or she arrives.

The example provided in figure 5.10 shows that the guest previously stayed in Room 310. A similar room type can be assigned to the guest; alternatively reception may ask the guest if he or she would prefer to stay in the same room again.



The screenshot shows a window titled "Guest - Edit: Nare Cicilia". The interface includes a menu bar with options like Address, Pers. Data, Requests, Revenue, Marketing, Rates, A/R, Master, Future, History, Letters, Family, Invoices, Photos, and Traces History. Below the menu is a "Hotel:" field with a dropdown menu and a "Display" button. A "Reservations" dropdown menu is set to "Period: 01/01/1980 - 31/12/2079". There are "View" and "Print" buttons. The main area is a table with the following columns: Guest, Arr..., Depart..., Room, RT., RateCode, Price, Accom., F+B, Misc., Moves, Moves, Company, Group, Travel Ag..., Source, Sharer, Conf.-No., and Mark. The first row of data is for "Nare Cicilia" with arrival date 12/02/12, departure date 16/02/12, room 310, room type SGLS, rate code RACKDBB, price 863.00, accommodation 1/0/0/0/0, F+B 0.00, Misc. 150.00, and Moves 0.00. The Conf.-No. is PL84021212P and Mark is Corpo. At the bottom of the window are "OK", "Cancel", and "Help" buttons. The Windows taskbar at the bottom shows the time as 12:56 AM.

| Guest | Arr... | Depart... | Room | RT. | RateCode | Price | Accom. | F+B | Misc. | Moves | Moves | Company | Group | Travel Ag... | Source | Sharer | Conf.-No. | Mark |
|--------------|----------|-----------|------|------|----------|--------|-----------|------|--------|-------|-------|---------|-------|--------------|--------|--------|-------------|-------|
| Nare Cicilia | 12/02/12 | 16/02/12 | 310 | SGLS | RACKDBB | 863.00 | 1/0/0/0/0 | 0.00 | 150.00 | 0.00 | | | | | | | PL84021212P | Corpo |

Figure 5.10: Guest history record

Source: Ankerdata Property Management System training module (2012)

When assigning a room to a specific guest, the receptionist should, as far as possible, ensure that the needs and preferences of the guest are satisfied. In doing so, the receptionist needs to have the following information at his or her fingertips:

- the status of all the rooms in the hotel
- the position and features of each room in the hotel
- the needs, preference and/or special requests of the guest

Information on room status will be obtained from the room status report, while the guest's needs and preferences can be obtained from the expected arrivals and the special requests/VIP lists.

The computer system will then automatically display several suitable alternatives on the screen. Thereafter, it is up to the receptionist to choose the most suitable room by using his or her knowledge of a room. The guest history record will guide the receptionist on past room numbers and may also highlight special requests or preferences the guest had for a specific room.

Each time a receptionist checks a guest into a vacant room, the property management system will change its record of the room status from vacant to occupied. This ensures that the room availability is continually updated.

On occasion, a guest may arrive earlier than anticipated and there may not be any vacant or clean rooms available. In such circumstances, the receptionist must decide from the following which alternative will be the best:

- Offer the guest an alternative type of room after checking to see whether one is vacant, clean and available.
- If an alternative room is not available, apologise to the guest and explain that his or her room has not yet been vacated or cleaned. (If the guest has not requested an early arrival, the hotel will assist as far as possible.)
- Register the guest, but do not assign a room until a suitable vacant/clean room is available. (Some property management systems do not allow registration without a room type; therefore the registration process will be an updating of manual records only.)
- Store the guest's luggage in a safe place until a room can be assigned; the luggage should then be taken up to the room.
- Give the guest a time to collect the room key.
- Request housekeeping to clean the room as a priority.

Bardi (2011:196) emphasises the importance of capturing the correct guest information at the check-in or arrival stage. The information taken at this point will reflect on all guest correspondence, hotel records and the guest account. Imagine how inefficient and unprofessional it would be if the guest's surname was incorrectly spelt, or the guest's address is not captured on the registration card.

The purpose of registration is to record a guest's arrival, to confirm their personal details and to satisfy any legal requirements.

For a guest with a reservation, the process of registration and room allocation occurs immediately on arrival. The receptionist will ask the guest to complete and sign a

registration form and will check these details against the details held at reception. Should there be any discrepancies, they will need to be sorted out at this point.

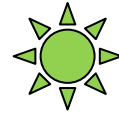
In the case of a walk-in guest, the receptionist must first check the status of rooms available. If a room is available, it can be offered to the guest and he or she will be informed of the room rate. If the guest accepts, a registration form will be completed.

A registration form or card is used to record the personal details of the guest on arrival. The actual layout of the form or card will vary from hotel to hotel, but the important detail will be the same for all hotels. A generic example is provided in figure 5.11.

Any registration form or card will display the following details:

- arrival date (very important to the hotel, especially in terms of billing)
- departure date (equally important from an organisational point of view)
- arrival time (most hotels stipulate times for arrival or the check-in period, e.g. check-in between 14:00 to 18:00)
- number of rooms required (details the number of rooms occupied)
- type of room (the type of room will be confirmed with the guest; if a guest is not happy, the type of room may be upgraded at no additional charge)
- daily rate charged (if the reservation was made in advance, the receptionist must check the rate quoted and ensure that the quoted rate is the rate charged)
- number of guests (this is important, especially if the hotel charge is per person and not per room)
- advance deposit (if an advance deposit was requested and paid, it must be reflected on the registration form)
- room number (the room assigned to the guest)
- package plan (some hotels sell packages to guests; the rate might include bed and breakfast or full board [all meals included])
- name (surname, first name and title of guest)
- address (a forwarding address of the guest)
- passport details (such as passport numbers, date and place of issue are important, from a legal point of view, especially in the case of foreigners)

- nationality (must be provided by law; it is also important to determine your overseas market)
- company name (if the bill is to be settled by a company, the name of the company must be reflected)
- method of payment (the method of payment preferred by the guest, i.e. cash or credit card, since cheques are seldom accepted by hotels)
- signature (by signing the registration card, the guest binds himself or herself to the rules and conditions of the hotel)
- receptionist's signature (if there is ever any query, it is easy to identify the receptionist who dealt with the guests' file)



OASIS HOTEL & SPA

REGISTRATION CARD

| | | | | |
|---------|-------------|----------|---------|-------|
| Room | Type | Rate | Group | Adult |
| Arrival | Res. Number | Status | Deposit | Child |
| Depart | Nights | Comments | | |

| | | | | |
|--|---------|-------------|---|-----------|
| Surname, Initial, Title | | Nationality | Company Name | |
| Residential Address | | | Postal Address | |
| ID/Passport Number | Car Reg | Clerk ID | Tel: Home | Tel: Work |
| I the undersigned confirm that I have read and understood the conditions on the reverse hereof and I personally (and irrespective of the capacity in which I sign) agree to be bound to such conditions. | | | On checking out my account will be settled by: | |
| | | | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Cash C/Card Cheque Acc. to company _____ Signature: _____ | |

OASIS HOTEL & SPA



| |
|----------------|
| Name: |
| Account: Room: |
| Departure: |
| Signature: |

OASIS HOTEL & SPA



| |
|----------------|
| Name: |
| Account: Room: |
| Departure: |
| Signature: |

Figure 5.11: Basic example of a registration card

The accurate completion of the registration card/form is only a small part of the guest registration process. A number of basic duties are performed to complete the registration of the guest. These duties are listed in the table below.

- | |
|--|
| <ol style="list-style-type: none"> 1. Receptionist greets and welcomes the guest 2. Guest arrives and requests to check in at the hotel 3. Receptionist checks the guest's surname/name and retrieves the reservation. Receptionist presents the registration card for the guest to complete and sign. 4. Guest completes the registration card (his or her signature acknowledges the terms and conditions of residence) 5. Receptionist verifies the completeness of the registration card and reconfirms guest information on length of stay, room type and rate 6. Receptionist verifies guest credit and takes additional method of payment as required 7. Receptionist selects and assigns a room accordingly 8. Receptionist provides information to "up-sell" the hotel facilities, e.g. bar and restaurant 9. Receptionist offers luggage assistance and hands over the room key Receptionist directs guests to their room and wishes them a pleasant stay |
|--|

This process should only take a few minutes for each guest. Many hotels choose to do pre-arrival registration, especially during their busiest check-in times or periods. To ensure that newly arrived guests are greeted and allocated their rooms as smoothly and efficiently as possible, speedy registration procedures are required. One way to speed up the whole process is to pre-print the guest's details on a registration card or form prior to their arrival. All the guest then has to do is check that the details are correct, sign the card and receive the room key.

Pre-registration can also be the solution to checking in large numbers of guests simultaneously, such as groups, tours or conference delegates. The guest details are generally obtained from a rooming list provided by the group leader/organiser.

Note that the check-in stage will vary from hotel to hotel, and also from hotel group to hotel group. The reservation status of guests will also vary from person to person. VIP guests, for example, will have their room pre-allocated and sometimes even register in their room or suite.

In general, new arrivals can be classified into three main categories, namely guaranteed reservations, non-guaranteed reservations and walk-ins:

- *Guaranteed reservations.* These reservations have been guaranteed and are therefore confirmed. In the event of non-arrival, the hotel will not lose revenue, because the room has already been paid for. These reservations are usually guaranteed by credit card, prepaid deposits or corporate bookings. Rooms allocated to guaranteed reservations cannot be released before check-out the following day.
- *Non-guaranteed reservations.* These reservations are usually detailed or labelled as unconfirmed reservations. This implies that if a guest does not arrive on the expected arrival date, the hotel will not receive its payment. These rooms are usually held until release time, usually 18:00; if guests do not arrive, these rooms can be re-sold to other guests.
- *Walk-in guests.* These are guests who simply arrive at a hotel and request accommodation. Such guests arrive at a hotel on the off chance that a room will be available. It is common practice that in such cases a substantial deposit or credit card imprint will be taken, before allowing the guest to check in. Walk-in guests are often associated with greater risk and these procedures are in place to protect the hotel against "skippers" (people who leave the hotel without paying their bills).

a Securing a method of payment

Securing a method of payment from all guests should be a priority to all front desk personnel. Checking in a guest without securing a method of payment puts the hotel at risk of financial loss, with the guest potentially leaving without paying the bill. Keep in mind that the hotel's particular operating standards will determine how this process must be conducted.

Some key points on checking the method of payment follow.

When a guest makes a reservation, it is important to record how the guest intends to pay for the room. It is very important to confirm the intended method of payment when the guest arrives, especially in the case of any walk-in guests. This procedure ensures that the hotel knows in advance if a guest needs to make special arrangements to settle a bill. It also prevents walk-outs and any embarrassment on the part of the guest.

The general rules for checking the method of payment are detailed below (Bardi 2011; Kasavana & Brooks 2005):

- If a guest is a walk-in guest or has a non-guaranteed reservation, ask for pre-payment or a credit card imprint. This amount includes the total room rate plus 10% for any incidentals.
- If the guest has a guaranteed reservation and is responsible for settling his or her own account, ask to take a credit card imprint. Generally an amount is authorised that is estimated to cover the whole stay.
- If guests want to pay cash or use foreign currency, inform them of the room rate and record the method of payment on the registration card. Confirm with the guest the rates for the foreign currency which are displayed. (Hotels take a service fee on foreign currency exchange and therefore guests often prefer to exchange at a local bank or currency trader.)
- Due to high fraud activity, cheque payments are generally not accepted.
- When a guest's account will be settled by a company or travel agent, the receptionist must ensure that accurate billing details are recorded (i.e. what is paid for by the company or agent and what expenses the guest is responsible for).

Note that legislation may require all guests to produce official identification in conjunction with any method of settlement. Local travellers are generally asked for an identity document or driver's licence with photo ID, while foreign travellers are required to produce their passport. A copy is kept on record with the hotel reception.

Activity

Contact at least two accommodation establishments such as hotels or guest houses in your area. (We recommend that you contact a reputable business with high service levels.)

Speak to the reception/reservations staff and ask the following questions – as if you wanted to book a room at the hotel:

1. What is the check-in time?
2. What information is required on arrival?
3. What documentation is required on arrival?
4. What payments need to be made on arrival?
5. What would you need to do for them to keep the reservation if you're arriving after 10:00?

Activity feedback

Based on the unique policies and procedures of the business, you should have received information similar to the content covered in your core study material.

Did you notice the differences in the answers you got from each of the businesses? Comparing the businesses you contacted, can you judge who is probably more efficient in their business processes? What have you learnt about reservations and methods of payment by completing this activity?

Watch this!

See https://www.youtube.com/watch?v=UG1oq7xK_Dk for an example of a hotel front desk check-in process.

You may also find the following clip helpful:

<https://www.youtube.com/watch?v=B3pb8y-0Cos> on hotel front desk check-in training

Once the check-in process has been completed and the guest has received the room key, the next step in the guest cycle begins. This is known as the occupancy stage and can be as short as a one-night stay or much longer depending how many days the guest has booked with the hotel. The basic processes are continuously repeated during the occupancy stage. Let's look at this stage of the guest cycle more closely.

5.3.3 Occupancy

Most of the occupancy stage of the guest cycle deals with the financial controls of the guest stay and ensuring that guest accounts are accurate and all revenues accounted for. A hotel is engaged in a large number of transactions with guests on a daily basis.

Apart from using room facilities, guests also make use of other services and facilities such as food and beverage services, room service, and laundry and dry cleaning facilities. It is important, therefore, that all services are charged for and recorded correctly on the guest's account.

Guests do not normally have to immediately pay for any services or facilities used, since these accounts are usually posted at a later stage. In other words, these are charged to their accounts and are settled when the guest leaves the hotel, pending credit on their account. A hotel may receive an advance deposit or part payment of a bill from a guest.

In order, therefore, to keep accurate and up-to-date records of all financial transactions, the hotel must set up a front office accounting system to deal with credit payments and debit charges.

The main function of the front office system is therefore to

- maintain accurate and up-to-date records of all guest transactions
- provide effective internal control by monitoring credit given to guests, and to prevent fraudulent staff practices
- give management information on departmental revenue

A front office cashier may be employed to perform specific duties, such as preparing and settling guest accounts, administering the safe deposit system, and offering foreign currency facilities to overseas guests. Front office cashiers are usually assisted by night audit staff who conduct many of the necessary checks and audits, and who print management reports on a nightly basis. Staff from the credit control section of the front office department assist the front office cashiers in terms of bill preparation and settlement by undertaking some credit monitoring and fraud prevention. However, as previously mentioned, many hotels only employ one person to perform cashier and receptionist duties.

The front office accounting system, which deals with bill preparation and control, must be integrated with the main accounting system operated by the hotel's accounts department. The function of the accounts department is to monitor the financial operation of all areas of the hotel, that is the running costs of the hotel and income received.

The information supplied by the food and beverage accounting system and the front office accounts system, together with financial and statistical information from other departments, is transferred to the accounts office. From this information the accounts office produces two types of reports (Bardi 2011):

1. the **operational report**, which is used by management to make decisions on a daily basis
2. the **financial report**, which is concerned with profitability and revenue, and is used by senior and corporate management to disclose the overall performance of the hotel

5.3.3.1 Types of accounts

Front Office personnel will generally deal with the following types of accounts.

a **Guest accounts/Guest folios**

A guest account is opened each time a guest checks in to a hotel. This account is sometimes called a folio or a bill. There are two main types of entries on any account: a debit and a credit. Most guest accounts have debit balances, because the guest is in debt to the hotel for services rendered and facilities used during his or her stay. These services are charged to the guest's account, so every time a guest charges something to his or her account, this account will be debited. A credit will only appear on the account when the guest settles the account or the guest has paid an advance deposit.

A guest account or folio tells a story of the guest's stay, as illustrated by figure 5.12.

The guest account or folio outlines the guest's personal information, the duration of the stay, the room rate charged and the transactions the guest concluded in the hotel, as well as how the bill is settled. Most of the accounts held by the front office are resident guest accounts; these accounts show the financial transactions of guests who have registered and who are currently staying at the hotel.

As mentioned early in the learning unit, some resident guests may have their accommodation charges settled by their company, while they settle incidentals themselves. Client requirements often state that resident guests should be given two folios in situations such as these:

- the **master** folio or account for the room, of which a copy should be sent to the company for settlement and a copy to the city ledger
- the **incidentals** folio, which the guest will settle personally

| Matalala/R.Nr. 4430(1) | | | | | | | | Travel with Flair | | | | | | | | | | | | |
|------------------------|------|------------|--------|----------------|-------|---------|----------|-------------------|----------|------|------|------|-------|-----------|-------|---------|------|------|-----|--|
| Cash Payment | | | | | | | | Cash Payment | | | | | | | | | | | | |
| Date | Q... | Text | Price | Add. text | Curr. | C.Price | Name | Room | Tax | Date | Q... | Text | Price | Add. text | Curr. | C.Price | Name | Room | Tax | |
| 19/09/12 | :1 | *Accomm... | 930.00 | 19/09/12/Rm... | ZAR | 930.00 | Matal... | 203 | 1.14.00% | | | | | | | | | | | |
| 20/09/12 | :1 | *Accomm... | 930.00 | 20/09/12/Rm... | ZAR | 930.00 | Matal... | 203 | 1.14.00% | | | | | | | | | | | |

Figure 5.12: Example of a guest folio showing a master folio (A) and an incidentals folio (B)

Source: Ankerdata Property Management System training version (2012)

b Non-resident accounts

Non-resident accounts are records of financial transactions between the hotel and non-resident guests. Examples of such accounts are as follows:

- Local business people who are not resident in the hotel, but who use the hotel facilities and services for entertainment or business meetings.
- Guests who walk out of the hotel without settling outstanding balances on their accounts. Walk-outs are no longer resident in the hotel, so their accounts are transferred to the city ledger to await eventual payment, or to be written off as a bad debt.
- Guests who send pre-payments to guarantee their bookings, but who do not arrive or check in. These amounts are generally recorded in the city ledger.

c Management accounts

Some hotels give their hotel managers expense accounts or allowances which are known as management accounts. These accounts are used to entertain guests or potential clients. If a guest, for example, complains about the hotel, the general manager may invite the guest to join him or her for a drink in the hotel bar after the problem is resolved. The manager may also give the guest a complimentary bottle of wine during dinner. While the guest does not pay for the wine, the restaurant will charge the wine to a promotions account which is signed off by the manager.

Some guest/resident accounts are transferred to the city ledger. These accounts include company accounts and nonbank credit cards (American Express and Diners Club). These accounts, along with city and management accounts, are transferred to the accounts department, which handles their settlement at a later date. All accounts go through a specific cycle. Let's look at what this cycle entails.

5.3.3.2 The accounting cycle

The most important function of the front office accounting system is to maintain an accurate and up-to-date record of all financial transactions between the hotel and guests, so that all outstanding accounts are settled without delay.

The basic activities involved in the accounting cycle are illustrated in figure 5.13.

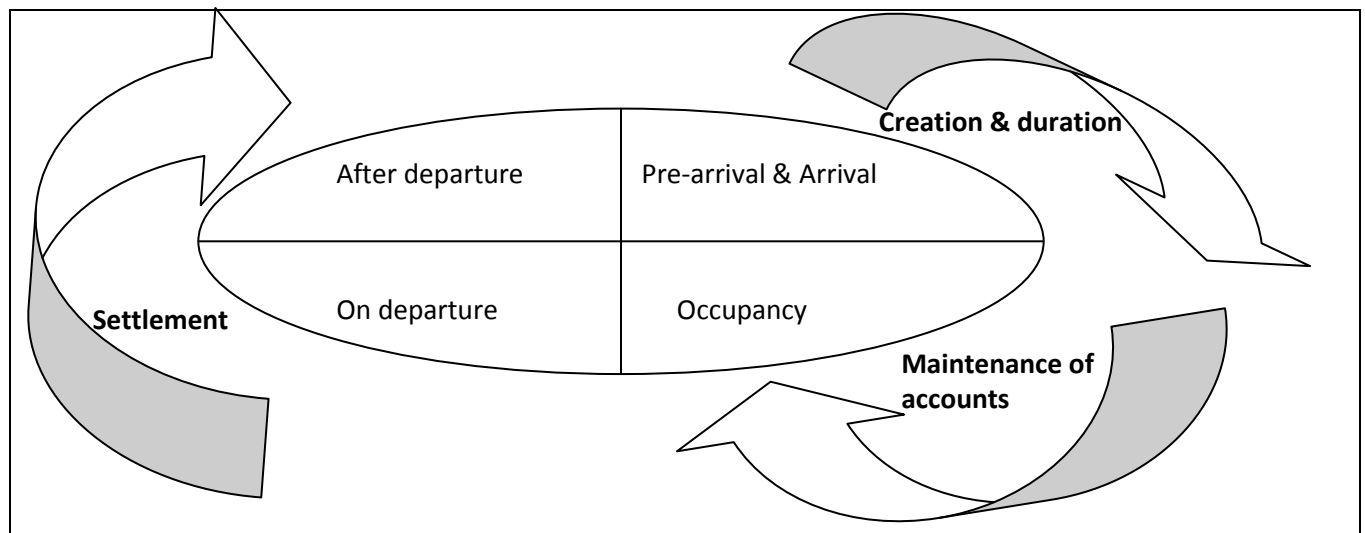


Figure 5.13: The front office accounting cycle

Source: adapted from Bardi (2011)

This figure illustrates the guest cycle: pre-arrival, arrival, guest occupancy, departure and after departure. It also shows that the front office accounting process can be divided into three phases: the creation and duration of accounts, the maintenance of accounts and the settlement of accounts.

a Creation and duration of accounts

A guest account or folio is usually created immediately after the guest checks in. Part of the check-in procedure is to enter the guest's details into the computer, which automatically opens an account, or one has to open a guest account manually. **Credit limits** or house limits are often set, which means that guests may not charge more than a pre-set amount to their accounts.

Note that the method of payment the guest uses can impact the limit available on their account. For example a cash client's limit will be monitored much more strictly than a client who has provided credit card details.

The process of creating an account can, therefore, be summarised as follows: assign rates and tariffs, check methods of payment, establish credit limits, verify accounts to companies and create master folios and incidentals folios. A folio number is assigned to the account.

b Maintenance of accounts

Once a guest account has been opened, all financial transactions between the hotel and the guest will be recorded on that account.

The act of recording the transactions on the guest account is called **posting**. The general posting process entails five stages and involves the hotel and the guest in the following ways:

- charges are initiated
- information is recorded
- information is sent to the front office
- charges are posted to the guest's account
- dockets/invoices are filed for control purposes

Any postings done to the account will have an effect on the overall account balance.

Postings can be divided into two main categories.

Charges:

The guest requests a service/product and the charge is put on the account.

Effect: increases account balance in debit / decreases credit available

Payments:

The guest makes some form of payment (e.g. cash deposit) on the account.

Effect: decreases account balance in debit / increases credit available

Therefore the process of maintaining an account can be summarised as follows: post credits or charges to guest's accounts, verify postings and monitor credit available.

Should the account exceed the available credit, the guest can be asked to make payments to increase available credit, or pay cash at all points of sale in the hotel and no more charges may be posted to the guest room.

Example

Review the following table which explains the accounting process of a guest ordering a cup of coffee.

The process of posting charges for a guest who orders a cup of coffee:

| | Hotel process | Guest |
|--------------------------------|---|---|
| Charges are initiated | | Guest from Room 201 orders coffee from the waiter |
| Information is recorded | Waiters place the order with the kitchen The PMS system creates a charge on the point of sale for the coffee | |
| | Docket created | Guest receives coffee Guest signs the docket to Room 201 |

| | | |
|---|--|--|
| <p>Information is sent to front office</p> <p>Charges are posted to the guest's account</p> | <p>Docket closed off to Room 201</p> <p>Automated system: posts charge to guest account Room 201</p> <p>Non-automated system: cashier takes docket to Front Office to post on Room 201</p> | |
| <p>Dockets/Invoices are filed for control purposes</p> | <p>Docket filed electronically or manually with other information for Room 201</p> | |
| <p>Payment occurs</p> | | <p>On check-out, guest receives account and pays for all hotel services including the coffee</p> |

c Settlement of accounts

The method of payment taken at the start of the guest cycle, pre-arrival/arrival, will influence the settlement procedure:

- *Cash payments.* The guest will be required to pay the full outstanding balance on the account before departing. If the guest account is in credit, the guests will be refunded for any amounts not used during their stay.
- *Credit card payments.* The guest credit card will be charged for the account balance.
- *Payments through direct billing* (city ledger, travel agent voucher, purchase order). All documentation is compiled, the account is posted on the city ledger to the relevant debtors account and invoices are forwarded to the account holder for payment.

The process of settling accounts can be summarised as follows: settle guest folios, settle master folios by submitting accounts to companies and follow up on bad debts, walk-outs and late charges.

5.3.3.3 Other guest account transactions

a Paid outs/Disbursements

It is normal for a guest to request something which the hotel does not provide. In these situations the hotel will often employ the services of an outside organisation, such as a car hire company, tour operators or florists. The porter desk will usually arrange and pay for these services and notify the cashier or receptionist of the charge to be added to the guest's bill. These charges are called paid outs or disbursements, meaning that the hotel has paid out sums of money on behalf of the guest for a service. These charges have to be entered onto the guest's account as debit items for settlement. Common items for disbursements include theatre tickets, car hire services, sightseeing tours and postage stamps.

b Account corrections

Account corrections are required when there has been a posting error to a guest's account. These corrections may include the following:

- The correct amount is posted to the correct guest account, but the **wrong department** is identified.

For example, if a charge for a coffee shop meal is incorrectly posted as a room service charge, the incorrect charge (room service charge) must be subtracted from the guest account (i.e. guest account will be credited) and the correct charge (coffee shop charge) will be added to the guest account (i.e. guest account will be debited).

- The **incorrect amount** is posted to the right department and the guest account. R350, for example, is posted instead of R305. A correction in the form of a credit entry of R45 must be made to the guest's account and the department account.
- The correct amount is posted to the right department, but to the **wrong guest account**.

For example, A R159 room service charge is posted to Room 567 instead of Room 576. This needs a correction of a credit entry to Room 576 of R159. Room 567 is then debited with the charge (Bardi 2011).

These examples are typical transactions which can be classified as **account corrections** (i.e. transactions corrected on the same day they happened), while **account adjustments** are transactions which are processed after the end of the business day to correct errors from the previous day/days.

Example

When account adjustments are done, an adjustment is processed against the previous day's transaction: for example a guest account was incorrectly charged for breakfast of R150 (debit transaction) on the previous day. So the account must now be credited with R150 against breakfast revenue. The revenue for breakfast will therefore be adjusted by R150 for today.

Any such transactions require the authorisation of a manager on duty or general manager as this adjustment affects auditing procedures and revenues.

c Account allowances

Account allowances are credit postings which are made to a guest's account. These account allowances are credited to a guest's account when he or she leaves the hotel. A guest is charged for a meal in the hotel restaurant, but the food is not up to standard. The guest complains to the restaurant manager and the manager reduces the charge of the meal because of the bad service or inferior preparation of the food. This discount given by the manager will then be deducted from the guest's account as an account allowance.

d Account transfers

An account transfer is needed when a charge is removed from one account and transferred to another account.

For example, when a family stays together in the hotel the parents may ask for the charges of the children's room to be transferred onto their account for payment.

Account transfers can also take place when individual conference guest accounts are transferred to a group master account for payment by their company.

e Auditing and verifying postings

To reduce potential errors in guest accounts and to prevent fraudulent staff practices, postings of guest transactions are usually verified or checked each day. This process is

called auditing and it refers to the process of checking the accuracy of the guest accounts by balancing all departmental accounts.

At the end of each business day, the night audit process is conducted by the night auditor. The process involves the following basic activities that are usually carried out during the auditing process (Bardi 2011):

- posting room and tax charges
- assembling guest charges and payments
- reconciling departmental financial activities
- reconciling the accounts receivable
- running the trial balance
- preparing the night audit report

While a number of these steps are done by running an end-of-day (EOD) on the property management system, the actual figures generated by activities in the system throughout the day are verified for accuracy.

Let's briefly look at what each step includes.

All **room and tax charges posted** are checked. **Room status discrepancies** are resolved. The auditor will check on rooms listed as vacant but with bills outstanding, or rooms still occupied for which there is no bill. Any discrepancies that exist represent possible errors and must be dealt with quickly.

No-show reservations are verified. The auditor will clear the reservations file on a daily basis. Any guaranteed reservation which does not arrive (no-shows) will have their accounts printed and account settlements will be requested. Please note that no-show billing must be handled carefully. If a regular guest is billed, they may feel offended and not return to the hotel again.

It is checked that all expected departures for the day have been done, all arrivals and no-shows have been processed and that all in-house guest records are accurate. Room charges are then posted to all in-house folios.

f Assembling guest charges and payments

Guest charges and revenues generated from all departments are collected and departmental managers may provide shift pre-lists and cash ups for this purpose. Food and beverage outlets can be split according to different meals as well, such as

- Sundeck Restaurant – Breakfast
- Sundeck Restaurant – Lunch
- Sundeck Restaurant – Dinner

Each meal sitting may have a separate pre-list which needs to be balanced. Other departmental charges which need to be checked may include

- Bar
- Room Service
- Telephone
- Taxi services

The hotel will have a number of departmental revenue codes built into the property management system, to record more accurately where the revenues are generated. It is important that cashiers use the correct departmental codes when posting charges because accuracy is important to the profitability of the department.

g Reconciling departmental financial activities

The departmental totals are compared to the posting information received from each departmental point-of-sale. Cash payments received at front office should also be verified against the shift cash-up of the respective reception shifts.

Essentially the night auditor would check that each of the cashiers in different departments has correctly completed the departmental financial activities and that the cash deposited for that shift is correct. Any posting errors are reconciled and overage or shortages on departmental revenues and cash bankings are recorded for further investigation. The main purpose is to prevent any fraudulent practices among staff.

h Reconciling the accounts receivable

Daily activities on the Accounts Receivable (also referred to as Debtors Book) are reconciled. New postings onto Accounts Receivable are checked and discrepancies investigated.

The city ledger and accounts receivable options of the EOD produce a report of all activity on these accounts.

i Running the trial balance

A trial balance lists the debit and credit activity of the front desk, receivables and payables. The trial balance focuses on accounts in which charges may have been posted or reported incorrectly.

j Preparing the night audit report

The night audit report is a consolidated report of the financial data of the operation. Each hotel may customise the report format for their specific needs; however basic financial information is normally included.

Revenue management statistics may also be included based on operational requirements.

The report shows daily figures and month-to-date figures, which are compared to budgeted figures to provide the general manager an overview of the daily operational performance. Daily reviews of the report would allow management to be more flexible in meeting financial goals.

Activity

Mr Jones is staying in Room 225. He is being charged R1 550 for the night.

The following hotel services are charged to his room:

| | |
|----------------|-----------------------|
| Breakfast R125 | Lunch buffet R 155,50 |
|----------------|-----------------------|

| | |
|---------------|-------------|
| Newspaper R10 | Bar R 45,50 |
|---------------|-------------|

Mr Jones comes to the front desk and mentions that he wants to check out early tomorrow morning.

1. He asks you to calculate the total amount he owes on his account, including the night's accommodation.

2. He questions the Bar amount – you draw the slip from his account and see that it should have been charged to Room 255. How do you process this error?
3. Mr Jones informs you that he also paid a cash deposit of R1 000, and you verified this with the accounts department. What is the total amount that Mr Jones will owe the hotel, if no other charges are posted to his account?

Activity feedback

By drawing up a very basic guest account, you should be able to calculate the following:

| | |
|-------------------|------------------|
| 1. Room charge | R1 550,00 |
| Breakfast | R 125,00 |
| Newspaper | R 10,00 |
| Lunch | R 155,50 |
| Bar | R 45,50 |
| TOTAL OWED | R1 886,00 |

2. The incorrect charge of R45,50 must be corrected from Mr Jones' account (Room 225) and should be posted onto Room 255. The transaction is a **correction** and not an adjustment, as the charge was taken off on the same day it occurred. If Mr Jones had only picked up the mistake the next morning and you had to take the charge from the account, it would be an **adjustment** of the charge.

$$\text{New balance} = \text{R1 886,00} - \text{R45,50} = \text{R1 840,50}$$

3. $\text{R1 840,50} - \text{R1 000,00} = \text{R840,50}$ still owing to the hotel

Did you notice from the answers above that charges increase the amount the guest owes the hotel, while corrections, adjustments and payments, decrease the amount owing to the hotel? The activity should give you a basic idea of the maintenance of the guest account during the occupancy stage of the guest cycle.

With accounts maintained during the occupancy stage, and correct night audits on a daily basis, guest accounts should be accurate at all times. This would make the final processing of accounts during check-out more efficient, allowing reception to provide a professional service. Let's look at the check-out process for guests.

5.3.4 Check-out and departure

At the completion of the guest cycle, the guest will check out of his or her room, settle the account with front office and return the key before departing.

Note that the procedure is not only about closing the account and collecting payment; it's also about providing the guest with a positive experience at the end of his or her stay and an opportunity to receive return business. Front desk personnel should therefore always try to use the guest's name and be polite, professional and efficient at all times.

Bardi (2011:249) provides a comprehensive overview of the guest check-out procedure.

The guest check-out involves the following steps:

1. *Guest requests check-out.* The guest will provide either his or her room number or surname to check out.
2. *Desk clerk enquires about quality of products and services.* The desk clerk will ask if the guest enjoyed the stay. This will give an opportunity for the guest to voice comments or complaints and allow hotel staff to deal with any problems before the guest departs. This will give the guest the impression that the hotel is attentive to his or her needs and would like to improve future experiences. Complaint handling would also be a large part of the skills of hotel personnel.

A guest satisfaction questionnaire may be provided for the guest to complete while the check-out is being processed. Hotels also use electronic surveys which are sent via e-mail to the guest after departure.

3. *Guest returns key to desk clerk.* Hotels make use of both hard keys (mortice lock) and electronic key cards.

When using hard keys, the security risk of a lost key, or key not returned, is considerable. In this instance, guest room door locks may need to be changed and additional keys (such as the in-room safe) may also be required. The cost of these replacements may be sizable and for this reason key deposits are often charged and credited from the guest account when the key is returned.

Electronic keys reduce the risks mentioned above as keys are only valid for the duration of the guest's stay. Although the hotel incurs costs when purchasing electronic key cards, the financial implication is minimal if this key is lost or not returned. An electronic key is often branded with hotel marketing information and acts as a keepsake for guests when leaving the hotel. It then serves as a marketing tool.

Technological evolution of guest security and access systems continue to reduce risks and operational costs of lost keys.

4. *Desk clerk retrieves guest folio on computer and reviews the account for completeness.* The desk clerk ensures that all room and tax charges, meals, and so on, have been posted to the guest's account. Late charges are all checked and where necessary late departure fees may be charged if the guest leaves after the stipulated check-out time.
5. *Desk clerk prints a copy of the guest folio.* A copy of the guest folio is presented to the guest for review.
6. *Guest reviews charges and payments.* The guest has the opportunity to review all charges and payments and query any incorrect charges made on the account. Should corrections, adjustments or allowances need to be made on the guest's account, the desk clerk would need to do this within company policy. Often any such transactions are authorised by the supervisor/manager on duty.

Some guest complaints at the time of check-out may require an adjustment on the guest account, for instance a discount off the last evening's room charges, or removing the dinner posting due to dissatisfaction with the meal.

7. *Determine method of payment.* During registration, the method of payment was established. The desk clerk should verify that the guest will be using this method of payment. Possible methods of payment include cash settlements and credit settlements.

8. Guest makes payment (cash or credit payment):

- *Cash settlements.* A cash settlement is any form of settlement which can be paid into a bank on the same day it is received. Under this classification, cash settlements can include payment in the form of
 - local currency
 - foreign currency
 - traveller's cheques
 - bank credit cards

(Bank credit cards are issued by banks and are considered to be equivalent to cash settlement, because their imprints can be taken to the bank each day, and the charge amounts will be paid into the hotel's bank account on the same day. The best-known cards are Visa, Mastercard, American Express and Diners Club.)

- *Credit settlements.* Credit settlements are settlements for which the hotel does not receive immediate payment on the day of departure.

These forms of settlement are often done via direct billing.

A pre-authorized account is provided which allows the guest folio to be processed via an accounts receivable system. Pre-authorization is often based on the approval of a credit application and continued good financial standing of the account.

The folio will be transferred to the accounts department. The accounts department will also then mail the account and invoice to the relevant company. The hotel will then receive payment from the travel agency, corporate company, government department or professional conference organiser (PCO), within the stipulated agreed period.

For travel agents and PCOs the amount received by the hotel will be the sum total less a percentage of pre-negotiated commission.

9. *Desk clerk enquires about additional reservations.* Based on the interaction with the guest during check-out, the desk clerk may have found out whether the guest is returning to the area and offer the guest a return reservation. Should the hotel be part of a group with a number of different hotels in several locations, the desk clerk can offer marketing material (brochures) for information. Technological advancements may also allow the desk clerk to make a reservation for the guest at another establishment within the group.

At this point the desk clerk will wish the guest a pleasant journey and bid the guest farewell.

10. *Desk clerk files folio and related documents for the night audit.* Guest information is kept together with the signed registration card, all dockets, guest folio, and so on, for auditing and record keeping.
11. *Desk clerk communicates guest departure to housekeeping and other relevant departments.* Housekeeping may be alerted to the departure in order to clean the room for future arriving guests. The room status will also be updated at this time. Other departments such as food and beverage and the gift shop may be alerted to ensure that no further purchases on the guest's account may be made.

The guest cycle is now complete and the guest leaves the hotel property. This cycle is repeated continually for each guest reservation.

In order to provide a positive guest experience, efficient front office personnel at every stage of the guest cycle are vital. The guest cycle focuses on a number of controls,

checks and balances which need to be in place to ensure that the guest records are correct and complaints at time of check-out are minimised.

Watch this!

This clip provides an overview of a hotel front desk check-out:

<https://www.youtube.com/watch?v=YP7W5O4MfvI>

5.4 IMPORTANCE OF COMMUNICATION AND COOPERATION BETWEEN THE FRONT OFFICE AND HOUSEKEEPING

Previous discussions have emphasised the vital role which an efficient front office plays in the success of the hospitality operation, by selling its main product, accommodation.

In order to have accommodation ready and available for sale, a good relationship with an efficient housekeeping department is required. While front office generates the revenue, housekeeping essentially provides the product, i.e. the guest room.

The communication and cooperation between front office and housekeeping is thus a crucial part of the success of a hospitality operation. A cycle of communication takes place (Casado 2012) and can be summarised as follows:

1. Early morning: night audit provides housekeeping with a room status report, showing the status of all guest rooms.
2. The executive housekeeper assigns rooms to his or her staff for cleaning. All rooms are checked against the status report (discrepancies are noted and dealt with).
3. As rooms are cleaned throughout the day, housekeeping notifies front desk that the rooms are available for sale.
4. Front office would also advise the arrival of groups, VIPs or pass on special requests to housekeeping.
5. Housekeeping will advise which rooms are unavailable for sale because of maintenance problems or deep cleaning requirements.

Activity

1. John Ndlovu is Front Office Manager of Golden Towers Hotel. One of the reception staff, Mary Sithole, has been working at the hotel for three months, but was struggling with the guest check-outs this morning. In your own words, summarise the check-out process in the way you would explain it to Mary.
2. Mary explains that she was unsure about processing account corrections and account adjustments. Can you explain the difference to her?

Activity feedback

After reviewing this section of the work, you should be able to provide an overview of the guest check-out process following the necessary steps to provide the guest with an efficient check-out while ensuring that all financial control procedures have been followed. Have you noticed that part of the check-out process includes offering a future reservation to the guest? This allows for further marketing to existing clients of the hotel.

You should also be aware of the difference between account corrections, transactions corrected on the same day they were incorrectly posted, and account adjustments, transactions which are corrected on the day or days after they were incorrectly posted. If you are unsure of the difference, review the examples given in this section once more.

While Front Office's main role is to ensure good front-line contact with guests and provide efficient services to guests throughout the cycle of their stay, the support departments that work behind the scenes are also part of the hotel team who meet guests' needs.

The housekeeping department works closely with the front office to provide the guest with the main hotel product, accommodation. Front office as the main revenue centre in the hotel, is totally dependent on the efforts of housekeeping as their support centre. In the next section we will address the role of housekeeping.

5.5 ROLE OF HOUSEKEEPING

Guests form instantaneous impressions of the hotel when they walk into the hotel lobby. The impression is enhanced as the guest moves from the registration desk to the elevator, down the corridor, towards the room. The rooms are the heart of the hotel. Unless the décor is appropriate, the air odour-free and the furnishing spotlessly clean,

the hotel could lose the guest as a potential repeat customer. The Housekeeping Department plays a primary and crucial role to secure customer satisfaction in the hotel establishment.

A comprehensive, yet to-the-point, summary of the role of the housekeeping department is provided by Barrows et al (2012:322). Housekeeping is tasked with the cleanliness of hotel rooms and public areas of the hotel. Apart from ensuring that guest rooms are cleaned, housekeeping also plays a significant role in purchasing guest room supplies such as linen and guest room amenities (e.g. soap, shampoo, shower caps, toilet paper, etc). Equipment and chemical purchases to maintain the cleanliness and hygiene of the hotel are also included. Housekeeping is also integral to communicating ongoing maintenance requirements in the hotel and in many establishments also manages the on-premises laundry where all guest room, banqueting and food and beverage linens are processed.

In order to achieve this diversity of tasks, housekeeping would require a comprehensive staff complement.

5.5.1 Organisational structure for a housekeeping department

Although each hospitality organisation would have its own organisational chart to suit operational requirements, figure 5.14 provides a good overview of key positions in the housekeeping department of a full service hotel.

Note that this organisational chart represents different positions; also note that staff employed in these positions may be required to work various shifts to fulfil their duties.

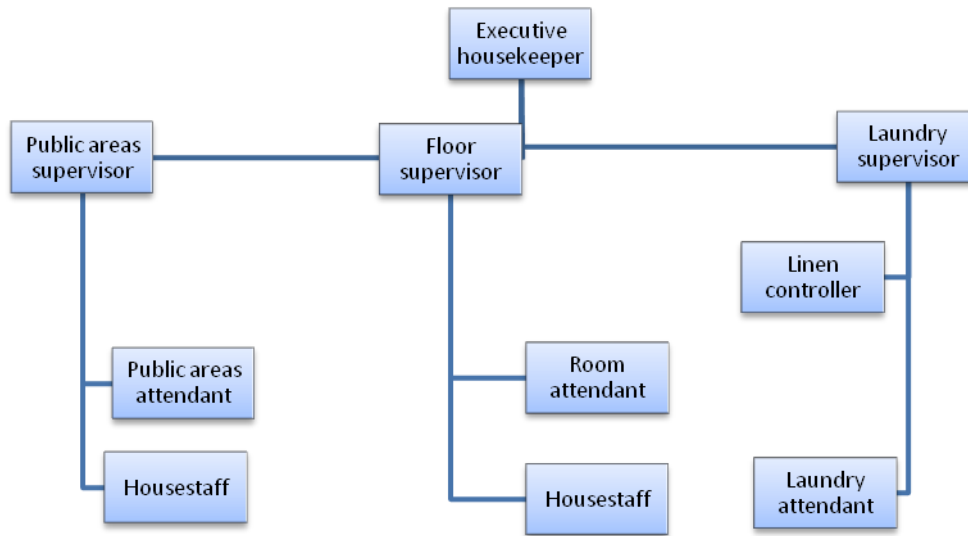


Figure 5.14: The organisational chart of a typical full service hotel housekeeping department

Source: adapted from Bardi (2011) and Kasavana and Brooks (2005)

5.5.2 What it takes to be a housekeeper

a Responsibilities

Bardi (2011:54) summarises the responsibilities of the executive housekeeper into the following main functions/tasks:

- upkeep of the guest rooms and public areas (to the hotel's standards)
- training of staff
- supervision of unskilled labour
- inspection of guest rooms
- accurate scheduling of employees
- maintenance and control of inventory
- supervision of the in-house/on-premises laundry (if applicable)
- interdepartmental cooperation and communication

- maintaining cleanliness and appearance standards to ensure a marketable product
- time management
- problem solving

Apart from the daily responsibilities related to the operational efficiencies of the housekeeping department, the executive housekeeper will also be involved in generic management functions.

b Management functions

Casado (2012) reinforces the generic management functions which must be performed by the executive housekeeper. Jones (2008) however elaborates on these basic functions by providing more specific activities for each. This provides management with clearer guidelines on the requirements each of these management functions would entail. Note that as a member of senior management, the executive housekeeper's role will contribute to the overall business strategy. The functions, including planning; organising; staffing; directing and controlling, mentioned below may be further implemented on a departmental basis.

Let's look at the functions in more depth.

i Planning

Planning involves the achievement of short-term and long-term objectives. It includes both day-to-day operational decisions such as levels of staffing in relation to specific business demand but also planning for future business requirements and efficiencies.

Activities include

- forecasting: establishing where present course of business will lead
- setting objectives: determining desired results
- developing strategies: deciding how and when to achieve goals
- programming: establishing priorities, and sequence and timing of steps
- budgeting: allocating resources
- setting procedures: standardising methods
- developing policies: making standing decisions on important recurring matters

ii Organising

Organising involves arranging and assigning work for the effective accomplishment of an objective. Daily administrative and operational decisions are required.

Activities include

- establishing an organisational structure: drawing up an organisational chart
- delineating relationships: defining lines of reporting to ensure operational coordination
- creating position descriptions: defining the scope, relationship, responsibilities and authority of each member of the organisation
- establishing position qualifications: defining the requirement qualifications for people in each position

On a more practical level, the organisation/organising of housekeeping includes the job profiles, job descriptions, tasks and skills of the personnel required to achieve goals.

iii Staffing

Leadership becomes important to ensure that communication takes place and understanding is promoted among employees.

Activities include

- selecting employees: recruiting qualified people for each position
- orientation of employees: familiarising new staff with the work environment (also referred to as induction)
- training: making people proficient by instruction and practice
- developing: improving knowledge, attitude and skills

Housekeeping is the most labour-intensive department in the hospitality operation and the staffing function is vital to promoting the efficiencies of the operation and ensuring that operational standards are maintained.

The last two functions of direction and controlling are focused on implementation of these management functions of planning, organising and staffing.

iv Directing

The function of directing would be largely related to daily interactions with staff and to directing their efforts in line with the objectives of the department and business as a whole.

Activities include

- delegating: assigning responsibilities to staff and holding them accountable for results
- motivating: persuading and inspiring people to take a desired action
- coordinating: relating efforts in the most efficient combination
- managing differences: encouraging independent thought and resolving conflict (in a South African labour context, this would also refer to diversity management within the workplace, where employees from various cultures and beliefs work in the same team)
- managing changes: stimulating creativity and innovation in achieving goals

v Controlling

Management are required to control organisations and the activities of personnel to ensure that desired objectives are met. The purpose is to make operations more efficient and ensure cost effectiveness.

Activities include

- establishing a reporting system: determining what critical data are needed (including daily reports)
- developing performance standards: setting conditions that will exist when key duties are done well
- measuring results: ascertaining to what extent personnel have deviated from goals and standards
- taking corrective action: adjusting plans, counselling personnel to attain standards, sometimes re-planning, and repeating some of the previous management functions as necessary; feedback forms an essential part of this process
- rewarding: praising, remunerating or administering discipline

As departmental manager, a key role is that of interdepartmental communication. The efficiency of the relationship housekeeping has with the front office forms the basis of operational efficiency in the rooms division. Housekeeping provides a supporting role to the front office, by providing the primary product. Let's review this relationship in more depth.

5.5.3 Housekeeping and the front office

As previously mentioned, the communication between housekeeping and the front office is essential to the efficiencies of both departments. While staff in each of these departments communicate on an ongoing basis, certain standardised reports are used as communication tools.

5.5.3.1 Occupancy report

This report is compiled by front office staff each night. It consists of a list of all the rooms occupied for the night and gives an indication of all the expected check outs for the following day. Figure 5.15 provides an example of such a report. The occupancy report enables the executive housekeeper to compile a list of occupied rooms to be cleaned the next day. The reception staff must notify housekeeping as soon as a guest checks out of the hotel. Housekeeping will ensure that these rooms are given top priority so that they are available for arriving guests. This whole process requires an effective communication and monitoring system between the housekeeping staff and the front desk.

| Name | N. | # | / | RT. | Adlt. | Arrival | Departure | Cu... | Stat. | Sharer |
|-----------------|----|-----|---|--------|-------|----------|-----------|-------|-------|--------|
| Thab Patrick | 0 | 101 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Molapisi Fu... | 0 | 102 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Peachey Bi... | 0 | 105 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Travel with ... | 5 | 106 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Tsobola In... | 0 | 109 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Travel with ... | 5 | 112 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Travel with ... | 5 | 201 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Mafala Lydia | 0 | 203 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Gumede G... | 0 | 302 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Nzimande | 0 | 401 | | STWNS | 2/... | 16/09/12 | 23/09/12 | ZAR | CI | |
| Mhahato ... | 0 | 405 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Lerefole Ke... | 0 | 406 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Travel with ... | 5 | 407 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Travel with ... | 5 | 408 | | STWNS | 1/... | 19/09/12 | 22/09/12 | ZAR | CI | |
| Ngope M... | 0 | 502 | | STDBLS | 1/... | 10/09/12 | 12/10/12 | ZAR | CI | |
| Xotyeni | 0 | 507 | | STDBLS | 1/... | 03/09/12 | 28/09/12 | ZAR | CI | |
| Mhya L Mr. | 6 | 509 | | SGLS | 1/... | 20/09/12 | 22/09/12 | ZAR | CI | |

Figure 5.15: Basic occupancy report (referred to as in-house guest report)

Source: Ankerdata Property Management System training module (2012)

5.5.3.2 Housekeeping room status report

At the end of each shift, the housekeeping department will prepare a housekeeping status report based on the physical checking of each room in the hotel. Figure 5.16 provides an example of the format and content of this report. The housekeeping status report indicates the current status of each room, based on housekeeping's assessment of the room. The information is compared with the front desk occupancy report and any discrepancies are brought to the attention of the front office manager.

| Dept. | # | Room type | Name | Arrival | Arri... | Depart... | De... | VIP | Status | L. | Hous... | Ro-Stat. | Add.info |
|-------|-----|-----------|------------|----------|---------|-----------|-------|-----|-----------|----|---------|----------------|----------|
| | 101 | STWNS | Thiti | 19/09/12 | 17:29 | 22/09/12 | | | Stayover | | Vacant | Dirty | |
| | 102 | STWNS | Molapisi | 19/09/12 | 16:13 | 22/09/12 | | | Stayover | | Vacant | Cleaned | |
| | 103 | STWNS | Veto /... | 20/09/12 | 12:36 | 21/09/12 | 08:50 | | Departure | X | Vacant | Cleaned | |
| | 104 | STWNS | Voight... | 20/09/12 | 14:45 | 21/09/12 | 08:49 | | Departure | X | Vacant | Cleaned | |
| | 105 | STWNS | Peachey | 19/09/12 | 16:13 | 22/09/12 | | | Stayover | | Occu... | Cleaned | |
| | 106 | STWNS | Travel... | 19/09/12 | 01:06 | 22/09/12 | | | Stayover | | Vacant | Cleaned | |
| | 107 | STWNS | Tose ... | 20/09/12 | 14:47 | 21/09/12 | 08:51 | | Departure | X | Vacant | Cleaned | |
| | 108 | STWNS | Mokw... | 17/09/12 | 19:54 | 21/09/12 | 07:51 | | Departure | X | Vacant | Dirty | |
| | 109 | STWNS | Tsobola | 19/09/12 | 16:13 | 22/09/12 | | | Stayover | | Vacant | Cleaned | |
| | 110 | SGLS | Mkhonto | 17/09/12 | 19:54 | 21/09/12 | 07:50 | | Departure | X | Vacant | Cleaned | |
| | 111 | STWNS | Piastj... | 20/09/12 | 12:37 | 21/09/12 | 08:52 | | Departure | X | Vacant | checked | |
| | 112 | STWNS | Travel... | 19/09/12 | 01:06 | 22/09/12 | | | Stayover | | Vacant | Cleaned | |
| | 114 | STWNS | Aloni ... | 20/09/12 | 12:24 | 21/09/12 | 09:07 | | Departure | X | Vacant | Cleaned | |
| | 201 | STWNS | Travel... | 19/09/12 | 01:06 | 22/09/12 | | | Stayover | | Vacant | Cleaned | |
| | 202 | STWNS | Travel... | 21/09/12 | 14:00 | 22/09/12 | 11:00 | | Arrival | | Vacant | Out of Service | |
| | 202 | STWNS | Elijah ... | 18/09/12 | 18:39 | 21/09/12 | 07:49 | | Departure | X | Vacant | Out of Service | |
| | 203 | STWNS | Matala | 19/09/12 | 15:56 | 22/09/12 | | | Stayover | | Vacant | Dirty | |
| | 204 | STWNS | Van D... | 19/09/12 | 19:54 | 21/09/12 | 09:39 | | Departure | X | Vacant | Cleaned | |
| | 204 | STWNS | Travel... | 21/09/12 | 14:00 | 22/09/12 | 11:00 | | Arrival | | Vacant | Cleaned | |
| | 205 | STWNS | Travel... | 21/09/12 | 14:00 | 22/09/12 | 11:00 | | Arrival | | Vacant | Cleaned | |
| | 205 | STWNS | Sche... | 19/09/12 | 19:54 | 21/09/12 | 08:21 | | Departure | X | Vacant | Cleaned | |
| | 206 | STWNS | Travel... | 21/09/12 | 14:00 | 22/09/12 | 11:00 | | Arrival | | Vacant | Cleaned | |
| | 206 | STWNS | Mborj... | 20/09/12 | 14:45 | 21/09/12 | 09:04 | | Departure | X | Vacant | Cleaned | |
| | 207 | STWNS | Luigi | 21/09/12 | | 22/09/12 | | | Arrival | | Occu... | Cleaned | |
| | 208 | STWNS | Travel... | 21/09/12 | 14:00 | 22/09/12 | 11:00 | | Arrival | | Vacant | Cleaned | |
| | 208 | STWNS | Phophi | 20/09/12 | 08:28 | 21/09/12 | 13:38 | | Departure | X | Vacant | Cleaned | |
| | 209 | STWNS | Stho... | 16/09/12 | 08:28 | 21/09/12 | 08:33 | | Departure | X | Vacant | Cleaned | |

Figure 5.16: Housekeeping room status report

Source: Ankerdata Property Management System training module (2012)

A housekeeper's room status report may include the following key room status descriptions (adapted from Kappa and Schappert 2008:17):

- *Occupied* (a guest currently registered to the room. These rooms are still occupied by guests who will be staying for a few more nights. (Occupied rooms are indicated with an X next to the room number.)
- *Complementary* (the room is occupied, but the guest will not be charged for its use)
- *Stay over* (the guest is not checking out today, but will remain at least one more night) also known as *OD (Occupied Dirty)*
- *On-change* (the guest has departed, but the room has not yet been cleaned and readied for resale) also known as *VD (Vacant Dirty)*
- *Departure rooms (DR)*. These are rooms occupied by guests who will be leaving later in the day; they can still be allocated to guests arriving later in the day.

- *Do not disturb (DND)* (the guest has requested not to be disturbed) – hotels will have a procedure/policy document stating for how many days a room can be overlooked on account of a DND sign. The norm is one to two days because of the risks associated with not maintaining hygiene in the guest room. Other security-related risks may also be considered.
- *Blocked rooms (BR)*. These are rooms reserved for specific reasons, such as VIP guests or group bookings.
- *Vacant/Clean (VC)*. These rooms are vacant and clean, and are ready to be assigned to guests.
- *Vacant and dirty (VD)*. These rooms have been recently vacated and await cleaning. It usually takes housekeeping about 40 minutes to prepare a room. These rooms can still be pre-allocated to guests arriving later in the day. Such rooms are known as checked-out or departure rooms.
- *Sleep-out* (a guest is registered to the room, but the bed has not been used); room status report will show OD)
- *Skipper* (the guest has left the hotel without making arrangements to settle his or her account)
- *Sleeper* (the guest has settled his or her account and left the hotel, but the front office has failed to properly update the room's status)
- *vacant and ready* (the room has been cleaned and inspected, and is ready for an arriving guest)
- *Out-of-order (OOO)* (the room cannot be assigned to a guest - it is out of order usually because of some fault or problem, such as a broken toilet, defective TV or because of renovations being undertaken due to maintenance, refurbishing or extensive cleaning); room status report will show VM
- *Out-of-service rooms (OOS)*. Rooms are generally put out of service due to low demand seasons or deep cleaning programmes being implemented. It is common practice, in an effort to save energy, for hotels to shut down a section of rooms during low peak season.
- *Check-out* (the guest has settled his or her account, and has returned the room key and departed)
- *Late check-out* (the guest has requested and is permitted to check out later than the hotel's standard check-out time)

- *Did not check out (DNCO)*: The guest made arrangements to settle his or her bills (and thus not a skipper), but has left without informing the front desk.
- *Early arrival* (room status report will show *EA* and indicates that a guest has arrived before the establishment's official check-in time)

Promptly notifying the front desk of the housekeeping status of rooms is a tremendous support for getting early-arriving guests registered, especially during high-occupancy or sold-out periods. Keeping room status information up to date requires close coordination and cooperation between the front desk and the housekeeping department. It is important that all personnel in both housekeeping and front office know and understand the room status codes in order to avoid miscommunications and potential poor service to the guest.

5.5.3.3 Room status discrepancies

When the housekeeping department's description of a room's status differs from the room status information being used by the front desk, a room status discrepancy occurs. Room status discrepancies can seriously affect a hotel's ability to satisfy guests' needs and to maximise rooms' revenue.

To ensure efficient rooming of guests, housekeeping and the front office must inform each other of changes in a room's status. Knowing whether a room is occupied, vacant, on-change, out-of-order or in some other condition is important to rooms management.

Common reasons why discrepancies may occur:

- A guest switches rooms and front office records are not updated.
- A guest is given a key to the wrong room.
- There is unauthorised use of the room by an employee.
- A front desk staff member sold the room and pocketed the money, never recording the sale on the property management system.
- It was a day use room.
- A guest that quietly left the hotel at 5.00 am, without paying.

Activity

Read the scenarios provided below and complete the relevant questions:

You are Executive Housekeeper of the hotel. While preparing the housekeeping status report, you discover that the following rooms show discrepancies:

1. Room 307 is occupied, although the night reception report (occupancy report) that you received early in the morning indicates that the room is vacant.

What do you think could have happened for the discrepancy to exist?

2. Room 503 is vacant, but has been used. The occupancy report shows that the room was vacant last night and no guest was registered in the room. What do you think could have happened for the discrepancy to exist?

3. Room 221 is occupied, but the occupancy report states it as vacant. You also find that 212 is vacant, but the occupancy report states that the room is occupied. What do you think could have happened for the discrepancy to exist?

Activity feedback

While reading the scenarios above keep in mind the common reasons why room discrepancies occur. Understanding the various room status descriptions will make this task easier.

Here are some possible solutions:

1. Room 307

Reception gave the guest a key for the room, but never physically checked the guest in on the system (this could be an oversight in reception shift duties).

OR

Reception gave the guest a key for the room and deliberately did not register them in the system in order to keep the money for the room for themselves.

2. Room 503

Reception gave the guest a key for the room and deliberately did not register them in the system in order to keep the money for the room for themselves.

OR

A staff member slept in the room overnight, without communicating this to housekeeping. Staff use of guest rooms is subject to management approval.

3. Room 221:

Reception made an error and gave the guest the key for 221 but registered the guest on the system in 212. The guest name would need to be verified to correct the records.

Have you noticed that by investigating discrepancies the hotel may often be able to discover problems in their controls and inefficiencies in a particular department?

Repeated discrepancies should be viewed in a serious light as staff may be stealing from the hotel, by not disclosing room sales. Alternatively, continued discrepancies could point out negligent behaviour by a specific staff member, which may require disciplinary processes to be followed.

In order to maintain efficiency, the executive housekeeper would need to plan the tasks of housekeeping personnel very carefully. We will now look at these planning procedures in more detail.

5.5.4 Planning procedures in the housekeeping department

Planning the work of the housekeeping department is probably the executive housekeeper's most important management function in the hotel. The executive housekeeper must decide how best to utilise the hotel's limited available resources to attain the hotel's objectives.

The planning process will focus primarily on planning daily tasks, inventory management and personnel/staff management and rostering.

Daily planning tasks would include the initial development of **area inventory lists** and **frequency schedules**. These tools enable the executive housekeeper to clarify the department's cleaning responsibilities and mapping strategies for carrying out these responsibilities effectively. Setting cleaning standards is of the utmost importance to the hotel and employees must ensure that quality performance and high productivity levels are maintained at all times.

Inventory management is a key factor for keeping the department operating effectively and efficiently, and requires that large inventories of supplies and equipment are managed. A distinction must be made between **recyclable** and **non-recyclable** items. These inventories must be carefully controlled to protect the hotel's assets.

Personnel/Staff management and rostering comprises one of the major responsibilities of the executive housekeeper. This entails the structuring of departmental personnel and dividing the work so that everyone gets a fair assignment and all work is completed on time. Tools that help the executive housekeeper organise the department include a department organisational chart, job lists and job descriptions.

Tasks would also be assigned based on the planning tools which we will discuss in more depth below.

5.5.4.1 Housekeeping planning documents

With usually the largest staff complement in the hotel operation, the executive housekeeper would need to carefully plan the operations of his or her department. This would entail making a full assessment of the hotel, its various areas for which housekeeping would be responsible, as well as the standards to which the property must be cleaned.

The biggest challenge presented to the housekeeper, would be to maintain appropriate staffing levels, whilst providing an efficient service, cleaning the hotel to the required standard and ensuring the productivity of the personnel in her department.

Figure 5.17 provides an overview of the planning documents which housekeeping uses at each step of the planning process. The documents are generated as a result of planning questions which the housekeeper would deal with when setting up his or her department.

It is also valuable to note that a review of these documents in the planning process may be required from time to time to ensure that operational efficiencies are maintained.

| Initial planning question | Resulting documents |
|--|----------------------------|
| <i>What items</i> within this area must be cleaned or maintained? | Area inventory list |
| <i>How often</i> must the items within this area be cleaned or maintained? | Frequency schedule |
| <i>What must be done</i> in order to clean or maintain the major items within this area? | Performance standards |
| <i>How long</i> should it take an employee to perform an assigned task according to the department's/hotel's performance standards? | Productivity standards |
| <i>What amounts of equipment and supplies</i> are required to perform to the required standards? | Inventory levels |

Figure 5.17: Planning questions and resulting documents used by the housekeeping department

Source: adapted from Kappa, Nitschke and Schappert (2008:38)

a Area inventory lists

Planning the work of the housekeeping department begins with creating an inventory list of all items within each area that will need the attention of housekeeping.

Preparing area inventory lists is the first planning activity, and forms the basis of the rest of the planning activities, thus covering every item for which housekeeping will be held accountable. Inventory lists are bound to be long and extremely detailed. Since most hotels offer several different types of rooms, separate inventory lists may be needed for each type of room.

When preparing a guestroom area inventory list, it is a good idea to follow the same system that room attendants will use to sequence their cleaning tasks and that supervisors will use in the course of their inspections. This enables the executive housekeeper to use the inventory lists as the basis for developing cleaning procedures, training plans and inspection checklists (Kappa et al 2008:37).

Example

A basic area inventory list for a standard guest room:

Bedroom:

Bed (mattress and base)
 Pedestals
 Headboard
 Bedside lamps
 Curtains
 Curtain rails
 Window
 Air conditioning unit
 Dresser
 Television
 Chair
 Cupboard
 Cupboard handles
 Digital safe
 Clothes rack
 Clothes hangers

Each item in the room is listed, providing an extensive list of items (checklist) which housekeeping needs to attend to. This will be done for **each** area in the hotel.

b Frequency schedules

A frequency schedule is a document which indicates **how often** items on the inventory lists are to be cleaned or maintained. Items on the inventory list must be cleaned on a daily, weekly or monthly basis; they should become part of the routine cleaning cycle and must be incorporated into standard work procedures. Other items can, however, be inspected on a daily or weekly basis and become part of the general cleaning programme scheduled for a specific period.

Let's elaborate on the previous example.

Example

A basic area inventory list for a standard guest room:

| Area | No. of items | Frequency of cleaning |
|--------------------------|--------------|-----------------------|
| Standard bedroom: | | |
| Bed (mattress and base) | 1 | turn once per month |
| Pedestals | 2 | daily |
| Headboard | 1 | daily |
| Bedside lamps | 2 | daily |
| Curtains | 2 | once per 6 months |
| Curtain rails | 2 | daily |
| Window | 2 | weekly |

Items on an area's frequency schedule that are made part of the housekeeping department's general cleaning programme should be transferred to a calendar plan and scheduled as a special cleaning project (in the above example cleaning of the curtains will take place every six months and would need to be scheduled at an appropriate time).

The calendar plan guides the executive housekeeper in scheduling the appropriate staff to perform the necessary work. The executive housekeeper must take a number of factors into account when scheduling general cleaning of rooms or other special projects, for example financial resources, occupancies of the hotel, staff available).

It is important, however, that the general cleaning programme be flexible in relation to the activities of other departments. Deep cleaning programmes, for example the washing of carpets, require more planning. Careful planning will produce good results for the hotel with the least possible inconvenience to the guests and to other departments (Kappa et al 2008). All cleaning would however be based on specific standards as set out by management. These are known as performance standards.

c Performance standards

In order to clean and maintain the major items within an area, it is necessary for the executive housekeeper to develop performance standards. Performance standards outline **what must be done** and also describe in detail **how it must be done**.

One of the primary objectives of planning the work in the housekeeping department is to ensure that all employees carry out their cleaning tasks in a consistent manner. The key to consistency is the **performance standards** which the executive housekeeper develops, communicates and manages. It is important for the executive housekeeper to ensure consistency of cleaning by demanding 100 per cent conformity to the standards prescribed by the department.

If performance standards are not properly developed and implemented the productivity of the housekeeping department suffers, since employees will not be performing their tasks in the most efficient and effective manner.

Performance standards must be communicated by means of ongoing training programmes. Many hotels have impressive manuals which are never applied or implemented: therefore the most effective manner to enforce such standards is via ongoing training programmes. After communicating performance standards through ongoing training activities, the executive housekeeper must then manage those standards. Managing standards means ensuring conformity to standards by constant inspection. Daily inspections and periodic performance evaluations should be followed up with specific on-the-job coaching and retraining. This ensures that all employees are consistently performing their tasks in the most efficient and effective manner possible.

The executive housekeeper should review the department's performance standards at least once a year and make appropriate revisions as new work methods are

implemented (Kappa et al 2008:39). Performance standards work hand in hand with productivity standards set by the establishment.

d Productivity standards

Performance standards are established to maintain the **quality** of work to be done, while productivity standards determine the acceptable **quantity** of work to be done. Productivity standards must be determined in order to properly staff the department within the limitations established by the hotel's operating budget plan. If productivity standards are not met, the hotel may incur financial losses by paying for staff who are not working to their optimal capacity.

When determining realistic productivity standards, an executive housekeeper does not have to carry around a measuring tape, stopwatch and clipboard, and conduct time and motion studies on all the tasks necessary to clean and maintain each item on an area inventory list. The labour of the executive housekeeper and other management staff is also a precious department resource and should therefore not be wasted.

However, housekeeping managers must know how long it should take a housekeeping employee to perform the major tasks identified on the cleaning frequency schedules, for example cleaning a guest room. Once this information is known, productivity standards can be developed (Kappa et al 2008).

The following example shows how a productivity standard can be calculated. Let's review this example more closely.

Example

Productivity standards are calculated using the following steps.

Step 1

Calculate total time to clean 1 guest room according to the performance standards of the property:

approximately 30 minutes

Step 2

Calculate total shift time in minutes:

9 hours x 60 minutes = 540 minutes

Step 3

Calculate time available to clean guest rooms:

| | |
|----------------------------------|-------------|
| Total shift time | 540 minutes |
| less | |
| Beginning of shift duties | 20 minutes |
| Meal/tea breaks in total | 60 minutes |
| End of shift duties | 20 minutes |
| <hr/> | |
| Time available for room cleaning | 440 minutes |

Step 4

Calculate the number of rooms cleaned per shift (step 3 divided by step 1):

440 minutes = 14,67 rooms per 9-hour shift

30 minutes

Based on the property performance standards, the executive housekeeper can round this figure to 15 rooms per room attendant per shift.

Allocating 14 rooms will give staff more time to complete tasks, but may lead to higher labour costs.

According to the example, a room attendant can meet performance standards and clean a typical room in approximately 30 minutes. It also indicates how productivity can be established for a room attendant working a nine-hour shift. While taking all direct and indirect factors into consideration, the exhibit shows that a good productivity standard for a room attendant should be to clean 15 rooms per nine-hour shift. This is currently also the norm for the South African hospitality industry.

It is important for the executive housekeeper to distinguish between quality and quantity in terms of establishing productivity standards. If the quality expectations (performance standard) are set too high, the quantity of work done may be unacceptably low. This will force the executive housekeeper to employ more and more staff to ensure that all the work gets done, resulting in a high wage bill. If, on the other hand, the quality expectations are too low, the quantity of work done should be higher. This will however result in an unrealistic situation in the hotel, where staff are used to being allowed ample time to perform their tasks with little or no quality control. This may result in staff becoming lazy as not much needs to be done to meet the necessary standards and sooner or later guests and other staff will complain.

To avoid these problems, it is a major challenge for the executive housekeeper to effectively balance performance standards and productivity standards. A concern for productivity may not necessarily lower performance standards; instead it can sharpen and refine current work methods and procedures.

If, for example, room attendants are constantly returning to the housekeeping area for cleaning and guest supplies, there is something wrong with the way they set up and stock their carts. Wasted motion is wasted time, and wasted time depletes the most important and most expensive resource of the housekeeping department (i.e. labour).

Daily assignment of rooms to housekeeping staff will be based on the number of occupied rooms divided by the productivity standard. This will provide the housekeeper with a reasonable guideline to control labour costs. Labour must, therefore, be carefully allocated to achieve acceptable performance standards and realistic productivity standards (Kappa et al 2008).

Watch this!

Watch the video clip below, to get a better understanding of what it entails to clean a guest room to standard:

<http://www.youtube.com/watch?v=f3VVFUJmmWs>

Activity

Read the case study and answer the questions that follow.

You have been appointed Executive Housekeeper of Elephant Safari Lodge, a 125-room luxury bush lodge that was opened three years ago.

The previous executive housekeeper resigned eight months ago and was never replaced. Trainee managers have been overseeing the housekeeping operations. There are 10 room attendants and they clean between six and seven rooms each per day.

Guests often do not receive fresh amenities or clean linen and when the staff are asked to clean more than seven rooms they are unhappy and some have even resigned. The housekeeper then needs to hire additional casual staff to help clean the rooms when the lodge is very busy.

The standard time for cleaning a room is 40 minutes. Each room attendant works a nine- hour shift. They are allowed total breaks of 60 minutes with an additional 15 minutes allocated for preparation duties.

1. Calculate the productivity standard for guest room cleaning at Elephant Safari Lodge.
2. Use your answer calculated above. How many room attendants would be required if the lodge is 90% full (i.e. 113 rooms occupied)?
3. As a manager, would you be satisfied with the current productivity levels of the housekeeping staff? Give reasons for your answer

Activity feedback

From the case study, you should be able to provide the following answers.

Productivity standard:

Step 1

Calculate total time to clean 1 guest room according to the performance standards of the property:

approximately 40 minutes

Step 2:

Calculate total shift time in minutes:

$$9 \text{ hours} \times 60 \text{ minutes} = 540 \text{ minutes}$$

Step 3:

Calculate time available to clean guest rooms:

| | |
|----------------------------------|-------------|
| Total shift time | 540 minutes |
| less | |
| Shift preparation duties | 15 minutes |
| Meal/tea breaks in total | 60 minutes |
| <hr/> | |
| Time available for room cleaning | 465 minutes |

Step 4

Calculate the number of rooms cleaned per shift (step 3 divided by step 1):

$$\frac{465 \text{ minutes}}{40 \text{ minutes}} = 11,6 \text{ rooms per 9-hour shift}$$

40 minutes Room attendants required

113 rooms occupied divided 11,6 productivity standard = 9.74 room attendants, i.e. 10 room attendants required to clean rooms at 90% occupancy

You should note that the current productivity is 6 to 7 rooms per room attendant. The productivity standard is 11,6 rooms per room attendant.

In comparing the standard set versus the work performed, one can conclude that the staff are therefore unproductive.

With 10 room attendants, they should easily be able to handle the 90% occupancy.

Casual staff brought in because of low productivity by the current staff are adding unnecessary labour costs.

With all this in mind, cost control becomes one of the operational focuses of the executive housekeeper. Costs are represented in the form of budgetary allocations. Gaining insight into the operating budget will provide more guidance in this regard.

e The operating budget

The executive housekeeper is responsible for preparing the department's operating budget. The operating budget shows estimated expenses for labour, linen, supplies and equipment. Estimates are based on statistics from the previous year and occupancy forecasts for the upcoming year (Bardi 2011).

After review by upper management, the executive housekeeper's final departmental budget becomes a month-by-month plan by which to operate the department.

For new hotel properties, the first year's budget is based on other similar operations (when part of a chain of hotels) or is often purely a trial and error guideline until statistical and historical information can be determined.

5.5.4.2 Equipment and supplies inventory levels

To ensure that employees have the necessary equipment and supplies to do their jobs, the executive housekeeper must maintain and control two basic types of inventories within the department, namely recycled inventories and non-recycled inventories (Kappa et al 2008:149).

a Recycled inventories

Recycled inventories items are those items that are used for long periods of time and are replaced only when they wear out or fail to meet the needs of staff. These are generally items which are used repeatedly in the daily operations.

Examples of such items include linen, room attendants' carts, vacuum cleaners and guest room appliances. The number of recycled items that must be in the inventory for daily operations is called the **par number**. Par refers to the standard number of items that must be on hand to support daily routine housekeeping operations.

For example, if the hotel has 100 rooms, they will need 100 kettles to provide a coffee station for each room. A general rule is that there should be enough items to equip all the guest rooms. For example one par of linens is the total number of items needed to equip all the guest rooms once.

b Non-recycled inventories

Non-recycled inventory items are consumed or exhausted during routine activities and are replaced often. Examples of such items include cleaning products and guest supplies.

A purchase order system for non-recycled inventories establishes a par number of items based on minimum and maximum quantities. The **minimum quantity** is the fewest number of items that should be in stock at any times; when the minimum number is reached, supplies must be ordered. The number of items ordered should be enough to reach the **maximum quantity** desirable in stock. Excess stock takes up space and ties up too much of the hotel's cash (Kappa et al 2008).

A good working relationship with reputable suppliers will also assist the housekeeper to plan inventory orders. For example, a hotel operation in a remote location may only be able to receive orders monthly and need to keep this in mind when placing inventory orders.

c Inventory controls

Operational controls need to be in place to ensure that inventories purchased under the operating budget are controlled and accounted for. Wastage and pilferage of inventory items may become very costly when inventory controls are not in place.

A number of different inventory management systems are available to hotel operators and, while software systems may be desirable, the physical counting of inventory, correct receiving of orders, correct issuing of inventory requests and general security of inventory storerooms will always be a core responsibility in inventory management. Monthly departmental, financial reporting will include inventory counts to show the values of stock on hand (Bardi 2011).

5.5.4.3 Housekeeping and human resources

The executive housekeeper determines the number and types of employees needed to perform all the responsibilities of the housekeeping department. Job specifications are developed to list the personal qualities, skills and attributes an employee should have in order to perform the job successfully (Kasavana & Brooks 2005).

Based on the property's needs and resources, job lists and job descriptions are developed for each position. This assists the housekeeper to recruit employees with suitable skills and experience in a particular role.

The following items are identified (Kappa et al 2008; Bardi 2011):

- A **job list** identifies the tasks that must be performed by the incumbent of a specific position in the department. The list reflects the incumbent's responsibilities and what he or she should be able to do.
- A **job description** adds information such as the following to the job list: reporting relationships, additional responsibilities, working conditions and equipment used on the job. Job descriptions should be reviewed and updated at least once a year.
- A **job breakdown** gives very specific step-by-step procedures to be followed when performing each task that falls within the responsibility of an employee. This list is very detailed to ensure that employees adhere to performance standards.

Job breakdowns also form the basis of training sessions conducted with staff, as the housekeeper can identify gaps in performance of staff versus the standards set in the job breakdown.

Activity

Visit the websites www.hospitalityjobsafrica.co.za, www.hoteljobs.co.za and www.hospitality.co.za. These websites promote jobs in the hospitality industry and also have other interesting and useful documents and information. Job seekers can search for hospitality and catering positions online. By registering on a website, you will be able to upload your details and receive new job alerts daily, by e-mail, matched to your job search employment criteria.

What kinds of jobs are being offered under the "housekeeper/housekeeping jobs" link? Are you interested in any of these?

What other types of jobs are offered on these websites? Are you more interested in one of these jobs than those promoted in the housekeeping section?

If you feel you qualify, or will qualify sometime in the future once you have completed your qualification, post your CV online.

These are useful websites to keep in mind once you are qualified and are looking for work in the industry.

a Training and motivating staff

Recruiting suitable employees to perform duties according to standard is an important part of the hotel operation's success. It is however through continued quality training that these standards are communicated to staff at all levels.

Bardi (2011:431) reminds management that it is important to train both new and existing employees, not only to give staff more confidence in performing their daily duties but also to improve their performance in general.

Kappa et al (2008) provide a four-step training method to assist housekeepers in training their staff.

Step 1 is to prepare for training by doing the following:

- *Analyse the job.* A job analysis will assist in determining the staff training needs. It determines what knowledge an employee must have, what tasks each employee needs to perform and the standards at which he or she must perform them.
- *Analyse new employee training needs:*
 - Identify which critical tasks are more vital to train first, for example, it is more important to train a room attendant on cleaning a guestroom correctly, than on processing hotel laundry.
 - If initial training focuses on too much information, the new employee can become overwhelmed and the training becomes ineffective.
- *Analyse existing employee training needs:*
 - Existing employees can be given job evaluations/performance appraisals. This will assist to identify training needs to offer specific training interventions which add value to employee development and maintain hotel standards.

Training sessions for new employees can also be used as refresher sessions for existing employees.

- *Develop the department's training plan:*
 - Communicate training dates.
 - Prepare training materials.
 - Select a training time and venue.
 - Ensure that all equipment and training aids are available.
 - Ensure that the trainer is well prepared for the session and familiar with the training material.

Step 2 is to present the training by doing the following:

- Information should be provided in a clear, step-by-step approach.
- Practical examples can be provided to demonstrate necessary procedures – these can help the staff to relate their work environment to the training material.
- Avoid using jargon – this can confuse or distract employees.

Step 3 is to practise the new skills (demonstrate the knowledge shared in the training) by doing the following:

- Once the trainee is confident with the training content, each trainee should be allowed to practise what has been learnt.
- The trainer can explain the purpose of each step.
- Immediate practice supports good working habits. Incorrect learning and parts of the training which were unclear can be corrected immediately.

Step 4 is to follow up on the training after the session and evaluate the progress of the employees by doing the following:

- On-the-job coaching can provide continued support.
- Constant feedback should be encouraged and feedback should be positive as far as possible.
- Employee progress must be evaluated (especially new employees who are still on probation).

Based on the evaluation process, additional training can be scheduled to deal with areas where staff may not be completely confident with the requirements to perform their jobs to standard.

Once staff training has been completed, the housekeeper can expect staff to be more efficient in both productivity and performance. As previously mentioned, when there is consistency in the performance of staff members, and balance with the required productivity standard, labour costs can be regulated.

Scheduling of staff then becomes important for controlling labour costs.

b Scheduling of housekeeping personnel

The scheduling of housekeeping personnel can become a complex task based on the extent of the hotel operation. The executive housekeeper would need to schedule staff to perform the necessary tasks over a variety of facilities, for example restaurant,

guestroom cleaning, public areas cleaning, cleaning of administrative offices, and over a number of different shifts in one day (early shift, late shift, day shift and night shift).

Casado (2012) emphasises that scheduling will be subject to review of occupancies, business demand and in keeping with the hotel's productivity and performance standards. The housekeeper would also keep in mind labour costs and the cleaning schedules which have been drawn up.

In South Africa, as in most international countries, labour legislation will provide guidelines on the number of shifts, hours of work and other requirements which need to be kept in mind when scheduling staff.

c Alternative scheduling techniques

In an effort to reduce labour costs and improve productivity and performance of employees, management can also consider alternative scheduling techniques as suggested by Casado (2012) and further supported by Jones (2008) and Kappa et al (2008):

- *Part-time workers.* Instead of employing a full complement of staff on a full-time basis, staff requirements can be supplemented with part-time staff (also known as casual staff). The restrictions placed by labour legislation on the working hours of part-time employees should be considered. Management must also carefully select part-time staff to ensure that property standards are maintained. Hospitality students are often used in such instances, as they are available at relatively low cost to the organisation and provide additional flexibility when scheduling staff.
- *Flexible working hours.* Flexible working hours can be applied where staff are only required on property when business demands it. Staff will work longer hours on high demand days and shorter hours on low demand days, essentially balancing the total productivity time required by the employer. This needs to be closely monitored to ensure that productivity is maintained. It is important that the housekeeper also ensures that all business hours are covered by the necessary staff to maintain continuity of service to the guests. Kappa et al (2008) also list flexible working hours as a positive contributor to staff morale.

- *Compressed work schedules.* Staff are scheduled for fewer days in a week, but will work longer hours on the days they are scheduled. Instead of working five days of eight hours, the employee is scheduled for four days of 10 hours allowing an additional day off. Reduced absenteeism is listed as one of the primary benefits of this technique (Kappa et al 2008); it must however be noted that in practice, this particular scheduling technique would be limited to specific positions which do not have an immediate impact on guest service.
- *Job sharing.* Job sharing allows two employees to accomplish a task regardless of who does it at a particular time. Employees work on a part-time basis on overlapping shifts to complete a particular task. Supervision in this instance may become difficult and therefore clear responsibilities need to be assigned to each employee. Job sharing is ideally more suitable to smaller establishments.
- *Team cleaning.* Team cleaning allows two workers, for example room attendants, to work together to complete their tasks. Increased security and staff morale are some of the benefits. Employees are still assigned with the same productivity as if they were an individual and the total productivity requirement is combined and staff skills applied to complement each other. Jones (2008) also highlights that when team cleaning is used, significant savings in equipment purchases will result.
- *Extended time off.* Staff working hours are reduced and staff are essentially given unpaid time off, when business demand is low and labour cost reductions are required. Jones (2008) also refers to this as **tight scheduling** with staff being given additional off days during quiet periods. Under the South African labour law, this scheduling technique can be used to reduce labour costs in lieu of retrenchments of redundant staff.

d Motivating employees

Jones (2008:460) defines motivation of employees as "creating an atmosphere whereby employees are persuaded or inspired to take desired action".

Finding out "what" motivates employees is often key to successful reward and motivation programmes. Bardi (2011) adds that Maslow's hierarchy of needs should also be considered when designing motivational programmes. This means that the employee's current work and personal environment should be taken into consideration to determine what would be most rewarding for that person at that particular time in his or her life. Employees who are earning a minimum wage would possibly be more motivated by a food hamper or a monetary reward than by a weekend away at one of the partner hotels.

Different levels of staff may require different motivational techniques.

Some of the techniques listed by Kasavana and Brooks (2005) include the following:

- *Training and cross-training.* Both of these techniques may improve staff skills and make staff more eligible for promotion. Basic training is provided as an investment in staff development as well as improvement in guest service delivery. Training programmes can however be used as motivator, with staff being rewarded for successful completion of specific training modules.

Some hospitality organisations link the completion of specific training modules and programmes to an increment in the employee's salary. Training costs are offset against skills development levies which can be claimed from the respective SETAs. The hospitality industry is governed by CATHSSETA (Culture, Arts, Tourism, Hospitality and Sport Sectoral Education And Training Authority).

Management candidates can also be identified and included in continuous professional development programmes with tertiary education providers. Some of the more well-known companies who support these initiatives include City Lodge Hotels, Protea Hotels, Peermont Global, Sun International and Tsogo Sun.

Activity

Research the websites of major hotel companies in South Africa and review training opportunities offered to potential hospitality employees.

Review the entrance requirements as well as the programmes which can be followed.

- *Recognition.* Recognition programmes are a common form of staff motivation. Most employers have some form of “employee of the month” award. Recognition could also include and celebrate individual achievements such as staff members completing a training programme.

Example

Think about a fast-food restaurant such as McDonald's. The name of an employee of the month is posted on a noticeboard in the restaurant. The staff member then receives recognition not only from the colleagues but also from the guests he or she serve

- *Communication.* Different forms of communication can be used to motivate employees, for example staff noticeboards and company newsletters can be used to communicate birthdays and achievements. Staff meeting forums could also be used as an essential form of communication.
- *Incentive programmes.* Meeting specific performance criteria, or goals set by management, could be rewarded with an incentive. Incentives are not always monetary and could be dinner in the hotel restaurant, for example. Clear, attainable goals are important when designing an incentive programme. Principles of fairness in awarding incentives should also be noted.

Jones (2008:18) adds that an incentive for housekeeping room attendants has been successfully introduced. For each room cleaned within a specific time and to the property standard, the room attendant may receive a monetary incentive. Should financial resources not be available, management may also give time off when productivity and performance targets are met.

- *Performance appraisals.* While performance appraisals are often seen as a negative tool because staff is essentially measured against specific job criteria, it could also be a motivational tool where developmental areas and training opportunities can be identified. Specific staff may be placed on leadership and supervisory training based on potential shown in performance appraisals.

Activity

This activity requires the use of the internet.

Make use of search engines to research motivational techniques in the hospitality industry. Evaluate programmes which are based on financial incentives, for example bonuses, cash incentives and vouchers.

Also search for programmes which are non-monetary in nature. With increased financial strain on company resources, motivation through financial reward is not always possible. What other techniques or options would hospitality managers have to motivate their staff?

Activity feedback

Did you notice that a number of different techniques, programmes and systems are provided?

Most motivational programmes require financial resources of some kind. Approaching hotel suppliers to sponsor prizes, or providing a staff member with time off, may be options for motivating employees.

As employees progress through different levels of staffing to management, their motivators will change. Management need to be aware of this and to make provision to adapt to these demands.

We have covered a diversity of the duties, tasks and responsibilities that the housekeeper and his or her department take on to ensure efficient operation of the hotel. Some hotel operators may also include the processing of hotel linen in the duties of the housekeeping department. In urban areas hotels generally outsource their laundry to specialist operators, but rural and remote hotels generally process laundry on site.

While housekeeping staff are not laundry experts, the basics of operating and on-premises laundry need to be known.

5.5.5 On-premises laundry operations

An on-premises laundry is essentially "a laundry that is built, owned, or operated by the user of the linens processed, usually on the same premises" (Jones 2008).

Hospitality managers often debate the implementation and use of an on-premises laundry. Factors such as labour requirements, capital cost of the facility and equipment, continued maintenance, additional resource requirements and the specialised nature of laundry processing are considered. With a number of leading specialist laundry operators providing on-premises installation and training, these concerns are minimised and the direct operational cost saving of on-premises processing becomes evident (Jones 2008; Bardi 2011; Kasavana & Brooks 2005).

Let's consider the basics of setting up such a facility.

5.5.5.1 Planning considerations for an on-premises laundry

The following points need to be considered during the planning phase:

- What is the maximum amount of linen processing the facility would be expected to handle? (This would be based on linen requirements in the hotel at maximum occupancy levels.)
- The capacity requirements would give guidance on the size, number and type of equipment required. This will influence the amount of space required to instal the equipment.

- General equipment requirements would be washers, dryers, irons, presses, folding tables, soaking bins and sorting bins.
- Equipment's technical requirements such as electrical and plumbing infrastructure must be considered.
- The location of the on-premises laundry is also a major consideration. Noise levels of machinery, engineering requirements to safely instal large equipment, ventilation, and so on, are all important factors when considering the location.
- The extent of the laundry service (i.e. hotel laundry only or including guest laundry) would determine machinery required.

A hotel operator would be wise to call in the services of a professional laundry operator and supplier to ensure that capital is invested in the best possible infrastructure for the hotel's requirements.

The layout of the laundry would also consider the required flow of linen through the laundry. Machinery randomly placed in the facility can have a significant impact on efficiency. When planning the facility, the flow of items should therefore be reviewed.

5.5.5.2 The flow of linen through the on-premises laundry

Once the above points are clarified and the decision has been made to implement an on-premises laundry, the efficient flow of linen through the facility must be implemented. This will also affect equipment installation.

Linen flows through the laundry in a step-by-step approach which forms a continuous cycle (Kasavana & Brooks 2005).

The cycle follows a number of specific steps:

- *Step 1: Collecting soiled items* from various functional areas, for example guest rooms, the restaurant and banqueting venues.
- *Step 2: Transporting soiled/dirty items* to the laundry facility. Soiled linen can be transported in bags, carts, baskets or trolleys. The method of transferring line to the laundry facility is largely dependent on the layout of the hotel buildings.

- *Step 3: Sorting dirty linen* by degree of dirt/soiling (light/moderate/heavy) and by linen type (fibre/weave/colour). Sorting is vital to ensure wash quality. Chemical dispensing, the length of the wash process and stain removal requirements as well as overall processing of the linen would be determined at this point. Coloured items are generally tested for colour fastness before being washed. Incorrect sorting can lead to damaged linen (e.g. colour mixing).
- *Step 4: Washing.* Four important factors are identified:
 1. time (duration of the wash cycle)
 2. temperature at which the linen is washed (30 °C or 90 °C)
 3. agitation (delicate washing vs normal washing)
 4. chemicals required with the water

Water quality may influence chemical requirements for detergents, fabric brighteners, bleaches (chlorine/oxygen), fabric softeners and starches.

Note also that ozone technology is being employed to reduce chemical usage and improve wash quality (refer to the internet for more information on ozone technology in laundry processing).

- *Step 5: Extracting excess water* (generally referred to as the **spin cycle**). Laundry equipment manufacturers distinguish between high speed extraction and low speed extraction machines. High speed extraction machines are more costly, but save on processing requirements and costs further in the cycle. Extraction reduces laundry weight and reduces drying time as there is less moisture in the linen.
- *Step 6: Finishing.* Laundry is dried in tumble dryers and ironed using a variety of equipment (roller irons, presses, steam irons).
- *Step 7: Folding of linen for storage.* Folding can be done by hand or folding machines can be incorporated in large processing units.
- *Step 8: Storing of processed linen.* The storing of linen not only meets security and control requirements, but is also an essential part of caring for linens.

Processed linen should be rested for at least 24 hours. This period allows linens to recover from the washing, drying and ironing process. The linen room should have the correct storage/shelving which allows for airflow through the linen. Increased airflow will counter potential mould situations where linen may not have been dried completely before storage.

- *Step 9: Transferring to linen use areas.* Linen is requested by the relevant department (i.e. rooms, restaurant or banqueting) and is issued for use in those areas.

As the process focuses not only on processing linen but also on putting clean items back into operation, step 8 of the process focuses on the storage of linen items. Laundry operations personnel are frequently also required to control linen stocks within the hotel operation.

5.5.5.3 Linen controls and inventory levels

As with any inventory control, it is logical that all linen should be locked away. Linen issues are generally based on a “dirty for clean” system where the number of dirty sheets are exchanged for the same number of clean sheets, or the number of dirty pillowcases for clean pillowcases.

In the case of restaurant and banqueting, the department may send a linen request through to the linen room and linens are issued against the request. The linen controller will consolidate dirty returns against the issues done in the department. Discrepancies and/or stock losses are recorded for month-end financial reporting.

Damaged linens are separated and written off against inventory levels. In a cost-conscious environment, damaged linens may be recycled into other useful items, (e.g. a large bed sheet could be cut down to make cot sheets for baby cots and towels may be cut down into cleaning rags for staff). The housekeeper would generally repurpose items before throwing them away.

We have reviewed the employment, training and scheduling of staff within the housekeeping department. It is sometimes necessary for the housekeeper to make use of additional labour.

5.5.6 Use of labour contractors in housekeeping operations

In certain instances hospitality managers are required to use labour contractors to supplement existing staffing levels in high demand periods. The lack of availability of skilled labour in an area may also make it necessary to request skilled labour from a labour contractor outside of the area.

Jones (2008) and Bardi (2011) offer the following combined insights into the use of labour contractors or essentially outsourcing certain roles/functions to a contractor.

Advantages:

- Scarce workers are provided to the property, without the employer having to provide expensive benefits (such as uniforms and medical aid).
- The staffing functions of recruitment, selection, orientation, training and dismissal are taken over by the labour contractor.
- Uniforms may be provided by the labour contractor.
- Housekeepers are able to focus on their core competencies.
- There is flexibility for the operation to rotate staff as required.

The authors however also caution hospitality managers against this practice, by highlighting the following concerns.

Disadvantages:

- Guests perceive contracted employees as hotel employees and therefore the standards of performance and service should be the same as the full-time hotel employees.
- An unreliable contractor may negatively impact hotel service delivery.
- The hotel cannot always be certain that contracted staff have been properly screened.

South African hotel operators would generally employ a core structure of permanent staffing and supplement minimum skill positions, such as room attendants, porters and cleaners, with staffing from reputable labour contractors. The additional staffing requirements are based mainly on high occupancy requirements.

Careful consideration must be given when considering the use of labour contractors. Labour legislation and union presence within the organisation may further impact this decision. It is wise to ensure that a service level agreement (SLA) is signed with the contractor in order to clarify and stipulate the standard of service required, as well as

the obligations of the labour contractor in terms of the quality and experience of staff required to fit the establishment's standards.

5.6 CONCLUSION

This learning unit gave you a better insight into the hospitality experience and specifically the roles which the front office and housekeeping play in the organisation. Front Office is not only a vital source of contact and information to the guests but is also the custodian of financial controls throughout the guest cycle. This cycle is repeated continually for each guest reservation.

Front Office assists in selling the hotel and its services to potential and returning guests while maximising revenues for the property. Housekeeping supports the functions of the front office by ensuring a clean and well-presented product for the guest.

In order to provide a positive guest experience, efficiency at every stage of the guest cycle in both the front office and the housekeeping department is vital.

The guest cycle focuses on a number of controls, checks and balances which need to be in place to ensure that the guest records are correct and that complaints and queries at time of check-out are minimised.

The housekeeping department, while working behind the scenes, have an important role to play in meeting guest expectations. Being a very labour-intensive department with a wide scope of responsibilities, the planning and efficiencies of the department directly impact overall service delivery.

5.7 SELF-ASSESSMENT QUESTIONS

1. Provide an overview of the basic steps of preparing a night audit.
2. Review the primary functions of a night auditor.
3. Draw a diagram to explain the guest cycle and related services.
4. Distinguish between the types of reservations normally found in hospitality operations.
5. Clarify the concept of “overbooking” and explain its value to hospitality operations.
6. Clarify the concept of “revenue management” as an essential function of the hospitality operation. Use specific examples of how revenue management strategies are applied in a hotel.
7. Compile a list of details which will be included in the registration form and elaborate on the importance of each.
8. Differentiate between the check-in of a guaranteed reservation and the check-in of a walk-in guest.
9. Outline, by means of a clear example, how guest charges are processed through a property management system to a guest account.
10. Distinguish between account corrections and account adjustments.
11. Review the guest check-out by means of a step-by-step approach.
12. Draw an organisational chart for the housekeeping department of a typical full service hotel.
13. Review the management functions of the executive housekeeper and provide related activities under each function.
14. Differentiate between the occupancy report and housekeeping status report and explain the value of these reports for the hospitality operation.
15. Identify, by means of a diagram, the planning questions and resulting documents which will guide the activities of the housekeeping department.
16. Elaborate on the importance of balancing performance standards and productivity standards in the housekeeping operation.

17. The standard time for cleaning a room is 40 minutes. Each room attendant works a nine-hour shift. They are allowed total breaks of 60 minutes with an additional 15 minutes allocated for preparation duties.
- a) Calculate the productivity standard for guest room cleaning at Golden Towers Hotel.
 - b) Use your answer calculated above. How many room attendants will be required if the hotel has 150 rooms and is 75% occupied?
 - c) Staff currently clean seven rooms each. As the new housekeeper, would you be satisfied with the current productivity levels of the housekeeping staff? Give reasons for your answer.
18. Distinguish between the different inventories used by housekeeping operations. Provide a clarifying example of each type.
19. Provide a detailed discussion of the four-step training method and the related activities which housekeepers can employ to train their staff.
20. The staff morale in your housekeeping department is very low due to recent staff cuts. The hotel is having financial difficulties; however you need to keep your existing staff motivated. Using a practical example, introduce a technique you would use to motivate your staff. Give a comprehensive overview of how this will be implemented.
21. Outline the cycle of linen flow through the on-premises laundry of the hotel.
22. Contrast the benefits and potential concerns associated with the use of labour contractors in housekeeping operations.

5.8 BIBLIOGRAPHY

Baker, S, Huyton, J & Bradley, P. 2000. *Principles of hotel front office operations*. 2nd edition. London: Cengage Learning.

Bardi, JA. 2011. *Hotel front office management*. 5th edition. Hoboken, NJ: John Wiley.

Barker, S, Bradley, P & Huyton, J. 1994. *Principles of hotel front office operations*. London: Cassell.

Barrows, CW, Powers, T & Reynolds, D. 2012. *Introduction to the hospitality industry*. 12th edition. Hoboken, NJ: John Wiley.

Brymer, RA & Hashimoto, K. 2007. *Hospitality and tourism*. 12th edition. Dubuque, IA: Kendall/Hunt.

Casado, MA. 2012. *Housekeeping management*. Hoboken, NJ: John Wiley.

Ford, RC, Sturman, MC & Heaton, CP. 2012. *Managing quality service in hospitality: how organizations achieve excellence in the guest experience*. International edition. Canada: Delmar Cengage Learning.

Jones, TJA. 2008. *Professional management of housekeeping operations*. 5th edition. Hoboken, NJ: John Wiley.

Kappa, MM, Nitschke, A, Schappert, PB. 2008. *Managing housekeeping operations*. 3rd edition. East Lansing, Mich. : Educational Institute of the American Hotel & Motel Association.

Kasavana, ML & Brooks, RM. 2005. *Managing front office operations*. 7th edition. Lansing, Mich.: Educational Institute of the American Hotel & Lodging Association: The American Hotel and Lodging Institute.

Walker, R & JT Walker. 2012. *Exploring the hospitality industry*. 2nd edition. Upper Saddle River, NJ: Prentice-Hall.