

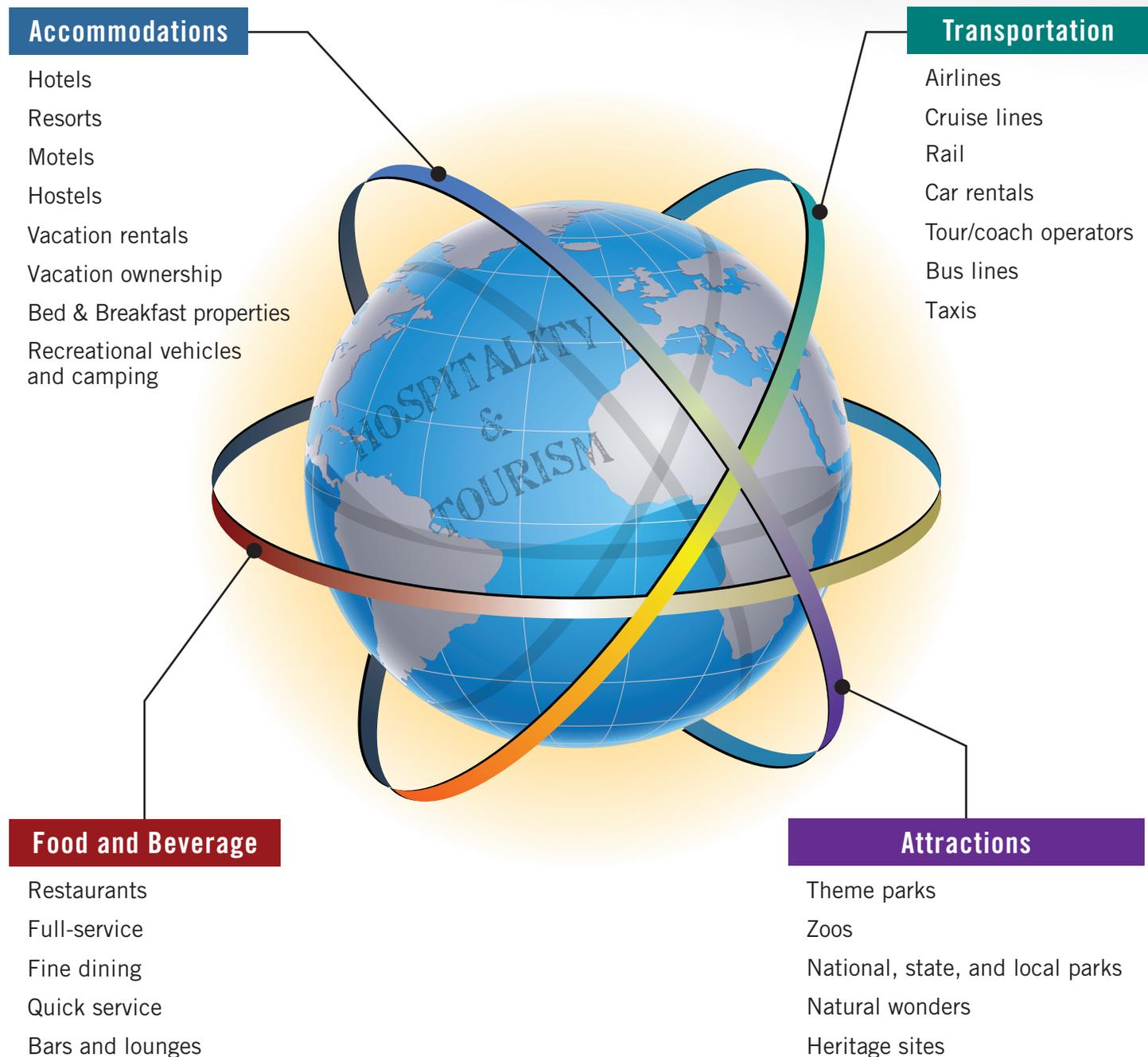
**Year 1**

# **Hospitality and Tourism Management Program**



# Scope of the Industry

The scope of hospitality-related businesses required to meet the needs of a destination's guests will typically fall into one of the following groups:





# Types and Organization of Accommodations

When traveling, people will carefully decide what type of accommodations to book for their temporary home away from home. Aided by the Internet, recommendations from family and friends, and past experiences, guests will begin to narrow down the decision, using the process of elimination.

The first decision will be to choose the type of hotel that best suits the reason for travel. A person traveling for business will have a very different set of needs than a family of four going on vacation. Because of the vast assortment of reasons people travel, the hospitality and tourism industry has developed a variety of hotel types to better meet guests' travel needs. The types of hotels include:

**Commercial Hotels**—Located in downtown business districts, this type of hotel caters to business travelers, tour groups, small conferences, and the occasional tourist.

**Airport Hotels**—Air travel created the need for hotels located inside or near airports. Both business travelers and tourists benefit, not only from the convenient location, but also from the services offered, such as courtesy vans to and from the airport. Most offer meeting/conference room space and banquet services as a convenience to groups wishing to stay near an airport while conducting business.

**All-Suite Hotels**—Feature suites containing living rooms, kitchenettes, and bedrooms for guests with longer hotel stays or a wish for a more “homelike” stay. Frequent business travelers, family vacation groups, and those needing temporary living quarters all find this type of hotel very appealing.

**Extended-Stay Hotels**—This type of hotel is similar to all-suite hotels but usually offers full kitchens and guest laundromat. These amenities appeal to travelers staying longer than five days and who prefer less hotel- and more apartment-like services.

**Residential Hotels**—Residential hotels offer permanent or very long-term occupancy to guests who prefer hotel living because of the amenities such as daily housekeeping service, concierge, and uniformed services. The guest accommodations can range from a typical guestroom to a suite or condominium. This type of hotel is often known as a condo hotel.



**Resort Hotels**—Typically resort hotels are found in destination locations where vacationers and business groups can enjoy the property’s recreation, sports, and spa facilities along with the local area’s natural wonders and entertainment venues.



**Vacation Ownership Properties**—Many people prefer to vacation at the same time and same place every year, and it was this preference that led to the development of the vacation ownership property. A guest will purchase a specific number of weeks or points that are then applied to the type of accommodations the guest wishes to use. The guest then “owns” that guest unit for the same time period every year for however long the ownership is contracted to last.



**Casino Hotels**—Casino hotels attract guests who enjoy gaming, live entertainment, and other recreational activities such as golf, tennis, or spa facilities. They used to appeal only to vacation and leisure travelers, but today, convention and conference visitors account for a large portion of casino hotel business.



**Conference and Convention Centers**—This type of hotel can be as small or as large as the number of guest attendees the property wishes to attract. Guests attending an event in this type of hotel will likely spend the majority of their time at the property. Event organizers will expect the property to provide “one-stop” planning for everything. Attendees will expect the hotel to provide a range of items from guestrooms to convention space, to breakout meeting rooms, to audiovisual equipment, to meals and banquets, to live entertainment.



**Bed and Breakfast Hotels**—Better known as a B&B, this hotel is usually a private home that has been converted into a hotel business for overnight guests. The owner acts as the host or hostess and will welcome each guest as a temporary member of the family. Breakfast is always included in the room rate and guests expect the entire stay to feel both warm and welcoming.



**Other Travel Accommodations**—Hotels are not the only place travelers can stay overnight. Many people choose to go camping or travel in a recreation vehicle (RV), or stay in hostels, while others like to travel by water in yachts and sailboats.



**Cruise Ships**—Large, floating hotels that travel from destination to destination. Today’s ships provide the same type of accommodations, recreation, live entertainment, and amenities as land-based hotels and casinos. Cruises appeal to guests who prefer to unpack once, have their meals provided, have a choice of recreational/entertainment options and daily destinations to visit.





# Stages of the Guest Cycle

## Pre-Arrival

Pre-arrival includes all the things a guest does before leaving home. It is the stage when the guest makes plans, reservations, and important financial decisions. Typically, what the guest accomplishes during the pre-arrival stage will include decisions such as:



Destination	where they plan to go
Departure date	when they plan to leave
Return date	when they plan to return home
Transportation	how they plan to travel there and back
Length of stay	how long they plan to stay
Activities	what they plan to do during the stay
Budget	how much they plan to spend
Price	the cost for each item and if it fits in the budget
Method of payment	how they plan to pay for everything

Pre-Arrival

Pre-arrival is very important to the success of any business because this is when advertising and marketing need to attract the guest's attention and influence the choices made at this time. Hotel companies recognized this need and began using a variety of marketing and advertising tools during this part of the guest cycle. The goal was to convert guest stay inquiries into actual guestroom bookings. The function of these tools, such as websites and brochures, is to help a guest get answers to questions about the property. Then, using this information, the guest can go from undecided to confirming a reservation.

## Arrival

Arrival, as the name implies, is the time when the guest arrives at a destination expecting to receive the type of services requested or decided on during the pre-arrival stage of the cycle. For many businesses it is a "**moment of truth**" because it is the time when the business must be capable of delivering what was promised to guests through advertising, marketing, and direct contact efforts.

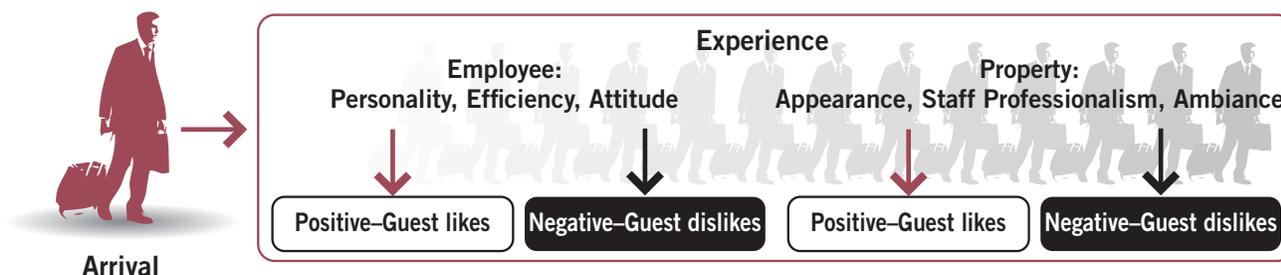
Now that the guest is on-site, making a lasting impression is critical. Why? Because this is when the guest will make the crucial decision to like or dislike the employees, the services provided, and the business as a whole. Likewise, it is the moment that establishes the overall feeling of how the guest experience will be during the entire time they are staying at the hotel, dining at the restaurant, or visiting the attraction. Often, it is during the arrival stage that a guest will decide if he or she will do repeat business with the company or merely "survive" this single experience. The arrival stage depends heavily on well-trained employees to provide guests with positive and problem-free experiences. Because guest

### TERMS YOU SHOULD KNOW

**Moments of Truth**—critical moments when guests and staff interact, offering opportunities for staff to make a favorable impression, correct mistakes, and win repeat customers.

decisions happen at the speed of light, the lack of appropriate response by employees can have significant impact on the business's ability to build a loyal following of guests. The loss of a single guest's future business can have a huge financial impact on the company. Again, you may ask why? Because guests who are loyal also act as free marketing when they share their experiences with family and friends. This is also true of occupancy, the next guest cycle stage to be discussed.

## Speed of Guest Thoughts



## Occupancy

The stage of occupancy begins when the guest enters the guestroom, is seated in the restaurant dining room, drives away in the car, or walks into the first guest area of the attraction. This is the time when the guest expects to be immersed in the experience so they may see, do, eat, and explore. The most important thought for all employees and the business is to deliver on the guest experience promises made during the pre-arrival and arrival stages.

Exceptional guest service must be delivered to ensure the guest's thoughts and decisions continue to be positive and focused on how much they "like" everything. It only takes one "dislike" to cause the guest's thoughts to take a negative turn. Sadly, once a guest begins to focus on a negative experience during the occupancy stage, and loses trust in the employee's ability to meet his or her expectations, it is almost impossible for employees and the business to recover the situation. What does this mean? It means employees must be well trained, skilled at their jobs, and have a strong understanding of the importance of providing exceptional guest service at all times. For the business, it means providing the training, equipment, and managerial support to employees so they will be able to meet and exceed guest expectations.

### Occupancy: Lost Guest Loyalty

The flow of each step in the departure stage should combine business with the guest's happy memories. A guest should never think, feel, or say to themselves or others, things such as:



- My server took way too long coming to take my order.
- Why wasn't my room cleaned this morning? It's almost 4 p.m.
- Why isn't there a wait time posted? I'd like to know how long it will take to get on this ride.
- I need help with my bags; where's the valet?
- I'd like more coffee; am I invisible?
- Quit talking to your buddy and help me. I'm a paying guest.
- This bathroom is dirty; for what it cost to come here, I expected it to be clean.
- What do you mean "you don't know?" You work here. You're supposed to know!

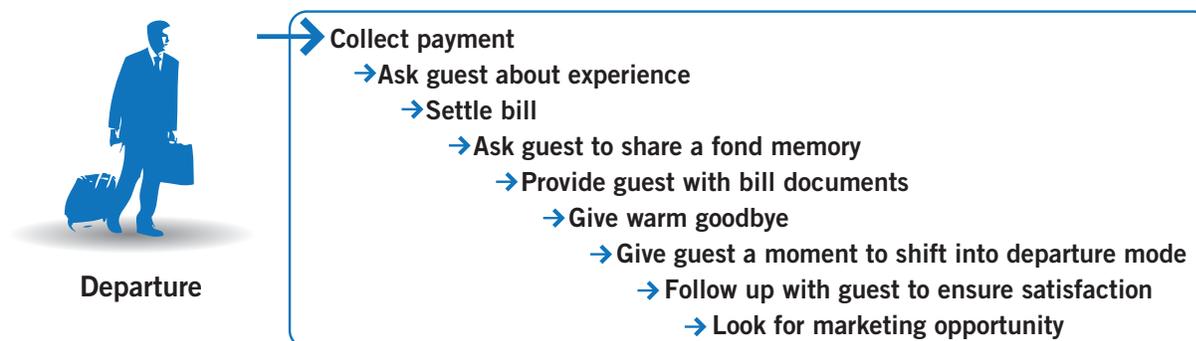
Lost guest loyalty equals lost business; it is the responsibility of every employee to send departing guests away with only the very best experiences and stories to share with family and friends.

## Departure

The departure stage, again as the name implies, is when guests conclude their business or experience followed by leaving that location. Curiously, this stage of the guest cycle is most likely to receive the least amount of effort by a business's employees. Most people make the mistake of seeing departure strictly as the time to collect payment and send the guests on their way. However, this is not true. Settling the guest's bill is only the start of the departure stage of the guest cycle. There are still a number of things that need to occur as part of this stage. Guests will also be looking for closure on the experience itself—documentation showing bill settlement, a warm goodbye, and, in some situations, a follow-up from the business to make sure the guest was satisfied with the services received. Departure has two components—one is getting the business of payment completed and the other is to emotionally engage the guest about the memories they have of the experience.

### Thanks for the Memories

The flow of each step in the departure stage should combine business with the guest's happy memories.



Departure is the time when employees have a chance to form a strong bond between the guest and the service received by encouraging the guest to focus on happy memories. It is also the time to influence current guests into committing to come back some time in the future. This is done by encouraging guests to share their experiences as the bill settlement process is being completed. Influencing guests into becoming repeat customers is extremely important in the hospitality and tourism industry and essential to the success of every business. Why? Because these businesses have learned that if they can bring just a small percentage of their previous guests back again, it will significantly increase profits by reducing the cost of advertising and marketing. How? By taking advantage of the word-of-mouth advertising provided by former guests when sharing their thoughts and memories with family and friends.

Guest follow-up supports this idea by allowing guests to process the experience, come to a conclusion, and become receptive to the idea of using the services of the hotel, restaurant, attraction, or transportation provider again and again. An example of this is sending out an e-mail to every guest within 48 hours of departure, thanking them for their business and asking for any feedback they might wish to share. The e-mail acts not only as a thank you, but as a way to proactively “discover” guest concerns or issues that occurred during arrival or occupancy but were never resolved to the guest's satisfaction. The business now has a second chance, through follow-up, to make it right and resolve the situation.

## Guest Service GOLD®

**G**uest service is a key element in both hospitality and tourism. It is considered an essential soft skill to anyone wishing to have a long and successful career in either segment of the industry. It starts by learning how to apply the guest service basics of:

- Wear a smile and be polite
- Make eye contact
- Use the guest's name
- Wear your name tag at all times
- Present a professional appearance
- Treat guests as individuals
- Make guests feel special
- Meet and attempt to exceed guest expectations

Once the basics are mastered, the next step is developing the skills required to deliver above-and-beyond guest service. It was the need for hospitality professionals to have the tools and skills necessary for exceeding guest expectations that led the American Hotel & Lodging Educational Institute (EI) to develop the Guest Service GOLD® training and certification program.

Guest Service GOLD® focuses on seven key elements necessary for delivering the very highest levels of guest service on an ongoing basis. The goal is to make providing above and beyond guest service a routine part of the guest service professional's day. Why? Because it is a well-known fact that providing the best guest service possible will have a positive impact on the company, the employees, and most importantly, the guests.



The seven elements of Guest Service GOLD® are:



Authenticity: Keep It Real



Intuition: Read the Need



Empathy: Use Your Heart



Champion: Be a Guest Hero



Delight: Provide a Surprise



Delivery: Follow Through



Initiative: Make the Effort

## Professional Certification

Part of career development in any industry is to seek a professional certification designation from the appropriate certifying organization. Why? Because a professional certification shows that the recipient has completed the coursework and passed a difficult exam that tests for the required knowledge, skills, and expertise needed to receive the designation. In the case of hospitality and tourism, the certifying organization is the American Hotel & Lodging Educational Institute (EI).

EI recommends that the one certification every person in hospitality and tourism should hold is the Certified Guest Service Professional (CGSP) designation. Depending on the structure of the Hospitality and Tourism Management program in this school, it may be offered as part of the course work. If not, the training is available by contacting the EI Professional Certification department at [www.ahlei.org](http://www.ahlei.org).



# Guest Recovery

## TERMS YOU SHOULD KNOW

**Advocacy**—the action of supporting a cause, situation, or need based on the facts and feelings of those involved.

**Compensation**—something given or received as an equivalent for loss of services or guest inconvenience.

Guest loyalty cannot be bought; it has to be earned by eliminating any sources of dissatisfaction. This is particularly important during a guest complaint situation. The source of the issue must be quickly identified, investigated, and a solution suggested. This is known as providing guest recovery following a negative situation and is a very important part of guest **advocacy**.

There can be three types of outcomes during a guest recovery situation:



The goal is to create a win-win outcome for everyone. This means finding the source of the issue, problem, or complaint so it can be removed, then finding a workable solution everyone can agree on. Typically, the solution is some type of apology or **compensation** depending on severity of the issue.

## Make It Right

A common model used for achieving win-win outcomes to guest complaints is the L.A.T.E. model. It is a four-step process for handling any challenging situation, whether it is with a guest or a coworker. The acronym stands for:

<b>L</b>		<b>Listen</b> To show you are listening: <ul style="list-style-type: none"><li>• Make eye contact</li><li>• Do not interrupt</li><li>• Do not argue or debate the issue</li><li>• Focus on feelings and understanding</li><li>• Clarify the facts</li></ul>
<b>A</b>		<b>Apologize</b> Acknowledge the person's feelings in the form of an apology using phrases such as: <ul style="list-style-type: none"><li>• "I'm sorry you felt upset about..."</li><li>• "I'm sorry you felt disappointed about..."</li></ul>
<b>T</b>		<b>Take action</b> Negotiate a solution that: <ul style="list-style-type: none"><li>• Is based on the facts and the feelings involved</li><li>• Everyone can agree on</li></ul>
<b>E</b>		<b>Ensure satisfaction</b> Follow-up is essential to successful guest recovery. After the solution has been implemented, follow up by: <ul style="list-style-type: none"><li>• Asking for feedback on the solution</li></ul>

Why apologize? During the second step of the L.A.T.E. model, it is important to acknowledge the guest's feelings and inconvenience through the use of an apology. The apology should be limited to the employee showing an understanding of the emotions the guest is feeling at that moment and should demonstrate the employee is actively listening to the guest's concerns. However, the apology should never admit to any fault on the part of the employee or business. Accepting fault for situations such as guest accidents, thefts, or other negative incidents, can be seen as the employee accepting **liability** for them and could lead to the guest taking legal action against the employee and the business.

## TERMS YOU SHOULD KNOW

**Liability**—the fault imposed against a business for injuries that occurred on the business's property or as a result of negligent activities by employees.

## Advocacy

Traditionally, the word advocacy means a person has become the champion of something or someone, such as personal beliefs. In hospitality and tourism, advocacy stands for guests promoting the company or brand to others. To those employed in the industry, it represents the services they protect and safeguard for guest enjoyment.

### Advocacy has two components:

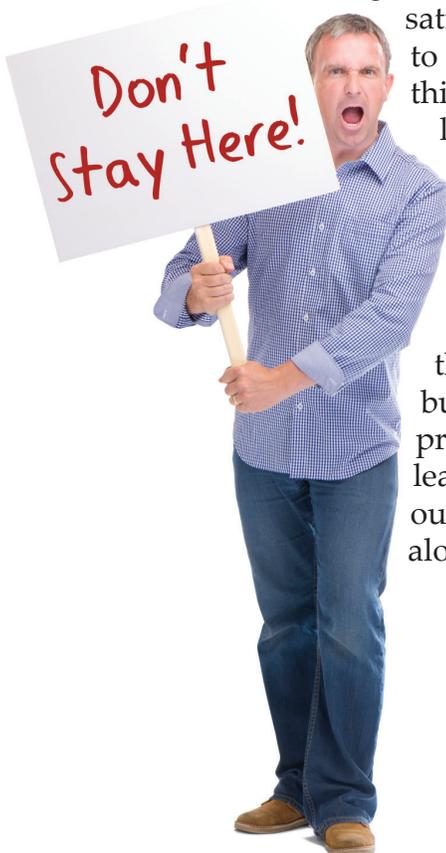
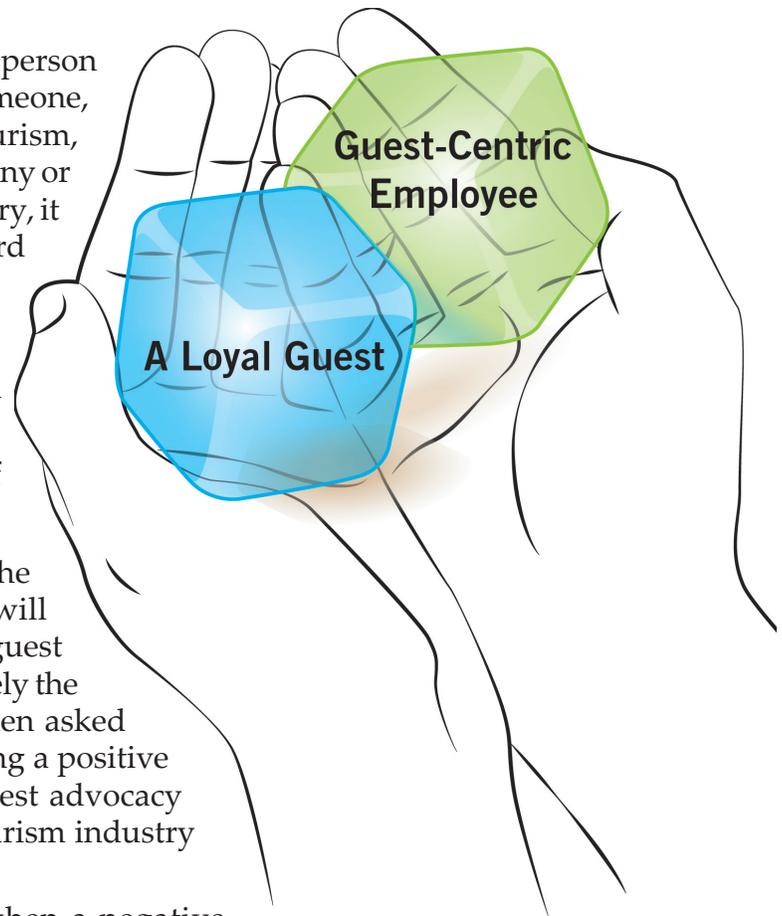
1. The advocacy of a loyal guest who brings in repeat or new business.
2. The advocacy of the employee acting on behalf of the guest and their employer.

The first type of advocacy occurs when the guest experience is problem-free. The guest will be quick to share the details of the exceptional guest experience with family and friends. It is very likely the guest will advocate visits by others, either when asked for a personal recommendation or when sharing a positive memory from the experience. This type of guest advocacy is incredibly valuable to all hospitality and tourism industry businesses.

The second type of advocacy happens when a negative guest situation is corrected to everyone's

satisfaction. Typically, negative guest situations will require an employee to use the L.A.T.E. model to achieve a win-win guest recovery solution. In this instance, the employee has the opportunity to convert the guest into a loyal guest by handling the situation correctly and reaching a solution that works for everyone involved. If the employee fails to achieve a win-win solution, then chances are the guest will leave dissatisfied and never become a loyal guest.

Lost guest loyalty is often referred to as a lost opportunity in hospitality and tourism. Why? Because a dissatisfied guest has the ability to share that lack of satisfaction with family and friends, which can result in lost business to the company or brand. So, the opportunity was there to fix the problem but it did not happen, hence the lost opportunity label. People who learn this early on, and begin using the L.A.T.E. model to achieve a positive outcome during every guest recovery situation, will grow guest loyalty alongside their career.





# The Guest Cycle and Financial Opportunities

The guest experience must be a memorable one if the property wants to be a popular destination and financially successful as a company. Employees must always be looking for an opportunity to increase profits by influencing guest spending through suggesting additional experiences for the guest to enjoy. This is particularly important during the occupancy stage of the guest cycle when guests will ask employees for ideas and opinions on places to visit, dine, or shop. How this will be accomplished will depend on the type of hospitality or tourism business involved, for example, if the business is a:



## Hotel

Employees can:

- Encourage membership in guest loyalty programs
- Encourage repeat guest stays
- Encourage guests to spend their entire visit at the property (sleep, dine, and use on-site recreation and amenities)
- Encourage guests to send family and friends to stay at the property



## Transportation

Employees can:

- Encourage repeat use of services
- Encourage recommending services to family, friends, and business associates



## Attraction

Employees can:

- Encourage repeat visits
- Encourage guests to promote the attraction to family and friends



## Food and Beverage Facility

Employees can:

- Encourage repeat dining experiences
- Encourage guests to recommend dining experience to family, friends, and business associates



Protecting guest privacy, conducting financial transactions correctly, and increasing guest spending depends heavily on each employee performing his or her job correctly. It also involves employees knowing they are responsible for following all company financial processes and procedures. Employees who combine the various concepts of this chapter during any financial guest interaction will be able to build guest confidence leading to a profitable bottom line. This means employees using the correct processes and procedures will:

**Show guests they can:**

- Provide outstanding guest service
- Protect guest privacy
- Prevent identity theft and payment card fraud

**Show the company they work for they can:**

- Be committed to both the guests and their job
- Control the financial transaction
- Protect guest privacy
- Follow company policies
- Represent the company culture correctly

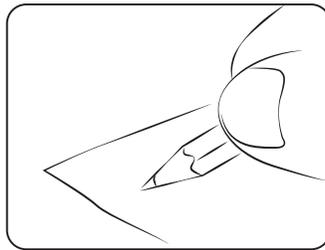
# Types of Communication

## TERMS YOU SHOULD KNOW

**Jargon**—the vocabulary peculiar to a particular industry, profession, or work group.

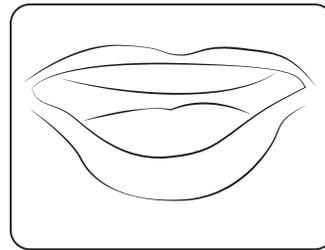
There are three methods of communication. They are written, verbal, and nonverbal. Written communication can take a variety of forms from a formal business letter to a brief e-mail. Verbal communication is the use of words, phrases, and sentences during a spoken conversation. Nonverbal communication involves things people say without words such as body language.

Let's take a closer look at each form.



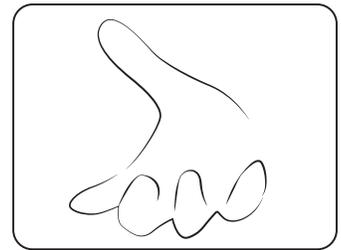
### Written communication:

- Use correct grammar, spelling, and punctuation
- Be brief and to the point
- Write for easy reading
- Provide accurate information and facts
- Use to keep a record of what is said and done
- Send to those who need to be involved



### Verbal communication:

- Know your audience (who are you speaking with)
- Listen first, speak second
- Ask questions for clarification
- Repeat the facts back to the other person
- Stay focused on the topic being discussed
- Be respectful and speak in a professional tone of voice
- Avoid slang or unfamiliar **jargon**



### Nonverbal communication:

- Speak without words
- Can change the meaning of the words spoken
- Never invade a person's personal space
- Use eye contact/movements carefully (could be seen as disrespectful)
- Use touch carefully (could be seen as disrespectful)
- Use body language that always shows respect and value for everyone

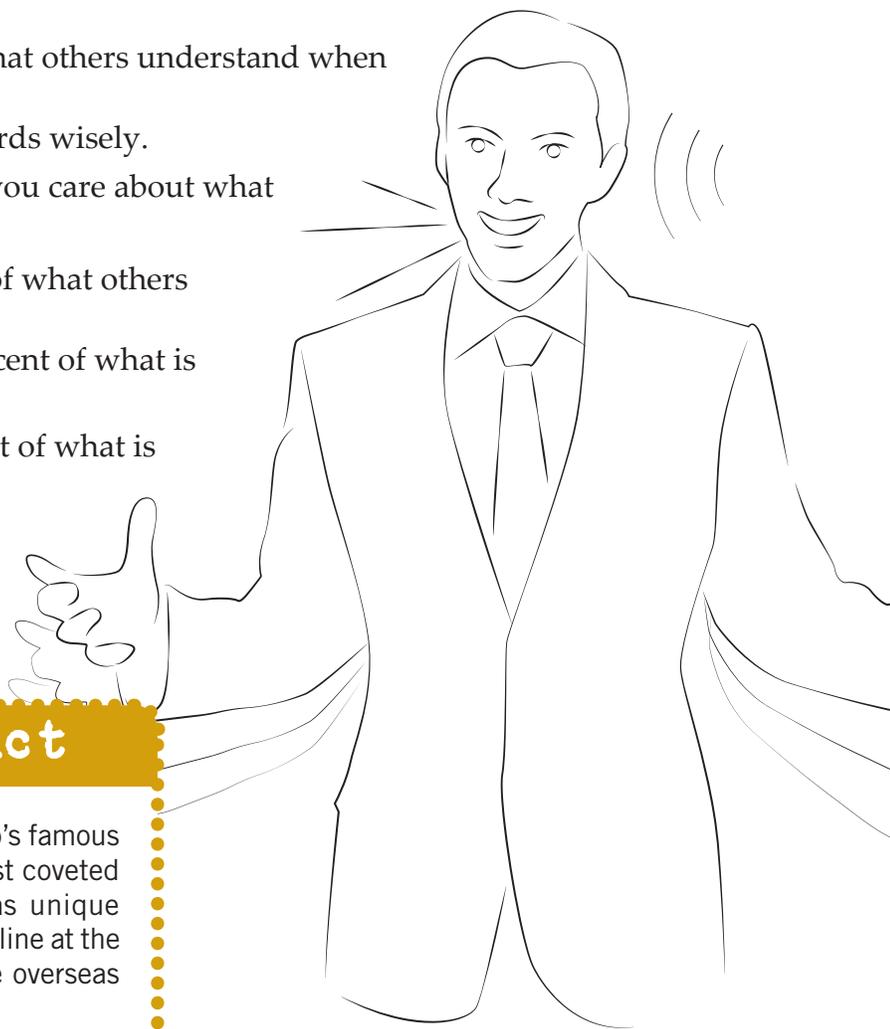
# Communicating Effectively With Guests

**G**uest communication involves providing a variety of information including giving directions, answering questions, solving problems, and dealing with issues. Learning how to accomplish each one is necessary to anyone wanting a successful career in hospitality and tourism. No matter the position a person holds, effective communication skills are a must.

The two main styles of communication skills send a specific piece of information to others known as a signal. This signal can have either a negative or positive effect on what you are attempting to communicate. Consequently, it is important to remember that the signals you send should produce a sense of trust and understanding and avoid causing a sense of distrust or confusion. The hospitality and tourism industry depends on employees able to build a strong sense of trust and caring in guests and co-workers through the strong use of the two communication styles.

## Impact of Each Communication Style:

- Verbal Communication = 38 percent of what others understand when you communicate.
  - Verbal messages—choose your words wisely.
  - Active listening—tells others that you care about what they have to say.
- Nonverbal Communication = 62 percent of what others understand when you communicate.
  - Body language (contributes 55 percent of what is communicated nonverbally)
  - Vocal quality (contributes 7 percent of what is communicated nonverbally)



## Pineapple Fun Fact



In the 1950's, Booth One at Chicago's famous Pump Room restaurant was the most coveted seat by celebrities. This booth was unique because it hosted a dedicated phone line at the table which allowed diners to make overseas calls while eating.

## Nonverbal Body Language and Vocal Quality

Nonverbal communication, or body language, is a vital form of communication. When someone interacts with others, he or she will continuously send wordless signals. These are all known as nonverbal signals and they typically include the gestures we make, the way we sit, how fast or how loud we talk, how close we stand, and how much eye contact we make. Each one sends a strong message to guests and co-workers. Often, the words being spoken get lost because the person's body language shows he or she is not being sincere.

For example, an employee is saying "welcome, we're glad you are here" to a guest but has a frown on his or her face and is speaking in a harsh tone of voice. Will guests feel welcome or unwelcome in this situation? Most would feel very unwelcome and have a bad first impression about the employee and the business.

Verbal and nonverbal actions have to match and send the same message. By making sure both are the same, hospitality and tourism employees can prevent misunderstandings, make certain guests expectations are met, assist fellow co-workers correctly, and solve problems to everyone's satisfaction.

### Good use of nonverbal skills involves:

- Body language
  - Control your facial expressions
  - Have a friendly, open body posture
  - Use friendly, open hand and arm movements
  - Never cross your arms
- Vocal quality
  - Choose your vocal tone, pitch, and pacing carefully
  - Be friendly
  - Be calm
  - Be in control





# Front Office Positions

The front office manager is responsible for hiring, training, and supervising a variety of entry-level positions. Positions typically under the direction of the front office manager are the front desk representatives, uniformed services, concierge, night auditor, reservationist, and cashier.

Here are some of the specific duties and tasks each position will be expected to perform.

**Front desk representative**—assists guests throughout all stages of the guest cycle and acts as the main representative to guests for the property, maintains guest folios in the Property Management System (PMS), performs bill settlement, and provides guest service.

**Uniformed services**—assists guests with curbside baggage service, guest vehicle parking, and guest transportation services. Includes positions such as bell attendant, door attendant, valet parking attendant, and transportation attendant. In some hotels, depending on the size, the concierge may also fall under this category.

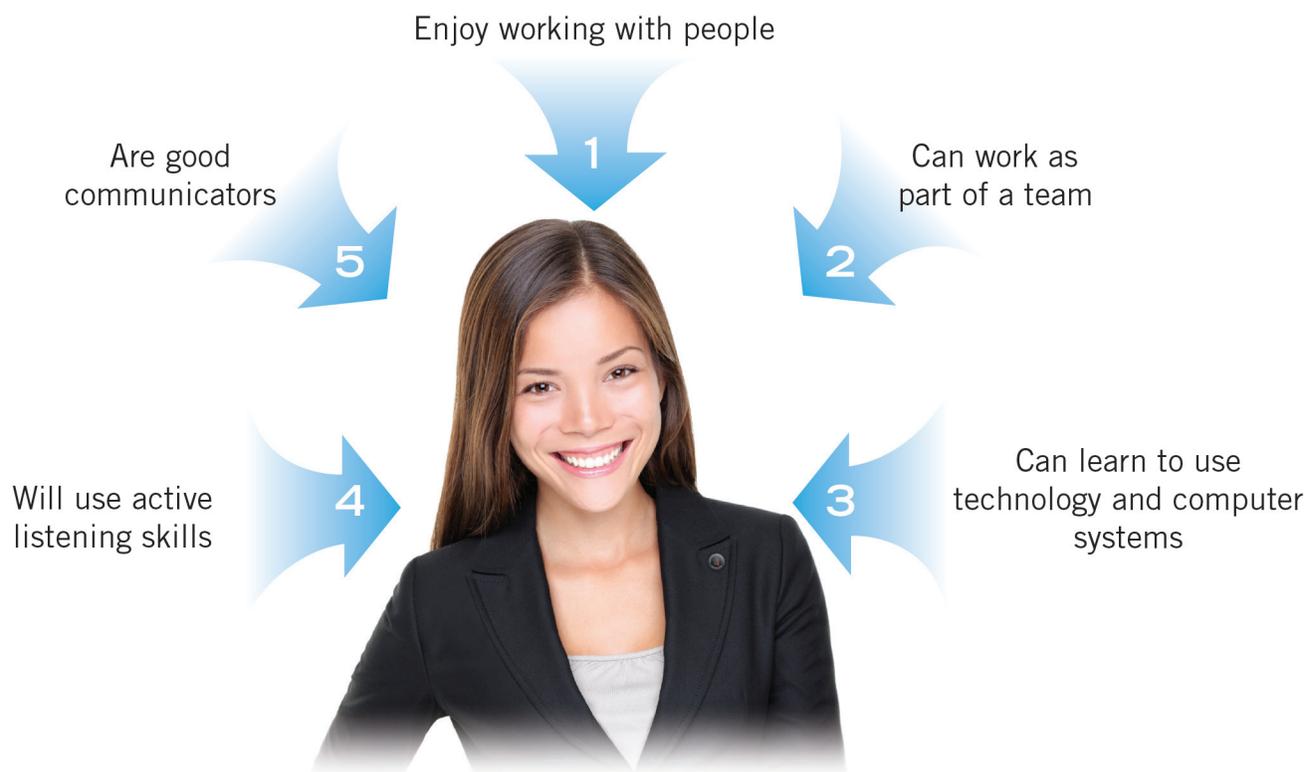
**Concierge**—assists guests with arranging in-hotel activities and/or making reservations, providing information, giving directions, and obtaining transportation for offsite attractions, facilities, or services.

**Night auditor**—checks front office accounting records for accuracy and, on a daily basis, summarizes and compiles reports about the various aspects of the hotel's financial performance.

**Reservationist**—assists guests, travel agents, and third-party vendors with booking hotel guestrooms. Creates and maintains reservation records and generates reservation numbers through some type of central reservation office (CRO).

**Cashier**—posts revenue center charges to guest accounts, balances guest accounts, and performs a variety of banking services for guests; typically found only in large full-service properties and resorts.

Because front office positions have the largest amount of direct guest contact, it is important the positions be filled with individuals who have these five qualities:



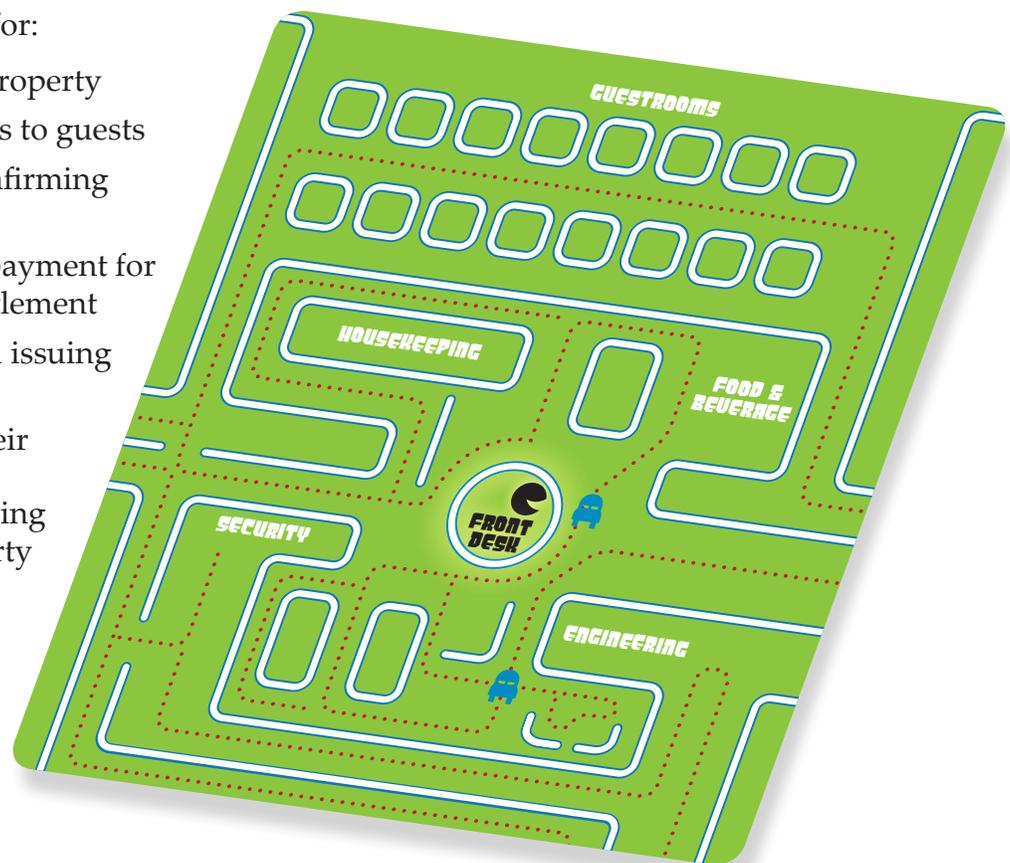
Front office managers tend to look for, and hire, people with these five qualities. Why? Because new employees must have these five qualities in order to learn tasks faster, become engaged with guests easier, and blend with the front office team very quickly. Additionally, the level of guest service will be improved by use of these five qualities and ultimately result in greater guest satisfaction.

# The Front Desk Operation

The front desk acts as the heart of the hotel. It is the most frequently visited part of a hotel and is typically the first and last place a guest sees during a stay. The front desk is often referred to as a hotel's command post because of the amount of business activities that happen in this department. Why? Because, the front desk is where guests check in, check out, ask questions, seek help, and pass continuously throughout a stay. Consequently, to guests, the front desk is the hotel and the area they believe exists solely for the purpose of seeing to their needs. However, to those who work the front desk, it has many other equally important purposes required for the smooth running of the property. This makes it necessary for employees to use their training and organizational support in order to balance guest expectations with front desk operational needs.

The front desk is responsible for:

- Welcoming guests to the property
- Providing check-in services to guests
- Registering guests and confirming room rates
- Establishing a method of payment for the guestroom and bill settlement
- Assigning guestrooms and issuing key cards
- Informing guests about their room location and special hotel facilities, and answering questions about the property and the surrounding community
- Obtaining uniformed services for guests
- Acting as a cashier
- Providing concierge services
- Maintaining guest folio information in the Property Management System (PMS)
- Providing guest assistance with special needs, valet/bell services, and other guest requests
- Providing check-out services to guests
- Accepting final bill settlement from guests



Traditionally, the front desk handles seven key functions. They are reservations, registration, room and rate assignment, guest services, room status, record keeping in the Property Management System (PMS), and bill settlement. However, the size and type of the hotel will determine exactly how front desk duties are organized. Large properties will divide and assign tasks to specific job positions while a small property will expect employees to be capable of performing all front desk tasks.

Two primary operational areas handled by the front desk are reservations and registration.

## Reservations

Most reservations today occur online using the property's own reservation system, the brand hotel's central reservation office (CRO), or a third-party site such as Expedia or Orbitz. Online reservations manage the booking process for the majority of guests nowadays, but that heavy use of the Internet doesn't mean that the front desk won't still be expected to handle a reservation. All front desk employees must be prepared to handle guest reservations by phone, e-mail, or in person when a guest walks in the door wishing to book a room for that night.

### Front desk employees must be capable of handling:

- Two types of reservations
  - **Guaranteed** reservations which require one of the following:
    - Prepayment
    - Credit/debit card on file
    - Advance deposit
    - Travel agent guarantee
    - Corporate guarantee
    - Voucher
  - **Non-guaranteed** reservations which occur when:
    - No form of prepayment, deposit, or voucher are received at time of booking

### During the reservation process, front desk employees must also:

- Determine guestroom availability, date of stay, and room rate
- Create the reservation record/guest folio
- Provide the guest with confirmation of reservation
- Explain the property's cancellation policy
- Provide updated reservation reports to management



## The Registration Cycle

The registration cycle is made up of nine steps. The cycle starts before the guest arrives and ends once the guest has departed the property. Each step builds on the previous one and should be accomplished in the correct order. This will ensure the front desk representative completes every task correctly.

The nine steps are:

1. **Preregistration**—collects guest's personal data, creates guest folio, room rate, guaranteed reservation deposit, and method of payment information.
2. **Registration Record**—collects or confirms guest's personal data such as name, address, phone number, company name, and e-mail address.
3. **Room and Rate Assignment**—uses guest preference information along with current PMS data about room status, room rate, room location, and reservation blocks.
4. **Method of Payment**—determines how the guest plans to pay at the end the stay.
5. **Post Charges to Guest Folio**—occurs for every night of the guest's stay and when a purchase is charged back to the guest's room to be paid during bill settlement.
6. **Verify Guest's Identify**—follow property policy for requesting a guest present a government authorized ID card that proves they are who they claim to be.
7. **Issue Key Cards**—issues key cards to guest for use during his or her stay.
8. **Fulfill Special Requests**—occurs when guests have specific requests that the front desk must attempt to satisfy.
9. **Processing Additional Guest Charges/Fees** (parking, Wi-Fi, resort fee, etc.)—notifies guests of additional costs that will be posted the guest folio to be paid during bill settlement.



# Guests and the Front Desk

**N**ever forget that to guests all hallways lead to the front desk, and it will be the first place they turn to for assistance. Why? Because it is the most visible location at any hotel property and the one place guests pass repeatedly throughout a stay. This means that a lot of additional duties will often fall to the front desk employees to handle. Those extra duties will depend on the size and type of hotel but typically will include:

**Providing Guest Comment Cards**—provides a way for a guest to express his or her opinion (positive or negative) about the property, employees, and guest service during a stay. Front office managers should read and send every card to the department head or general manager for processing.

**Maintaining the Reader Board**—informs guests (especially those using meeting or convention space) what, where, and when things are happening at the property that day.

**Accommodating Special Needs Requests**—accepts and processes special needs requests to the appropriate department for fulfilling.

**Providing Guest Recovery**—handles guest complaints by finding ways to recover the negative guest situation. The goal is to convert the guest's dissatisfaction into satisfaction with the situation.

## ADA

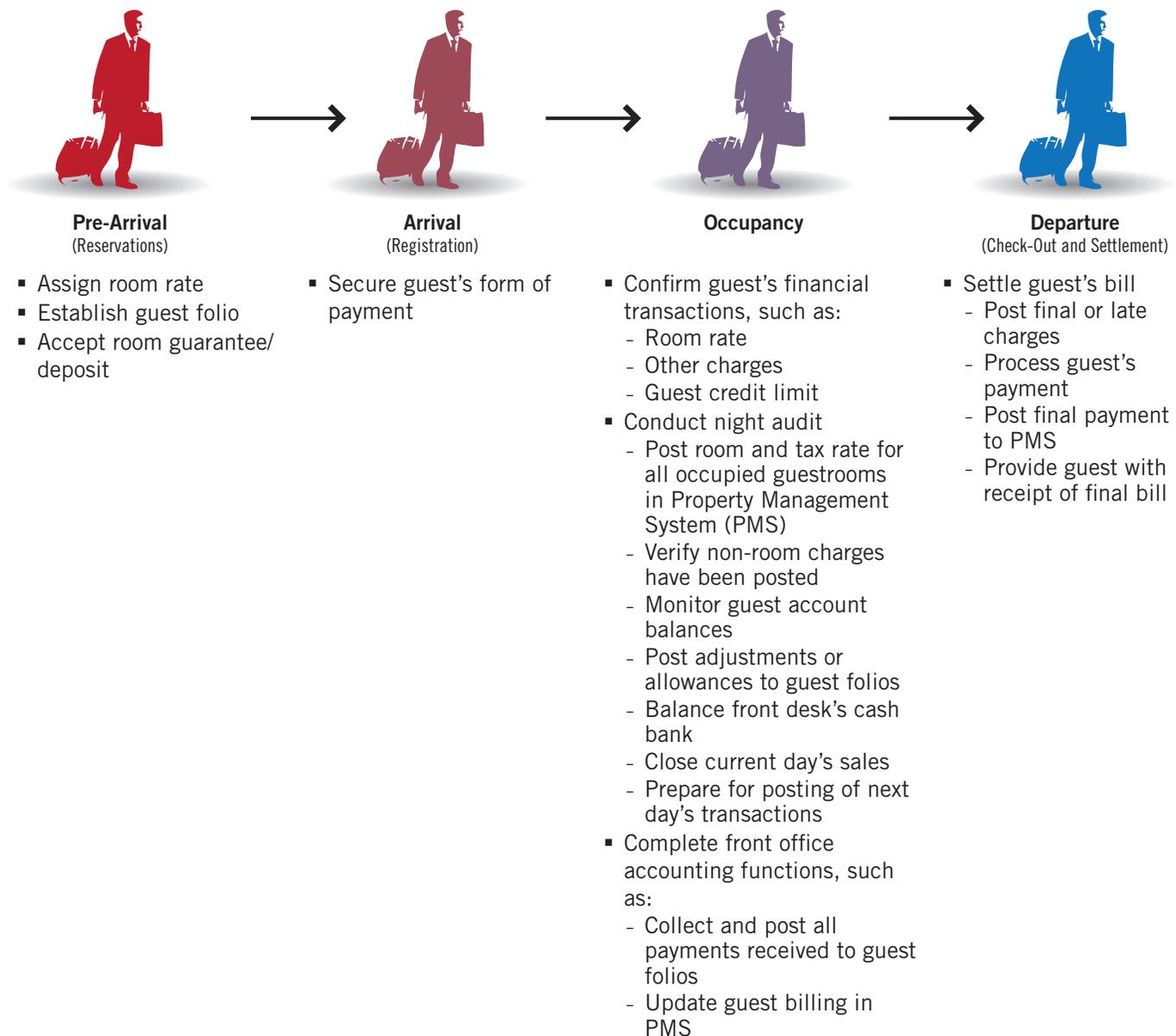


The Americans with Disabilities Act (ADA) requires properties to make reasonable accommodation for guests with special needs.

# The Financial Reporting Cycle

During the guest cycle, a number of financial processes occur that are a primary responsibility of the front desk representatives and manager. It is crucial that each financial process happens at a precise time when it will maximize sales and keep the property profitable. If a front desk employee and manager fail to complete any one of the financial processes on time, it can have a major effect on the bottom line.

## Financial Reporting Cycle





# Guestroom Cleaning Basics



The guestroom is the main product a hotel property sells. Guests expect to be assigned a clean and comfortable guestroom, making the condition of the guestroom a critical part of exceptional guest service. Guestrooms must meet the guest expectation of staying in a clean, safe, and pleasant hotel property. The responsibility for meeting this expectation falls to the housekeeping department.

To maintain guestrooms to meet a specific standard of cleanliness, comfort, safety, and appearance, guestroom attendants must follow a series of detailed procedures for room cleaning. Most housekeeping departments use a systematic approach to cleaning that will guarantee all guestrooms meet the property's cleaning and guest service standards.

## Guestroom Cleaning Sequence

There is value and logic behind how cleaning activities are organized. Following a planned routine will save time and ensure a correctly cleaned room. The best way to explain the following cleaning tasks is from the perspective of the room attendant.

The sequence of guestroom cleaning occurs in three steps:



### Step 1—Prepare to Clean

- Load housekeeping cart with:
  - Cleaning supplies
  - Linens
  - Towels
  - Cleaning equipment
  - Room amenities



### Step 2—Clean Guestroom

- Knock, identify self as housekeeping, and enter guestroom.
- Turn on lights, open drapes, reset thermostat, and check TV.
- Strip and remake bed.
- Clean furniture, surfaces, and fixtures.
- Dust, vacuum, and empty trash.
- Clean bathroom.
- Restock amenities.



### Step 3—Check Guestroom Condition

- Recheck room for items/area not cleaned.
- Check for and report any maintenance issues.
- Report cleaned room status to manager.
- Exit guestroom and secure locked door.

## Room Inspection

Room inspections are a critical part of the overall process of guestroom cleaning. Room inspections are meant to catch any problems that may have been overlooked during cleaning. Exceptional guest services dictate that guests should never have to complain about being given a dirty guestroom. Room inspections make certain that all guestrooms are consistently cleaned the same way since every guest deserves to stay in a properly cleaned and stocked guestroom. Remember, no one, including you, wants to stay in a dirty hotel room.

Depending on the size of the hotel, inspections are typically conducted by a housekeeping manager. Using a checklist, the manager will inspect rooms based on the property's inspection schedule to determine if the room has been cleaned and prepared to receive guests to the hotel's standards. When complete, the room inspection checklist will serve as an inspection report containing notes about the:

- Quality of guestroom cleaning
- Condition of furniture, fixtures, and equipment
- Appearance of the ceiling and walls
- Condition of the carpet and other floor coverings
- Cleanliness of window interiors and exteriors
- Preparedness of guestroom for guest check-in

The last actions in the room inspection process are to:

- Report room status to front desk: occupied, vacant, or out-of-service.
- Release vacant, clean guestrooms back into the property's inventory.



## Reporting Guestroom Maintenance Issues

Housekeeping employees are expected to look for and report damaged or broken guestrooms items. This can range from a TV that won't turn on to leaking bathroom pipes to scratched furniture. Once again, the goal is to make certain guests check in to a room where everything is in good repair. This is another major source of guest dissatisfaction at hotel properties.

### Working Together: Housekeeping and Facilities Maintenance Departments

The housekeeping and maintenance departments must work together to make certain guestrooms are properly maintained. This is accomplished by setting up an effective communication system between the two departments so each knows what the other needs. What are those needs? Maintenance needs to know what to repair and housekeeping needs to know when the work is complete. The front desk often needs to be included in this communication loop as well since they are responsible for room assignments.

### Interdepartmental Communication of Guestroom Repairs

- Step 1—Guestroom attendants act as the problem spotters and report any items in a room needing attention from facilities maintenance engineers.
- Step 2—Facilities maintenance engineers check regularly for housekeeping reports requiring their attention.
- Step 3—Facilities maintenance engineers schedule routine preventive maintenance inspections of guestrooms and public spaces to look for repairs requiring a room or area to be taken temporarily out-of-service, and notifies front desk and housekeeping when repair is scheduled to occur.



# Housekeeping Positions

The types of housekeeping positions found at each hotel will depend on the size of the hotel, the types of services offered, and the type of guest experience being promoted. Based on these key characteristics, the executive housekeeper could be responsible for managing the following positions:

**Housekeeping Manager**—Supervises, trains, and inspects the job performance of assigned employees to ensure that all procedures are completed to the hotel's standards. Assists where necessary to ensure optimum service to guests.

**Floor Supervisor**—Supervises, trains, and inspects the performance of assigned room attendants, turndown attendants, and floor attendants, ensuring that all procedures are completed to the hotel's standards.

**Guestroom Attendant**—Cleans guestrooms to the hotel's established standards of cleanliness. Expected to report any maintenance issues and handle guest special requests or complaints. Must ensure the confidentiality and security of all guestrooms.

**Turndown Attendant**—Provides evening turndown service of the guest's bedding in preparation for a night's sleep while completing any additional cleaning of guestrooms, if needed, ensuring the hotel's established standards of cleanliness. Expected to report any maintenance issues and handle guest special requests or complaints. Must preserve the confidentiality and security of all guestrooms.

**Floor Attendant**—Provides linen supplies for room attendants and stocks guestroom floor closets. Delivers and retrieves items requested by guests and the floor supervisor.

**Laundry Manager**—Supervises, trains, and inspects the performance of assigned laundry attendants ensuring that all procedures are completed to the hotel's standards.

**Laundry Attendant**—Processes all soiled hotel bed linens, terry, and food and beverage table linens by operating all laundry/dry cleaning machinery in accordance with the hotel's standards. Cleans, presses, and finishes staff and guest garments if required.



**Linen Room Attendant**—Receives dirty linen, issues clean linen and service towels to hotel personnel. Inspects condition of linen, removes damaged linen from service, and requests replacement items.

**Public Space Supervisor**—Supervises, trains, and inspects the performance of the public space cleaners to ensure that all public areas meet the hotel's standards.

**Public Space Cleaner**—Cleans and maintains all furnishings and surfaces in public areas to meet the hotel's standards of cleanliness.

## Employee Schedules

The executive housekeeper oversees the employee scheduling process for the various housekeeping positions and shifts. Scheduling the right number of employees to guarantee all job positions are covered, and the guest experience will meet the property's standards, requires a lot of thought. Of course, this is true of all areas in a hotel but the housekeeping schedule needs to be particularly accurate. Why? Because cleaning guestrooms between the time guests check out and check in or go out for the day requires an organized team of housekeeping employees to accomplish. The responsibility for planning the number of employees needed to finish all housekeeping tasks correctly falls to the executive housekeeper.

Hotels must be staffed by dependable hospitality professionals who realize their important contribution to the property and its guests each day. Once a schedule has been written and posted by the executive housekeeper, it is the responsibility of every employee to check it to make sure they know when to be at work. Often, it is necessary for the schedule to be changed. That makes it necessary for employees to check the schedule at the end of shift each day so they know when and where to be the next day. The schedule will show the employee:

**Dates**—the calendar days they are scheduled to work

**Shift times**—the time to arrive and depart each day

**Work assignment**—the location within the hotel and job tasks to be performed each day

If every employee on the schedule arrives on time, dressed to work, and prepared to complete job assignments to the very best of their ability, the hotel, its guests, and employees will benefit.

### Green Practices



Hotels used to change and launder linens each day. However, new green practices in hotels are educating and encouraging guests to indicate to housekeeping that last night's towels may be reused and the linens may remain on the bed for another night.

# Inventory

## TERMS YOU SHOULD KNOW

**Par**—the number of each recycled inventory item that needs to be on hand to support daily, routine housekeeping operations.

The executive housekeeper has to provide employees with the equipment, linens, amenities, and cleaning supplies to properly maintain guestrooms and other guest areas. This means he or she is responsible for maintaining the inventory of various items to guarantee an efficient housekeeping operation. Inventories must be kept at the correct level or amount needed to ensure an efficiently run housekeeping operation. This means executive housekeepers must make certain all inventories are kept at a par level. **Par** refers to the number of items that must be on hand to support daily, routine housekeeping operations. For example, a property has a total of 250 beds, housekeeping will need to maintain a par of 250 sets of sheets in inventory in order to have sufficient stock for one day's operation. Maintaining a par level of items needed for daily operations is also true of other operational areas such as maintenance, front office, and food and beverage.

Inventory control involves using an effective purchasing system along with control mechanisms that allow inventory to be issued and tracked so the executive housekeeper knows that correct amount of needed stock is on-site at all times.



How par levels are determined depends on the type of inventory. The executive housekeeper is responsible for two types of inventories:

**Recycled Inventory**—Includes items that can be cleaned and reused such as linens, towels, and equipment. Linens are the most important recycled inventory item and next to labor cost, the highest expense the executive housekeeper must manage. One par for linens is equal to the total number of each linen type needed to outfit all guestrooms one time.

**Non-recyclable Inventory**—Includes items that are consumable goods such as soap, shampoo, and toilet paper. Since non-recyclable items are used up, inventory levels are closely tied to the purchase ordering system. A purchase ordering system for non-recyclable inventory items establishes a par number that is based on two figures—a minimum quantity and a maximum quantity.

- **Minimum Quantity**—the smallest number of purchase units that should be in stock at any time.
- **Maximum Quantity**—the greatest number of purchase units that should be in stock at any time. This maximum quantity must be consistent with available storage space and must not be so high that large amounts of the hotel’s cash resources are tied up in an overstocked inventory. The shelf life of an item also affects the maximum quantity of purchase units that can be stored.

### Comparison of Par Stock and Actual Usage for Guest Amenities

Guest Supplies Par Stock For One Month						
Item	Potential Usage Per Occupied Room	X	Forecasted Number of Occupied Rooms	=	Par Stock Required	
Shampoo	1.0	X	450	=	450	
Bathfoam	1.0	X	450	=	450	
Small Soap	1.0	X	450	=	450	
Actual Usage For One Month						
Item	Potential Usage Per Room	Occupied Rooms	Potential Consumed	=	Actual Consumed	Variance
Shampoo	1.0	X	450	=	370	<80>
Bathfoam	1.0	X	450	=	513	63
Small Soap	1.0	X	450	=	752	302

## Monitoring Inventory

The executive housekeeper can monitor the actual use rates for each product kept in inventory by recording both purchases and the issuing of cleaning supplies. The best methods for tracking inventory are:

**An Automated Inventory Control System**—Using bar codes or radio-frequency identification (RFID) tags, all inventory items are scanned when received into inventory, issued to employees for use, and returned back into storage. The system tracks all items and maintains an updated inventory count at all times. This reduces the risk of loss due to theft or human error.

**A Monthly Inventory Count**—Involving a manual count of every inventory item that is currently on the storage shelves at the end of each month. Using an inventory form, these items are listed as beginning inventory column for the next month. The total—or ending inventory amount shows the actual number of each item for the month’s ending count. This number is next compared to the amount of stock that is expected to be in the ending inventory. The difference between the actual quantities on hand and the amounts expected to be on hand is known as a stock variance.

### Sample Linen Count Sheet

Inventory Count Sheet Guestroom Linens				
Name	Date			Floor
Item	Closet	Cart 1	Cart 2	Cart 3
Pillowcases				
King-size Sheets				
Queen-size Sheets				
Twin Sheets				
Bath Mats				
Bath Towels				
Hand Towels				
Washcloths				

If the amount on hand is less than expected then a loss of stock has occurred and should be investigated. If the amount is higher than expected then somewhere stock has either been incorrectly counted or marked as issued when it in fact it was not.

The executive housekeeper should act on information gathered during inventory time and put in place better ways of controlling the storage, issuing, and record keeping for inventory items.

# Managing Inventories

A variety of cleaning supplies is needed for the housekeeping department. Basic cleaning supplies include all-purpose cleaners, disinfectants, germicides, bowl cleaners, window cleaners, metal polishes, furniture polishes, and scrubbing pads.

## Cleaning Supplies and Guestroom Amenities

### Purchasing

Cleaning supplies and guestroom amenities fall into the non-recyclable inventory group with par levels closely tied to how quickly these items are consumed. The minimum quantity for any given cleaning supply item is determined by how long it takes for a fresh supply to be ordered and received from an outside **vendor**. This is known as the **lead time quantity**. Hotels must maintain enough stock to prevent running out due to a lengthy reorder time period. This is known as maintaining a **safety stock level**. This means stock levels should never fall below this amount.

### Formula for Safety Stock

$$\left\{ \begin{array}{l} \text{Product} \\ \text{Daily} \\ \text{Consumption} \end{array} \right\} \times \left\{ \begin{array}{l} \text{Reorder} \\ \text{Lead Time} \\ \text{(in days)} \end{array} \right\} = \left\{ \begin{array}{l} \text{Safety} \\ \text{Stock} \\ \text{Level} \end{array} \right\}$$

### TERMS YOU SHOULD KNOW

**Vendor**—an outside company that provides goods or services to the hotel.

**Lead-Time Quantity**—the number of purchase units consumed between the time that a supply order is placed and the time that the order is actually received.

**Safety Stock Level**—the number of purchase units that must always be on hand for smooth operation in the event of emergencies, spoilage, unexpected delays in delivery, or other situations.



## TERMS YOU SHOULD KNOW

**Reorder Point**—the level of inventory when a reorder of inventory items must occur.

### Reorder Point

Continuous monitoring of stock will ensure each item never falls below safety stock levels. Then, when current inventory levels are approaching the amount considered to be the safety stock level, and taking into consideration the amount of lead time required for reorders, the executive housekeeper will be able to determine when the **reorder point** (ROP) has been reached.

### Formula for Reorder Point

$$\left\{ \begin{array}{l} \text{Safety} \\ \text{Stock} \\ \text{Level} \end{array} \right\} + \left\{ \begin{array}{l} \text{Normal} \\ \text{Consumption} \\ \text{During Lead} \\ \text{Time} \end{array} \right\} = \left\{ \begin{array}{l} \text{Reorder} \\ \text{Point} \\ \text{(ROP)} \end{array} \right\}$$

### Sample of Calculation of Safety Stock and Reorder Point Levels

Housekeeping must have one bar of bath soap in stock for every guest bathroom each day. The hotel has 250 guest baths and the executive housekeeper knows it takes six weeks for a new stock of soap to arrive. Here's an example of how he or she would determine how much safety stock to keep in inventory and when to reorder soap.

<b>Daily Consumption</b> 1 bar of soap per day X 250 guest bathrooms = 250 bars consumed per day	{ 1 x 250 = 250 }
<b>Lead Time for Reorder</b> 6 weeks X 7 days a week = 42 days lead time	{ 6 x 7 = 42 }
<b>Normal Consumption During Lead Time</b> 250 per day consumption X 42 days lead time = 10,500 consumption during lead time	{ 250 x 42 = 10,500 }
<b>Safety Stock</b> 250 bars of soap needed per day X 42 days lead time = 10,500 bars of soap as safety stock	{ 250 x 42 = 10,500 }
<b>Reorder Point (ROP)</b> 10,500 safety stock + 10,500 normal consumptions during lead time = 21,000 bars of soap in inventory determines reorder point	{ 10,500 + 10,500 = 21,000 }

## Issuing

Controlling the inventory of guestroom amenities and cleaning supplies starts by maintaining accurate counts of the products in the main storeroom, followed by establishing strict issuing procedures to regulate the flow of products from the main storeroom to the floor storage closets. Shortages of amenities and cleaning supplies can result in incorrectly stocked guestrooms, guest inconvenience, and wasted labor hours as room attendants search for supplies they need to do their job.

## Tracking

Consumption of guestroom amenities and cleaning supplies should be tracked using some type of checklist showing daily use by housekeeping staff, which is entered into a computerized tracking system. This will reduce loss due to theft and provide an easy way for the executive housekeeper to know exactly how much is used each day.

### Sample Control Form for Issuing Guest Supplies

Guestroom Supplies Requisition				
Item	Par stock	Reorder Point	Requisition (same as Par)	Cost of Item Requisition
Bar soap	1 case	½ case		
Tissue	1 case	½ case		
Toilet paper	1 case	½ case		
Shower caps	100	50		
Pens	1 box	½ box		
Memo pads	2 pkgs	1 pkgs		
Pencils	1 box	½ box		
Do Not Disturb signs	30	15		
Glasses	1 case	½ case		
Room folders	30	15		
Wastebaskets	6	2		

# Preventive Maintenance

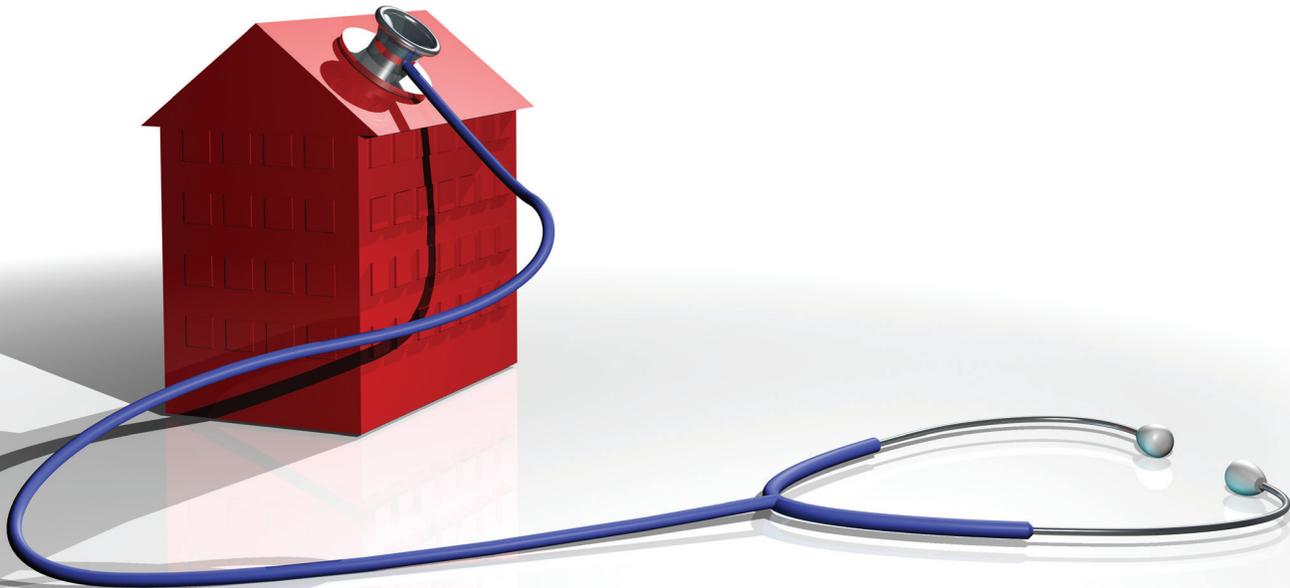
## TERMS YOU SHOULD KNOW

**Preventive Maintenance**—a systematic approach to maintenance in which situations are identified and corrected on a regular basis to control costs and keep larger problems from occurring.

**P**reventive maintenance occurs on an as-needed basis with the goal of keeping everything—systems, equipment, and other high cost items—in good working order. This is particularly important for equipment and systems in constant use such as:

- Heating, ventilation, and air-conditioning (HVAC)
- Laundry equipment and machinery
- Fire protection systems
- Swimming pool, hot tub, and other recreational equipment
- Kitchen equipment

On arrival, guests expect to stay in a fully functioning hotel. The responsibility of delivering on this expectation falls to the maintenance department. Keeping up with everything is one of the major challenges taken on by the chief engineer and the maintenance team. Most engineers enjoy the challenge of finding ways to keep everything functioning correctly and often state that this challenge is what drew them to the job in the first place.



Determining when maintenance is required can be done in one of three ways:

1. Detecting maintenance needs during a routine inspection
2. Receiving reports of items requiring maintenance
3. Following manufacturers' guidelines for proper maintenance

### Sample Preventive Maintenance Procedures: HVAC Wall Units

<i>Le Tomas Hotel</i>		
<b>Routine Inspection</b>	<b>Date:</b> <u>01/23/13</u>	<b>Frequency:</b> <u>Monthly</u>
<b>Equipment Inspected:</b> <b>Guestroom #135</b> <ol style="list-style-type: none"><li>1. Check HVAC unit for proper operation.</li><li>2. Check condition of filter.</li><li>3. Inspect condition of heating/cooling coils.</li></ol>		
<b>Preventive Maintenance Needed:</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Remove unit from room and blow out whole unit.</li><li><input type="checkbox"/> Clean coils with coil cleaner and steam or pressure wash.</li><li><input type="checkbox"/> Clean blower wheels thoroughly.</li><li><input type="checkbox"/> Clean condensate pan and paint with bituminous paint.</li><li><input type="checkbox"/> Lubricate fan motors to manufacturer's specifications.</li><li><input type="checkbox"/> Check all electrical components and connections.</li><li><input type="checkbox"/> Run unit and check full operation.</li><li><input type="checkbox"/> Record amp draw against manufacturer's specifications.</li><li><input type="checkbox"/> Clean and repaint any deteriorated surfaces.</li><li><input type="checkbox"/> On units in coastal locations—after full service, recoat unit with tectyl corrosion treatment.</li></ul>		

## Routine Inspection

Conducting routine preventive maintenance inspections is key to keeping all the service, systems, and equipment working. At the beginning of each year, the chief engineer will set up a calendar showing when preventive inspections will be conducted along with items already on a routine maintenance schedule. The dates of the upcoming inspections are based on the previous year's inspection dates in order to keep the inspection process moving at a steady pace. During an inspection, the engineer will check that each item is functioning correctly and look for:

- Signs of wear or weakness that could result in a breakdown
- Current condition of previous repairs
- Evidence that routine manufacturer-based maintenance did occur

# Sample Preventive Maintenance Guestroom Checklist

## ENCLOSURE #2 SAMPLE ROOM CHECK LIST

	Date	Initials		Date	Initials
<b>Air Conditioner</b>			Thermostat controls and fan (operation)		
			Knob on thermostat (secure)		
			Filter (clean or replace)		
			Condensation water drain (clean and add Algaecide tablet)		
<b>Lamps</b>			Grille (clean)		
			Switches (check)		
			Lamp sockets (tighten)		
			Lamp shades (repair or note for replacement)		
<b>Switches &amp; Receptacles</b>			Cord on hanging light pullswitch (check)		
			Cover on hanging light (secure)		
			Bulb (replace if necessary)		
			Plugs (replace if necessary)		
<b>Television</b>			Outlet wall plates (inspect, clean, secure)		
			Switches (inspect, clean, secure)		
			Switches and receptacles (replace missing screws)		
			Receptacles (change if necessary)		
<b>Telephone</b>			Audio (check radio channels)		
			Video (check television channels)		
			Knob (replace if necessary)		
			Fine tuning (adjust if necessary)		
<b>Furniture</b>			Antenna outlet (secure plate)		
			Antennae connectors (check, repair if necessary)		
			Remote control (check batteries)		
			Security mount (check for secure wall mount)		
<b>Bedding/ Drapery/ Closets</b>			Replace message light cover (if necessary)		
			Dialing instructions (replace if necessary)		
			Defects (report any other defects to front desk)		
			Drawer handles and knobs (check, replace if necessary)		
<b>Windows/ Mirrors</b>			Drawer guides (lubricate if needed with WD-40)		
			Stains (clean and touch up)		
			Chair legs (check)		
			Table tops (check, repair small defects)		
<b>Doors</b>			Headboards (check and secure)		
			Casters or legs (check and secure)		
			Chair bumpers (check, replace if missing)		
			Springs on chairs (check)		
<b>Bathroom</b>			Night stands (check and secure)		
			Coat racks (check and secure)		
			Window guides (lubricate with WD-40)		
			Mirror hangers (check and secure)		
<b>General</b>			Window hardware (check and secure)		
			Bedframe (check and secure)		
			Inspect and secure all drapery tracks, rollers and pull cords		
			Hangers (replace if rusty or missing)		
<b>Doors</b>			Handles (check and secure)		
			Lock cylinder set screw (check)		
			Hinges and hinge pins (oil with WD-40 and secure)		
			Door chain and viewer (check, repair if necessary)		
<b>Bathroom</b>			Lock striker plates (check and secure)		
			Night latch (check)		
			Door frame rubber bumpers (check, replace if needed)		
			Door stops (check and replace if necessary)		
<b>General</b>			Toilet flush valve (check)		
			Toilet cover bumpers (check)		
			Seat hinges (check and secure)		
			Toilet seal (check for evidence of leaks)		
<b>General</b>			Bath drain plug and pop-up (check)		
			Mixing valve (secure handle)		
			Mixing valve washers (replace if necessary)		
			Hot and cold faucets (check/replace 'H' and 'C' buttons)		
<b>General</b>			Escutcheon plates (secure)		
			Shower curtain hooks (check and replace if needed)		
			P trap under basin (check)		
			Drain pop-up (check)		
<b>General</b>			Faucet strainer (clean or replace)		
			Basin bowl hangers (reglue or resecure)		
			Toilet paper holder (check)		
			Clothes hanger on bathroom wall (check and secure)		
<b>General</b>			Floor and wall tile (grout tile and caulk around tub if needed)		
			Soap dish and grab bar (check and secure)		
			Towel rack (check and secure)		
			Lavatory counter (check and refasten)		
<b>General</b>			Non-slip pads in tub (check condition)		
			Exhaust grill (clean)		
			Tissue holder (check and replace)		
			Baseboards (check and replace/reglue as needed)		
<b>General</b>			Carpet (check)		
			Vinyl (check, reglue if necessary)		
			Pictures (check)		
			Ceiling (check for cracks and/or peeling paint)		
<b>General</b>			Paint (check paint on walls and door casings)		
			Rate card (confirm on door)		
			Fire exit plan (confirm on door)		
			Check for air leaks under A/C units		
<b>General</b>			Cracks in sidewalks		

## Reported Maintenance Issues

The housekeeping department is an important part of the preventive maintenance process. Guestroom attendants will frequently spot common maintenance issues during guestroom cleaning. It is the responsibility of the chief engineer to set up a functional reporting system between the housekeeping department and facilities maintenance.

Repair reporting systems should allow attendants to provide information about the needed repair. Once a repair is reported, a work order will be generated and assigned to a maintenance employee for completion. All completed repairs must be reported back to the chief engineer at the end of each day. It is the chief engineer's responsibility to inspect the repair and report to housekeeping that the repair has been completed. Remember, one of the main reasons for guest dissatisfaction is a poorly maintained guestroom.

Some repairs will require a guestroom to be removed from available inventory. This will result in lost revenue and has a serious impact on the front desk's ability to accommodate guests. The chief engineer should have a plan to keep the time a guestroom is out-of-service to a minimum. Once a guestroom is once again ready to receive guests, both housekeeping and the front desk will need to be notified.



## Manufacturer Guidelines

Major systems and high cost pieces of equipment will come with manufacturer's recommendations on how to properly maintain them for maximum life expectancy. Following those recommendations can prevent needless repairs and extend the equipment's life expectancy. Making certain this happens is the responsibility of the chief engineer. Typically, the chief engineer will keep the manufacturer's guidelines on file and use equipment data cards to track maintenance work performed on each system, piece of equipment, or machine.



# Types of Food and Beverage Operations

**T**oday's guests have an enormous number of dining options to choose from. Dining decisions are usually based on the amount of time available to eat, the cost of the dining experience, and the type of dining outlets in a specific location. Many times guest choices are made on the spur of the moment; others are planned events. Additional considerations include dietary, cultural, religious, or medical needs or preferences. All the variables of how and why guests make dining decisions could result in an endless list of restaurant types. However, using common characteristics (type of service, menu options, and cost, etc.) as links, most restaurants fall into the following categories:

**Quick-Service**—McDonald's, KFC, Taco Bell, and Arby's

**Quick-Casual**—Chipotle, Panera Bread, and Subway

**Family-Dining**—Bob Evans, Cracker Barrel, and Denny's

**Casual-Dining**—Applebee's, Chili's, LongHorn Steakhouse, Olive Garden, and T.G.I. Friday's

**Fine-Dining**—The Capital Grille, Morton's, and Ruth's Chris Steakhouse



## TERMS YOU SHOULD KNOW

**Rooms-Only Hotel**—an economy hotel property that has only guestrooms to offer guests; no dining or recreation options are available on site.

## Hotel Dining Options

Depending on the size of the hotel, the dining options can include all or none of the five main restaurant categories. For example, a **rooms-only hotel** will not have an on-site restaurant while a full-service resort property may offer a variety of food and beverage choices ranging from a poolside snack bar to a gourmet fine-dining restaurant featuring a celebrity chef.



## Destination Dining

Guests are always looking for special experiences and a recent trend in hotels is to create dining options that are destinations all on their own.

The goal is to appeal not only to hotel guests but to make the dining experience enticing to both locals and visitors as well.

This creates a stand-alone facility which is marketed to the public both individually and as part of the hotel. This trend has produced dining destinations that feature celebrity chefs, enticing menus, unique locations, and fabulous guest service.

Many properties are finding destination dining to be a very profitable way to attract local and visitor business.





# Food and Beverage Financial Cycle

**H**ow profitable a food and beverage operation will be depends on controlling four key items: labor costs, food costs, menu pricing, and cash control. Finding the perfect balance between the right number of employees and a menu priced to sell, while remaining profitable, is very difficult. Cash control requires the use of a strong protocol since many people may be involved in the process of guest bill settlement. Fortunately, there are tools and methods available to help find the right balance for managing costs, creating a well-priced menu, and handling cash as it flows through the operation.

## The Menu

The menu is the key determining factor in the type food and beverage option a hotel will operate. For guests, the menu communicates what the overall dining experience will be. While for employees, the menu dictates what and how food items will be prepared. For the kitchen, the menu will determine equipment needs and employee skill requirements. For managers, the menu is the chief cost control, marketing, and sales tool. The menu also drives purchasing needs such as:

- Food items
- Kitchen and food service equipment
- Linens, china, glassware, and silverware
- Furniture

The managers can use the menu to determine the restaurant's:

- Type
- Price range
- Level of service
- Décor and physical layout
- Staffing needs

In order for a menu to be successful, and the food facility to show a profit, the menu must meet guests' needs and expectations. At a hotel property, this means the food and beverage operations must align with the level of guest service, theme, and quality provided by the hotel itself.



## Food Costs and Menu Pricing

Menu pricing is a complex process, so a variety of formulas are available to ensure the price of each menu item covers the cost of food and labor needed to produce it. Menu pricing typically begins by determining the total cost of all ingredients called for by a **standard recipe** plus the cost of the labor and other expenses necessary to produce and serve the item for guest consumption. Once the cost is determined, it is important for the restaurant to maintain the cost at that specific dollar amount to keep food and labor costs from reducing profits.

### Formula for Food Costs

$$\left\{ \text{Standard Recipe Cost (SRC)} + \text{Labor Cost (LC)} = \text{Food Cost (FC)} \right\}$$

For example: food cost to produce one slice of apple pie

$$\left\{ \$0.38 \text{ (SRC)} + \$0.33 \text{ (LC)} = \$0.71 \text{ (FC)} \right\}$$

The price posted on the menu and paid by guests is known as the item's **price point**. The price point is created by dividing the food cost by the percentage of profit the restaurant feels is necessary to meet revenue goals. Typically, it will be somewhere between 25 and 30 percent, with the actual percentage used determined by the restaurant's financial objectives. Also, the percentage has to be set at an amount that will be attractive to guests and fill tables with diners.

### Formula for Price Point

$$\left\{ \text{Food Cost (FC)} \div \text{Profit Percentage (P\%)} = \text{Price Point} \right\}$$

For example: price point for a slice of apple pie in a casual dining restaurant

$$\left\{ \$0.71 \text{ (FC)} \div 27\% \text{ (P\%)} = \$2.62 \text{ Price Point} \right\}$$

## TERMS YOU SHOULD KNOW

**Standard Recipe**—a formula for preparing a menu item based on a specific portion size by using guides for measuring ingredients, cooking/preparation procedures, garnish, and equipment required to produce a menu item.

**Price Point**—the price a product is sold for on the retail market.



# Restaurant Operations

There are many variations in the procedures and techniques food service operations use to serve food to guests, but most can be categorized under one of five main styles of table service:

**Plate Service**—follows these basic procedures:

1. Servers take guests' orders in the dining area.
2. Kitchen staff members produce food orders, portion them, and place them on plates in the kitchen.
3. Servers pick up or place the orders on trays, sometimes using plate covers to keep food warm and facilitate stacking, and take them to the guests. They may use tray stands (also called tray jacks) or have food runners to assist by holding the plated meals while the server places each guest's order on the table.
4. Busspersons assist servers and clear tables.

**Cart Service**—cart service is an elaborate service style in which menu items are prepared on a cart beside guest tables by specially trained staff members. Cart service is typically found at fine dining establishments.

**Platter Service**—follows these procedures:

1. The food is prepared by food production staff in the kitchen.
2. Food is then arranged attractively on the service platters for delivery to the dining room.
3. Servers line up in the kitchen and select a platter to carry into the dining room.
4. Food is paraded into the dining area and presented to the guests.
5. Platters are placed on side stands to keep food warm while guests are given a very hot, empty dinner plate.
6. Servers, moving counter-clock wise around the table, transfer the food to guest plates.

**Family-style Service**—the kitchen places food on large platters or in large serving bowls that servers deliver and place in the middle of the guest's table. Guests serve themselves by passing the food around the table.

**Buffet Service**—using hot or cold buffet service tables, guests may serve themselves food items such as:

- Salads, fresh fruit, and other chilled side items
- Hot vegetables, meats, poultry, and fish
- Breakfast items, muffins and crepes
- Omelets from prepared-to-order stations
- Sauces, dressings, and relishes
- Desserts and breads
- Beef, ham, and other roasts in whole “steamship” rounds that are hand cut by staff at carving stations



Each type of service will appeal to a specific target audience. The level of guest service and type of environment where the food facility is located will determine the target audience and the type of service most attractive to guests.

## Job Positions

The food and beverage industry requires a skilled and knowledgeable workforce. This is due to the complex process involved when planning a menu, preparing or cooking each item, and then guaranteeing guests are served quality food and beverages. The variables, such as when certain food items are available or controlling food preparation and service to guarantee a consistent process, offer a unique challenge to each employee. Consequently, food service employees must pay attention to detail, know exactly what guests expect, and follow their property's food and service standards.

**Food and beverage job positions are typically divided into three main categories:**

**Managers**—have a wide variety of duties from running the kitchen, creating the menu, hiring and training staff, setting financial goals, and overseeing day-to-day operations. Consequently, the larger the operation, the more varied the management positions.

- General manager
- Executive chef
- Operations manager
- Supervisor

**Production Staff**—focus primarily on the food production process and traditionally have little to no direct contact with guests. However, the production staff has a major impact on the overall guest experience through the type and quality of food being sent from the kitchen to the dining public.

- Chefs
- Cooks
- Pantry staff
- Stewards
- Receiving staff
- Bakers
- Dishwashers

**Service Staff**—have the biggest impact on the dining experience since these positions have direct contact with guests. The types of positions required will depend on the type and size of each food and beverage operation along with the duties to be performed based on the menu, level of guest service, and guest expectations.

- Greeters/hosts/hostesses
- Restaurant servers
- Banquet servers
- Beverage servers
- In-room dining attendants
- Counter staff
- Buspersons
- Bartenders
- Cashiers

# Responsible Beverage Operations

## TERMS YOU SHOULD KNOW

**Dram Shop Laws**—in general, provide consistent guidelines about who is responsible when third parties suffer because of an intoxicated person's actions—will vary from state to state.

The careful service of alcoholic beverages is an important responsibility for employees involved in restaurant, bar, and lounge facilities. In some states where **dram shop laws** are in place, servers, bartenders, and owners can be held liable if an intoxicated guest causes injury to another person. Therefore, anyone involved in serving alcoholic beverages must do so responsibly. Typically, guests understand that alcohol-service rules are not simply house rules, but based in law. However, once a person begins to consume alcohol, his or her ability to make decisions is one of the first things to be impaired. So, laws surrounding the sale and consumption of alcohol place a heavy responsibility on the restaurant, bar, or lounge operation and the servers working there.

The legal minimum age to serve or clear alcohol will vary from state to state. In order to hold a position involving the serving of alcohol, a person must be 18 to 21 years of age and trained how to responsibly control alcohol risks.

Many states require people serving alcohol to be licensed or certified to ensure they fully understand the serious business of serving alcohol. One goal of a license or certification is to prevent underage drinking. Another is to deal with the liability laws that allow a third party to sue the establishment, and sometimes the server, for injuries and suffering inflicted by an intoxicated guest. The belief is that trained, certified professionals serving alcohol will reduce the likelihood of a serious alcohol-related incident such as allowing an intoxicated person to drink and drive.



## Alcohol Service Training

Training is a key element in beverage operations involving alcohol. It is the best way to ensure employees know who can legally be served, how to prevent underage drinking, and stop intoxicated guests from causing harm to others. Anyone appearing to be underage must be asked to present a valid form of identification and determined to be legally of age to drink before being served any type of alcohol. Alcohol service training also teaches employees their responsibility for staying up-to-date on all current alcohol-related laws and **ordinances**.



For example, Controlling Alcohol Risks Effectively (CARE) is a training program created to meet the needs of the places and people responsible for serving alcohol to the public. This course trains servers, bartenders, and bar backs to:

- Effectively monitor and control guests' alcohol consumption
- Intervene before a problem occurs
- Follow ID-checking policies
- Recognize false identification cards
- Handle under-age guests
- Describe the physical effects of alcohol
- Explain the laws regarding alcohol service
- Know how to apply the CARE® training in a beverage service operation

### TERMS YOU SHOULD KNOW

**Ordinances**—codes created to clearly define how specific regulations or laws will be locally enforced.

**CARE**<sup>®</sup>  
Controlling Alcohol Risks Effectively



# Banquets, Catering, and Event Planning

## TERMS YOU SHOULD KNOW

**Audio-Visual**—materials using sight or sound to present information such as DVDs, PowerPoint presentations, or speaker-requested microphone sound systems.

Initially found in hotels and restaurants, one area of food and beverage operations that has become very profitable is the banquet, catering, and event planning group. Today, hotel and resort food service providers are developing desirable locations such as museums, zoos, and other local attractions into venues for all types of banquets and catered special events. This is done by creating partnerships that allow for revenue and marketing to be shared by the organizations involved. It also allows event planners to choose from a variety of unique and entertaining dining experiences. How does a planner decide which type of service is required? By determining the purpose of each event, such as:

**Banquets**—a formal business dinner, charitable gathering, ceremony, or celebration that often involve awards or speeches to honor people or the reason for the event. Banquet service encompasses menu, room setup, **audio-visual** (A/V) needs, plus any additional support services.

**Catering**—food service at an on-site meeting or convention space, off-site locations, local attractions, and private homes. Typically, food is prepared in the catering kitchen location and moved to the catered event venue.

**Special Events**—high-cost organized events that tend to be very elaborate and involve multiple elements such as food, entertainment, and décor, often held at a hotel or specially chosen location at any time of day or night and typically built around a specific theme or concept.



## Layouts for Room Setup

Typically, the event type will favor a particular room layout. However, variations on the layout can be made to create a more custom feel to the event and allow guests to feel it was built to meet their unique requirements. This can be done by placing tables and chairs in an unusual pattern or spacing within the banquet room. Some common types of room setups include:

### Banquet Setup

This setup is the most common one for banquets or meetings where meals will be served. Chairs are placed around round banquet tables. The tables are usually 6 feet, 8 feet, or 10 feet in diameter. Do not overseat each table and make sure each guest has enough “elbow room” to eat comfortably.

Banquet seating is commonly calculated based on round tables that will hold 10 people using 6-foot round tables. Banquet style allows for small group interaction at each table. Banquet seating is often used for dinner events, wedding receptions, awards ceremonies, or as a separate space for breakfast and lunch breaks.

### Theater Setup

Theater floor plans typically line up rows of chairs and space aisles depending on the width of the room and the total seating needed. Some facilities have actual auditoriums, which make great spaces for formal presentations. Theater floor plans allow for the maximum number of people to fit into a large or small meeting/banquet room.

### Reception Room Setup

Reception space typically includes numerous high boy tables throughout a room, as well as tables for banquet and bar services. This allows for guests to mingle and move easily about the room. Because it isn't necessary for dedicated seating space, this will reflect the largest number of individuals who can fit into a smaller meeting room space.

### U-Shaped and Hollow Square Setup

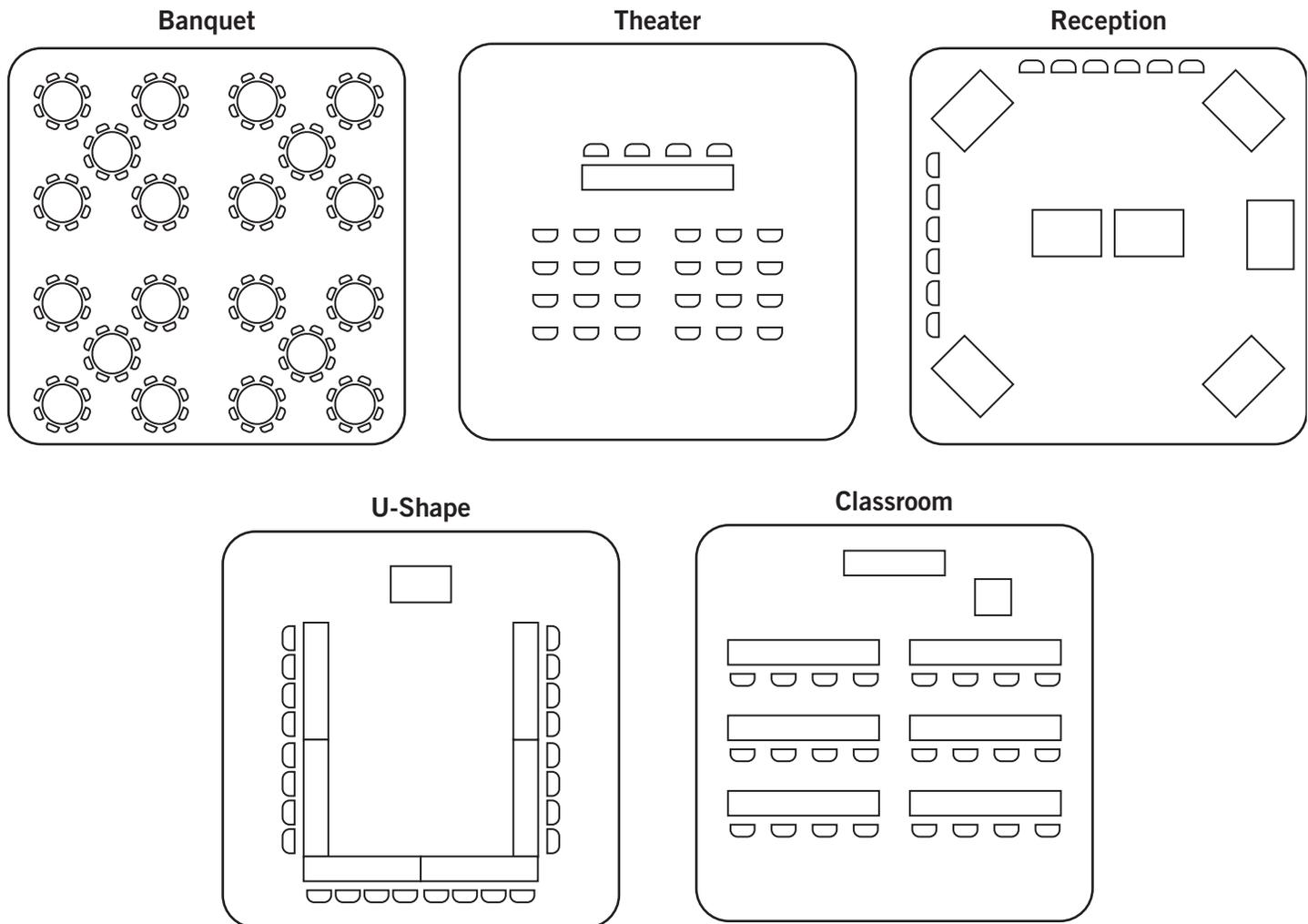
U-shaped floor plans lay out tables and seating to form a “U” toward the front of the room where the speaker will lead a discussion. This allows A/V to sit in the center of the “U” and project to a screen next to the speaker.

The hollow square setup is very similar to the U-shape. The major difference is that both ends are closed. This arrangement can accommodate more guests and is generally geared more towards discussions.

### Classroom Setup

Classroom layout includes rows of tables and chairs. Six-foot tables can comfortably hold two people while eight-foot tables can easily hold three people. The tables are typically arranged in rows joining two tables in length with an aisle for people to access the seats running down the middle of the room.

## Diagram of the Room Setup

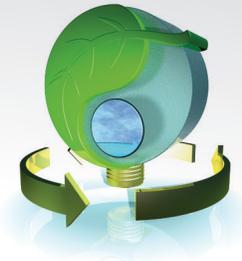


Round Table Seating Capacities	Rectangular Table Seating Capacities
36-inch table seats four people	24-inch x 60-inch table seats two people
42-inch table seats five people	24-inch x 72-inch table seats three people
48-inch table seats five people	24-inch x 96-inch table seats four to five people
54-inch table seats six people	30-inch x 72-inch table seats six people
60-inch table seats eight people	30-inch x 96-inch table seats eight people
72-inch table seats ten people	

# Food and Beverage Green Practices

**F**ood service operations can readily go green by making sure they are in compliance with all environmental regulations, adopting pollution prevention methods, and using resource conservation practices.

The top green practices for food service operations are:



## Conserve Energy and Water

1. Use low-flow pre-rinse spray nozzles at the dish machine. Use Energy Star compact fluorescent lamps (CFLs) instead of incandescent bulbs in storerooms, break rooms, offices, wall sconces, kitchen exhaust hoods and walk-in refrigerators.
2. Use ultra low-flow toilets and flow restrictors on restroom faucets.

## Reduce, Reuse, Recycle

3. Buy products in returnable, reusable or recyclable containers.
4. Recycle cardboard, paper, glass, metal and plastics, and food (donate leftover cooked food to a local shelter and look for a local composting site when disposing of food waste, waxed cardboard, paper napkins, paper beverage cartons, and wooden crates).
5. Recycle cardboard, paper, glass, metal and plastics, and food (look for a local composting site when disposing of food waste, used cooking oil, waxed cardboard, paper napkins, paper beverage cartons, and wooden crates).
6. Use takeout containers that can be composted (paper) or recycled (#1 and #2 plastics, aluminum) instead of Styrofoam™.

## Pollution Prevention

7. Properly maintain grease traps and kitchen hoods to prevent overflows and emissions to the sewer and storm drain systems.
8. Keep outdoor waste storage, parking, and sidewalks free of litter, grease spills and other potential pollutants. Use sweeping and spot cleaning for most clean ups. If washing is needed, use a cleaning method that keeps cleaning water out of storm drains.
9. Use organically or sustainably produced foods in the kitchen.





# Resorts

**E**arly resorts were built as summer retreats that allowed guests to escape the heat of the city. Most were near water or in mountainous areas for the cooler climates they offered. Entertainment and fine dining were, and still are, significant parts of resort operations, and are often key elements in attracting guests. Today, a resort's guest base will also vary according to the season. This means resorts must offer a year-round menu of activities and experiences that will attract a wide variety of guests to the property.

Recently, business travelers have become a major market for resort hotels. This has resulted in resorts expanding their efforts into attracting the **group market** and **meeting market**. This is done by creating spouse and family activity options so the group can enjoy a working vacation as well as offering the typical banquet, meeting, and special event venues.

## Types of Resorts

Many resorts offer a specialized experience such as:

### Spa Resorts

Water has historically been a large part of the spa experience. Even today, spa resorts emphasize the value of water as part of the healing experience. This is accomplished by surrounding the guest with physicians, instructors, nutritionists, massage therapists, and spa products, all selected to promote health and wellness. Other key elements in the spa resort experience are:

- Fitness
- Stress management
- Pampering and relaxation
- Health and wellness

### TERMS YOU SHOULD KNOW

**Group Market**—business a hotel receives through an outside event planner or tour operator wishing to book room nights, meals, and other hotel services for a business, family, or tour group.

**Meeting Market**—business a hotel receives from an outside organization, business, or association wishing to book meeting/convention/conference room services.



## TERMS YOU SHOULD KNOW

**All-Inclusive**—a resort where the cost of all lodging, meals, airport transfers, spa services, and activities are bundled into a package price.

### Pineapple Fun Fact



The resort with the largest number of rooms in the world is Genting Highlands Resort in Malaysia. It has 6,118 rooms. To keep guests entertained, there are more than 80 shops, 90 restaurants, one cinema, a casino, a 50-room karaoke bar as well as two theme parks.

## Ski Resorts

The modern Olympics drew attention to what was traditionally a European winter sport. By the 1960s, resorts located in mountainous areas around the world (traditionally closed for the winter) started developing ski runs, installing ski lifts, improving road access, and



putting safety measures in place so they could expand into year-round operations. Today, ski resorts are estimated to bring in \$3.5 billion in revenue per year.

## All-Inclusive Resorts

**All-inclusive** resorts were created to meet the needs of guests looking for a destination vacation that offers a stress-free atmosphere, dining option choices, and plenty of activities at a set price. Typically, this type of resort appeals to guests who want to prepay the total cost of the trip during the pre-arrival stage of the guest cycle. To accommodate this type of guest, each resort will offer a variety of guestroom packages ranging from a deluxe guestroom to a suite featuring a personal butler and chef. Guests select the package that fits their budget, book the dates, and make payment to the resort. After booking, guests will receive a detailed “menu” of choices that allows guests to know precisely what the:

- Accommodation packages include (lodging, meals, activities, taxes, tips, entertainment, and more).
- Types of recreational activities offered in the package (golf, tennis, sailing, parasailing, or diving).
- Types of entertainment included (local tours, cultural activities, crafts, parties, and shows).

Once guests are on site, they can enjoy the items covered by their package through use of a key card. The card is coded by the front desk during check-in with the chosen package’s room, dining, activities, and entertainment options. Guests are asked to charge each transaction back to their room using this card.

Employees process the card like a payment card into the POS system. The POS will then report the guest activity to the PMS for posting to the guest’s folio each day. If a guest dines or uses a service outside what the package covers, a charge will be posted to the guest folio for settlement at departure



# Cruise Lines

Cruise ships are floating resorts that have gained in popularity over the past 40 years. Cruises appeal to anyone looking for an all-inclusive vacation where they can arrive, unpack, relax, and enjoy. Typically, cruise prices include meals and in-between snacks on board; a stateroom, activities, parties and entertainment; plus an exciting voyage to some of the most enchanting and culturally-enriching places in the world. It is important to note that the cruise industry has one of the highest guest satisfaction scores, and repeat business ratings, in the hospitality and tourism industry.



## Types of Cruise Ships

Cruise excursions occur on seas, oceans, rivers, and lakes all around the world. A variety of ships exist in order to meet the needs of guests looking for both conventional and unconventional cruise experiences. The types of cruise ships include:

### Mainstream Cruise Ships

The most popular type cruise ship which is capable of carrying 850-3,000 passengers and includes all sorts of standard resort features, amenities and services such as restaurants, bars and pubs, nightclubs and discos, shopping areas, theaters and cinemas, galleries and museums, libraries, casinos, personal care areas with gyms and spas, swimming pools and other sport facilities.

### Mega Cruise Ships

This is the largest and most sophisticated type of cruise ship with the capacity to carry 3,000-5,000 passengers. The mega cruise ship offers a level of luxury only the most exclusive land-based resorts can match. This ship features world-class entertainment and celebrity chefs along with all the luxury amenities expected from guests seeking this type of experience.

### Small Cruise Ships

This type of cruise ship can range from motor- or sail-powered yacht-like vessels to medium-sized classic cruise ships with a capacity up to a few hundred passengers on board. The small cruise ship focuses on providing more intimate and relaxing experiences while traveling to less familiar destinations. It is designed to provide specific services (ecotourism, culture or history cruises, etc.) or as the only way to navigate through waters, small inlets, ports, or archipelagos that would not support larger vessels, while still providing the same level of comfort and basic amenities as that of mainstream cruise vessels.



### Ocean Cruise Ships

This type of cruise ship is built to more exacting standards than more conventional vessels, with a substantially stronger design and structure. An ocean cruise ship is constructed to withstand the harsh deep-water conditions of an ocean crossing during long voyages such as an around-the-world cruise.

### Luxury Cruise Ships

This is a motor- or sail-powered ship equipped with the most sophisticated and technologically advanced nautical systems, high standard features, and luxurious guest comforts to meet the special demands of an exclusive and wealthy clientele looking for longer itineraries and more exotic destinations around the world.



### Adventure Cruise Ships

Cruise ships designed and equipped to provide services that include visits to remote destinations that are commonly out-of-the-way or inaccessible to larger vessels. Marketed to a very specific type of guest wishing to visit unusual destinations, these small boats are able to venture into remote areas, anchor, and allow guests to privately interact with the location's people, wildlife, or wild places. Adventure cruise ships are far smaller than mainstream vessels, usually sail-powered, and are only able to accommodate six to eight guests in small but comfortable cabins.



### Expedition Cruise Ships

This is a specially-designed ship, or adapted research or icebreaker vessel, operated by specialized companies. An expedition cruise ship offers customers an exclusive experience in remote destinations and waterways such as the Arctic and Antarctic regions or coastal areas in ecological and environmentally sensitive reserves. The ship provides an adequate level of comfort, safety, and services.

### River Cruise Ships

Always smaller than seagoing cruise ships, and with a capacity for no more than a few hundred passengers, this vessel is specially designed to navigate rivers and inland waterways. The river cruise ship offers exciting experiences ranging from onboard ultra high-tech units, to nostalgic trips on paddleboat ships in rivers such as the Amazon, Nile, Rhine, Seine, Volga, Mississippi, Yangtze, and many more.



# Introduction

## TERMS YOU SHOULD KNOW

**Rack Rate**—the term which represents the highest possible rate a guest may be charged for a room.

**Night Audit**—the nightly process that checks, corrects, and balances all accounts for registered hotel guests.

The scope of operational finance in the hospitality and tourism industry will vary according to the specific type of business involved. The financial goal of any hotel is to make a profit, and it takes the efforts of all employees to make that happen. Because each segment of the industry has its own way of processing operational finances, this chapter will focus on the methods used by hotels.

The rooms division is responsible for producing revenue from the sale of guestrooms. The front office must oversee the monitoring and measuring of how successful the division is at generating a profit. Hotels must sell rooms at the most profitable room rate possible and measure daily how well the employees are selling those rooms at or near full **rack rate**. The front office employees who book guestrooms will be asked for discounted room rates and must know when and how to apply those lower rates. Balancing guests' requests for lower rates with the hotel's need to remain profitable is achievable if all operational financial transactions are monitored, tracked, and reported using the night audit process.

Larger hotels will also need to measure the profitability of the food and beverage department. Often, the restaurant and catering areas will produce the second largest amount of profit for a hotel after the sales of rooms. However, this chapter will focus primarily on the front office financial practices found in the hotel and lodging industry, particularly, the role of revenue centers and the **night audit** process.



# Revenue Centers vs. Cost Centers

Not all areas or departments in a hotel generate revenue. Some departments are considered revenue centers while others are considered cost centers. The difference between the two is significant and plays a large part in how financial decisions are made in a hotel.

**Revenue center**—generates income for the hotel through the sale of services or products to guests. Revenue centers include:

- Rooms
- Food and beverage
- Sales
- Concessions, rentals, and commissions
- Fitness and recreation facilities

**Cost center**—does not directly generate income but acts as a support center to the areas producing revenue. Cost centers include:

- Marketing
- Facilities management/engineering
- Accounting
- Human resources
- Security

## Pineapple Fun Fact



Hospitality and tourism generates approximately \$100 billion in tax revenue for local, state, and Federal governments in the U.S. each year. If you were to place 100 billion dollar bills end to end, the line of cash would circle the Earth 397 times.



# Introduction to Night Audit

## TERMS YOU SHOULD KNOW

**Guest Folio**—account balanced daily by the night auditor and used to report each guest's financial transactions.

**Guest Ledger**—collection of all guest folio accounts for registered guests completed by the night auditor and used to measure a hotel's profitability.

**Guest Credit Limits**—the maximum amount of money held in a guest's folio account to cover expenses during the stay, commonly used by business travelers with the credited dollar amount prepaid to the hotel by his or her company.

As the key revenue center, the front office is responsible for generating the largest portion of a hotel's profits. In order to maintain revenue at the highest level possible, the night audit process monitors, posts, and calculates the day's financial activity.

Traditionally, guests do more than sleep when staying in a hotel. They will also eat, shop, and have fun. In order to make the guest experience as seamless as possible, most properties allow guests to charge the expense of food, merchandise, and recreation back to their room. This means they add those costs and expenses to their **guest folio** during each day of the stay. Because of this activity, the night audit acts as the control process for updating all financial activity to each guest folio (cash and credit). This ensures each transaction is recorded and the guest account balanced. It is the most accurate way to guarantee the guest bill is correct and ready for settlement when the guest departs. Once all the guest folios have been updated, the auditor must begin posting those totals to the **guest ledger**. The purpose of the guest ledger is to collect all charges into one document for reporting to the accounts receivable section of the accounting department. The guest ledger totals will indicate if the hotel was operating at a profit or loss for the day.

An effective audit increases the probability of accurate account settlement. As the name implies, night audits are conducted late at night during the time the hotel experiences the lowest guest demand for services. Typically, hotels are busiest during the day and evenings. This makes night time the perfect time to perform the close-of-business activities covered by the night audit and to reopen accounts for the next day of business.

### Purpose of Night Audit

The main purpose of the night audit is to verify the accuracy and completeness of the guest folios and compare them against the departmental transaction reports. Specifically, the night audit is focused on:

1. Verifying all posted entries to guest and non-guest accounts
2. Balancing all front office accounts
3. Resolving room status discrepancies
4. Monitoring **guest credit limits**
5. Producing the night audit reports
6. Recording the close of one business day and the opening of the next day's business

The night audit process also allows the hotel to gain a clear picture of:

- How well business was conducted for that day
- The profit earned or losses incurred
- The cost of doing business and where expenses occurred

## Roles of Night Auditor

The night auditor must be capable of paying close attention to accounting details, use appropriate methods, and track guest credit restrictions. The auditor must clearly understand the affect of guest transactions on the front office accounting systems. Night auditors are expected to:

### Calculate

- Room revenue
- Occupancy percentage
- Average daily rate (ADR)
- Revenue per available room (RevPAR)

### Prepare

- Summary report of front desk cash transactions
- Summary report of front desk credit card activity
- Report data showing the front desk's financial performance for the day
- Summary report on front desk operation to management

## Steps in the Night Audit

The night audit is typically completed using a Property Management System (PMS) and other computerized technology. However, it is necessary for front office employees to be capable of completing the night audit manually in case of an emergency situation. The night audit has a sequence of steps that should be followed to ensure it is completed correctly.

### Step-by-Step Guide to Night Audit

#### Step 1: Update guest folio:

- Post the day's room rate.
- Calculate and post sales tax.
- Post the day's financial transactions such as:
  - Restaurant charges
  - In-room dining
  - Merchandise purchases
  - Bar charges
  - Recreation charges
  - Phone calls (charged to guestroom on hotel phone system)
  - Laundry-valet charges
  - Other costs

Guest Folio			
Guest Name: John D. Smith			
Room: 317		Rate: 109	
Date	3/15	3/16	
Balance Forward		186.94	
Room	109.00	109.00	
Sales Tax	7.64	7.64	
Restaurant	56.31		
In-Room Dining		2.00	
Merchandise		1.00	
Bar			
Recreation			
Local			
Long Distance			
Telegrams			
Laundry - Valet	14.00	14.00	
Cash Disburse			
Total	186.94	186.94	
Less: Cash			
Carried Fwd.		186.94	

**Step 2: Balance each guest folio:**

- Total all charges for each day of the guest’s stay.
- Subtract any cash paid by guest toward the bill (post cash amount on date it was paid).
- Post the amount carried forward to the next day’s column.
- Calculate the amount to be carried forward to that day’s guest ledger sheet for each day.

**Sample Guest Folio: A guest is staying for three nights and checking out on March 18th.**

**Guest Folio**

Guest Name: John D. Smith Account No. 0043517  
 Room: 317 Rate: 109 Arrival Date: 3/15

Date	3/15	3/16	3/17	3/18	
Balance Forward		186 94	337 36	627 76	
Room	109 00	109 00	109 00		
Sales Tax	7 64	7 64	7 64		
Restaurant	56 31		98 77		
In-Room Dining		21 44			
Merchandise		12 35			
Bar					
Recreation			75 00		
Local					
Long Distance					
Telegrams					
Laundry - Valet	14 00	14 00			
Cash Disburse					
Total	186 94				
Less: Cash					
Carried Fwd.	186 94	337 36	627 76		

Tracks all guest transactions for one business day. Guest charges for each department are posted and totaled during the night audit process.

Guest folio previous day's balance.

### Guest Folio Template

Guest Name: \_\_\_\_\_ Account No. \_\_\_\_\_  
 Room: \_\_\_\_\_ Rate: \_\_\_\_\_ Arrival Date: \_\_\_\_\_

Posting of charges in guest folio for each business day.

Date	4/7	4/8	4/9	4/10	4/11
Balance Forward					
Room					
Sales Tax					
Restaurant					
In-Room Dining					
Merchandise					
Bar					
Recreation					
Local					
Long Distance					
Telegrams					
Laundry - Valet					
Cash Disburse					
Total					
Less: Cash					
Carried Fwd.					

Total of balance carried forward, room rate, sales tax, and other posted charges in left hand boxes.

Cash amounts paid by guest in order to reduce amount carried over on final bill.

Balance to be carried over to the next day on the guest folio and to the guest ledger for the opening of the next business day.

### Step 3: Update the guest ledger:

- Bring the previous day's balance forward and enter it in the designated column.
- Enter the daily room rate in the designated column.
- Enter the daily sales tax in the designated column.

Tracks all guest transactions for one business day.

#### Guest Ledger Template

Hotel Name: \_\_\_\_\_

Date: \_\_\_\_\_

Guest folio previous day's balance for each guest.

Guest folio charges are posted in each department's column and totaled.

Room No.	No. Guests	Name	Balance Carried Forward	Room Rate	Sales Tax	Restaurant	Bar	In-Room Dining	Telephone	
									Local	Long Dist.
317		Smith, John	186.94	109.00	7.63					
238		Davis, Chris	614.07	169.00	11.83					
237		Jones, Mary	172.94	109.00	7.63					
		House Total	973.95	387.00	27.09					
		City Ledger								
		<Advance Deposit>								
		Accounts Receivable Total		387.00	27.09					



## TERMS YOU SHOULD KNOW

**City Ledger Control Folio**—the amount posted as the balance due from all individual guests, groups, and companies, also known as the City Ledger.

**<Advance Deposit Control Account>**—the amount posted for all advance deposits or prepayments received from guests for that date, also known as the Advance Deposit.

### Step 5: Calculate the Accounts Receivable total:

- Enter the **City Ledger Control Folio** balance in the designated box.
- Enter the **<Advance Deposit Control Account>** in both the Balance Carried Forward column and the Total Charges column (as indicated by <> brackets).
- Subtract the <Advance Deposit Control Amount> from the City Ledger Control Folio balance.
- Add the amount remaining in the City Ledger Control Folio to the House Total.
- Post the total in the Accounts Receivable Total column.

### Sample Calculation of Accounts Receivable Total

House Total	973.95	387.00	27.09
City Ledger	25,000.00		
<Advance Deposit>	<2,136.00>		
Accounts Receivable Total	23,837.95	387.00	27.09

City Ledger Control Folio balance is entered in the row labeled City Ledger.

<Advance Deposit Control Account> amount is entered in the row labeled Advance Deposit.

How to calculate Accounts Receivable total:

City Ledger	25,000.00
- Advance Deposit	<2,136.00>
	<b>22,864.00 Balance</b>
+ House Total	973.95
	<b>23,837.95 Accounts Receivable Total</b>

<000.00> The brackets on each side of the numbers indicate subtraction needs to occur.

# Night Audit Calculations

Once the night auditor has updated each guest folio and posted guest charges to the guest ledger, the next task involves completing three hotel accounting calculations. The most important of the three is revenue per available room (RevPAR), which measures how well the hotel is performing financially. However, in order to calculate the RevPAR, the auditor must first determine the hotel's occupancy percentage (OP), which measures how well the hotel is at attracting guests to the property, and average daily rate (ADR), which determines the nightly average price for rooms sold. Both make up the key pieces of information needed to measure the daily financial performance of the hotel.

## Sample Hotel Accounting Calculations

### Occupancy Percentage (OP)

Measures how successful the hotel is in attracting and selling rooms to guests:

$$\frac{\text{Number of Rooms Occupied}}{\text{Number of Rooms Available}} \times 100 = \text{Occupancy Percentage}$$

Sample OP calculation:  $\left\{ \frac{200 \text{ Rooms Occupied}}{350 \text{ Rooms Available}} = 0.571 \times 100 = 57\% \text{ OP} \right\}$

### Average Daily Rate (ADR)

Determines the average price for rooms sold each night. The formula for calculating ADR is:

$$\frac{\text{Daily Room Revenue}}{\text{Number of Rooms Sold}} = \text{ADR}$$

Sample ADR calculation:  $\left\{ \frac{\$50,000 \text{ Revenue}}{200 \text{ rooms sold}} = \$250.00 \text{ ADR} \right\}$

### Revenue per Available Room (RevPAR)

Measures financial performance of a hotel based on the number of rooms sold against the number of rooms available for sale. The formula for calculating RevPAR is:

$$\text{Average Daily Rate} \times \text{Occupancy Percentage} = \text{RevPAR}$$

Sample RevPAR calculation:  $\left\{ \$250.00 \text{ ADR} \times 0.57 \text{ OP} = \$142.50 \text{ RevPAR} \right\}$

## Yield Statistic

Front office staff are expected to sell rooms at the full rack rate unless the guest qualifies for an authorized rate such as corporate, government, American Automobile Association (AAA) discount, or others special promotions. In order to determine if the sale of room nights is at the most profitable rate, the front office manager will need to calculate the yield statistic. The closer the yield statistic is to 100 percent, the better the hotel is performing. The front office manager will also compare the yield statistic to the occupancy percentage. This allows the manager to see how many rooms had to be sold in order to achieve the yield statistic.

The yield statistic is calculated by determining the ratio of the revenue generated by the actual number of rooms sold against the potential revenue the hotel could have made if all rooms of every size and type had sold at full rack rate. The formula for calculating the yield statistic is:

$$\left\{ \frac{\text{Actual Rooms Revenue}}{\text{Potential Rooms Revenue}} \times 100 = \text{Yield Statistic} \right\}$$

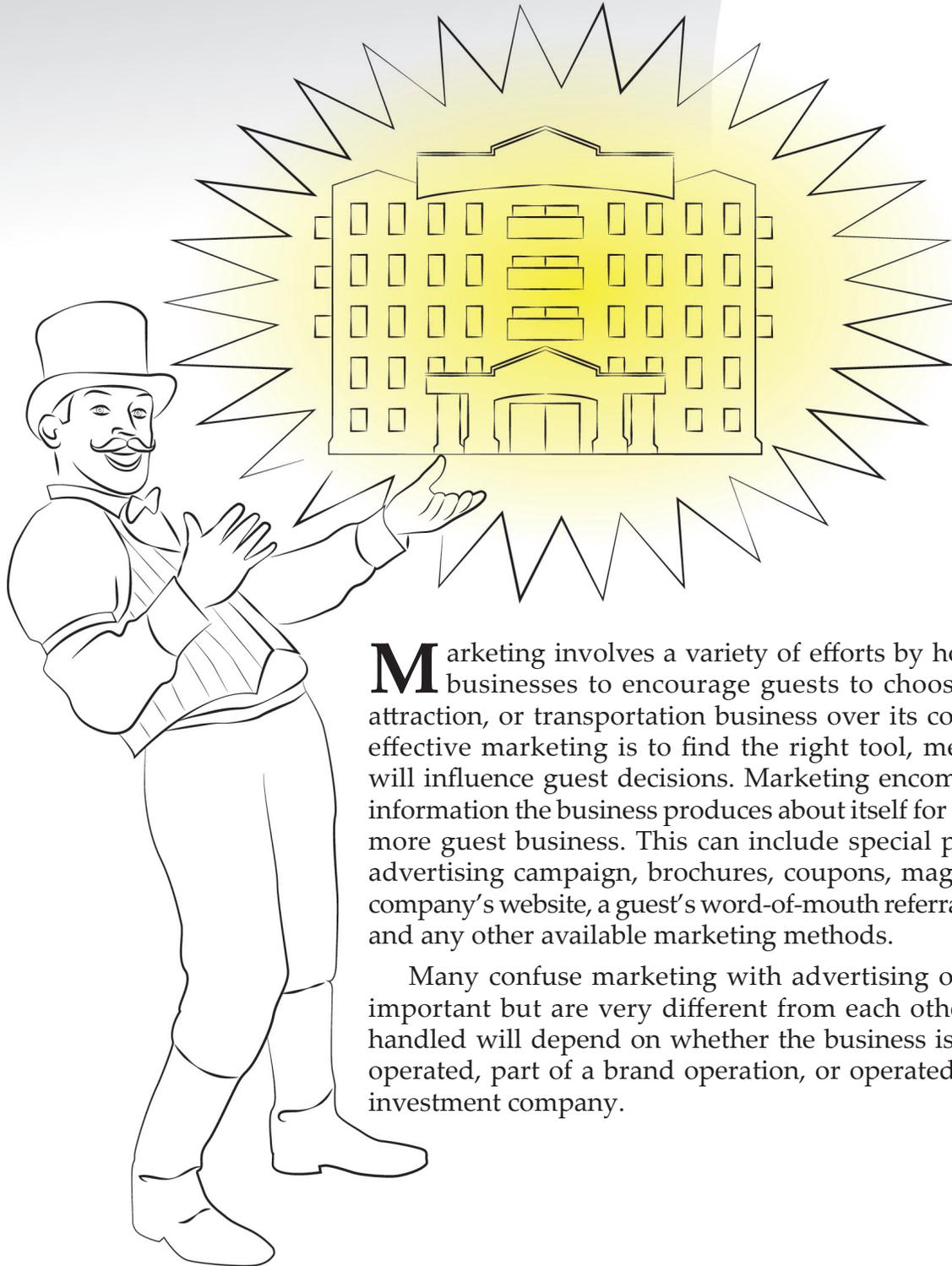
### Sample Yield Statistic Calculation

A hotel has:			
Types of Rooms	Rack Rate	Actual Rooms Sold	Actual Rate Sold
300 Standard	\$119.00	215	\$ 99.00
100 Deluxe	\$159.00	25	\$119.00
50 Jr. Suites	\$259.00	10	\$200.00
50 Executive Suites	\$400.00	15	\$325.00
500 Rooms Total	\$84,550.00	265	\$31,135.00
$\frac{\$31,135.00}{\$84,550.00} = 0.368 \times 100 = 37\% \text{ Yield Statistic (rounded up)}$			
$\frac{265 \text{ rooms sold}}{500 \text{ rooms available}} = 0.53 \times 100 = 53\% \text{ Occupancy Percentage}$			

Looking at the sample yield statistic calculation, it is clear the hotel is only generating 37 percent of the revenue it is capable of producing. Using this number, the hotel manager and employees can easily see they are not successfully selling rooms at a high enough rate. The occupancy percentage also indicates they are selling over half the rooms available at the hotel, which should have everyone asking themselves why the yield statistic and the occupancy percentage are so far apart. The financial goal is to have both showing the same percentage. In order to reach this goal, they must now question how they can improve the yield statistic since the occupancy percentage shows the hotel is successfully selling rooms. Consequently, the next step must be for all employees to plan a better strategy for selling room nights at a more profitable rate.



## Introduction



**M**arketing involves a variety of efforts by hospitality and tourism businesses to encourage guests to choose a hotel, restaurant, attraction, or transportation business over its competitors. The key to effective marketing is to find the right tool, method, or feature that will influence guest decisions. Marketing encompasses every piece of information the business produces about itself for the purpose of gaining more guest business. This can include special promotional offers, an advertising campaign, brochures, coupons, magazine advertising, the company's website, a guest's word-of-mouth referral to family and friends, and any other available marketing methods.

Many confuse marketing with advertising or vice versa. Both are important but are very different from each other. How marketing is handled will depend on whether the business is privately owned and operated, part of a brand operation, or operated by a management or investment company.

## Marketing vs. Advertising

What is the difference between marketing and advertising?

**Marketing**—is a beginning to end process that formulates ideas and plans that bring the buyer to the product or service. Marketing is involved in developing, branding, and designing products, doing research about the customer, planning media campaigns and promotions (which includes advertising) to highlight an item's features and benefits, and building the overall business by attracting guests.

Marketing activities include:

- Market research
- Effectiveness of advertising campaigns and promotions
- Sales generated by advertising
- Public relations
- Measuring guest satisfaction with products and services

**Advertising**—is part of the marketing process and involves a business's paid, public, non-personal, persuasive messages promoting guest use of its services. Typically, advertising focuses on a single product or service by promoting the reasons guests should choose a hotel, restaurant, attraction, or transportation business over the competition.

Advertising is done through:

- Radio and television commercials
- Newspaper and magazine advertisements
- Flyers
- Brochures
- E-mails
- Web advertisements
- Calls to potential clients



# Operational Role of Marketing

The marketing department is responsible for managing the business of marketing for the hotel, restaurant, attraction, or transportation business. Each member of the marketing team must put available time, budget, and resources to good use by developing programs that drive guest and market awareness of the specific business. Marketing begins by researching the guests most likely to use a particular product or service. Then, based on the research information, an advertising campaign can be created to raise guest awareness of the product or services. A successful advertisement should generate sales that are tracked by the marketing team to determine how successful the campaign was at generating revenue.

## Pineapple Fun Fact



The Savoy in London, England, opened in 1889, marketing itself as offering the latest in guest amenities. In particular, bathrooms with hot and cold running water removed the need for housekeepers to hand-deliver water for bathing each day. However, not everyone was impressed; in 1893 the writer Oscar Wilde commented: "What is it good for? If I want hot water, I call for it."

## Market Research

Questions asked during research include:

- Who are the potential guests for this product or service?
- What do potential guests want or need?
- How can those needs be met?
- What are potential guests willing to pay?
- What would be an attractive price for this specific product or service?
- Who are the competitors, and what are their strengths and weaknesses?
- What product or service is the competition unable to provide and how can that be emphasized to guests?

In order to conduct the research and create a successful plan for promoting a product or service, the marketing team must:

1. Assess the information learned from the research
2. Determine the product or service most likely to attract guests
3. Set business objectives and goals
4. Align the marketing budget and activities to the business's objectives
5. Build a campaign, promotion, special offer, or other marketing method for a product or service
6. Measure and report the performance of each marketing effort
7. Establish the framework for each marketing effort's performance by measuring **Return on Investment (ROI)**

### The Formula for ROI

Measuring the Return on Investment is the most effective method for determining if the money spent provided enough sales to make it worth the cost of marketing a product or service. The marketing goal of every business is to generate the largest amount of sales possible to guests.

The formula for measuring ROI is:

$$\text{ROI} = \frac{\text{Gain for Investment} - \text{Cost of Investment}}{\text{Cost of Investment}}$$

## TERMS YOU SHOULD KNOW

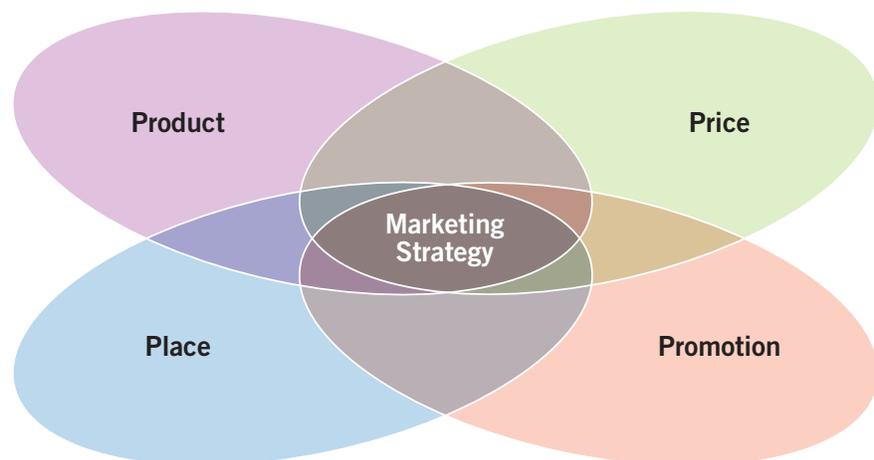
**Return on Investment (ROI)**— a performance measurement used to evaluate whether the cost of generating business produces enough profit to make it worth the investment of money, time, and effort.

# Basic Four Ps of Marketing

## TERMS YOU SHOULD KNOW

**Marketing Plan**—the specific actions planned to interest potential clients in a specific product, good, or service, and to persuade them to buy those items. The marketing plan is used to implement a marketing strategy.

**S**trategy is the key to successful marketing because it helps to determine the best way to bring in guest business. The basic four Ps are used to create the right **marketing plan** that can attract guests from within the group of customers most likely to use or purchase the product or service. This involves careful planning and thought since one element has influence over the other choices. This is known as creating a marketing mix—the right product at the right price, offered in the right place and promoted in the right way—that is subject to change and must be monitored and modified as needed. Once the basic plan is in place, the remaining Ps of marketing (which will be covered in year 2 of this program) come into use to refine and add detail to the goals.



In order to effectively position the hotel, restaurant, attraction, or transportation business, the four Ps of marketing should be used:

**Product**—match the product to the right market

Questions the marketing team must ask when selecting a product are:

- What does the guest want from the product or service?
- What guest need will it satisfy?
- What benefits or features are attractive to guests?
- How is it different from the competition's product or service?
- What must the product or service cost in order to be profitable yet attractive to guests?

**Price**—offer the product at the price the market is willing to pay

Questions the team must ask when deciding on a price for a product or service are:

- Is the guest price sensitive?
- Will a slight decrease in price help gain more sales?
- Will a slight increase in price be noticed?
- How will an increase or decrease in price affect profits?
- How does the price compare to the competition's pricing?

**Place**—distribute the right product at the right price in the right place to the market

Questions to ask when selecting the right place for marketing the product or service are:

- Where do guests look for this type of product or service?
- How likely are they to search online or go to a website?
- What would be the best place to advertise the product or service?
- Where should the sales team focus their efforts?
- What places does the competition use and how effective are their efforts?

**Promotion**—promote the right product, price, and place in the right way

Questions to ask when selecting how to communicate with potential guests are:

- Where and when can the product or service be effectively promoted to guests?
- Is this a seasonal product?
- How does the competition handle their promotions?
- What can be learned from the competition's efforts?
- How will the guest audience be reached?  
For example :
  - Newspapers
  - TV or radio
  - Internet
  - Billboards
  - Flyers

# Lodging Market Segmentation

## TERMS YOU SHOULD KNOW

**Market Segmentations**—the process whereby managers divide a varied market into distinctive and relatively homogenous subgroups or segments such as the convention or family reunion markets.

**Target Market**—the market segment for which a property is best suited such as a beachfront property marketing a special promotion to attract families on vacation.

All hospitality and tourism industry businesses will analyze the various guest markets or **market segmentations** to determine the group most likely to be attracted to the hotel, restaurant, attraction, or transportation business. The reason behind this marketing practice is to target a variety of consumer groups with different behaviors to determine each group's needs and budgets. Individuals within each group will have shared characteristics and needs that, once identified, allow the hotel to determine the purpose of the stay. The most common reasons are either business or leisure. Once this information is known, a marketing or promotional offer can be developed to sell a product or service to the segment. By knowing how different market segments may respond to specific marketing efforts, the marketing team can ensure marketing dollars are spent effectively.

## Target Markets

One important decision the marketing team must make early on concerns the guests, or **target market**, they wish to attract to the hotel, restaurant, attraction, or transportation business. Selecting the right target market is critical since it will influence other major decisions during the creation of the marketing plan.

Selecting the right target market will answer the question of who will be attracted to:

A specific product being marketed  
 at a certain price  
 which, in turn, will help  
 decide the right distribution tools for  
 communicating the marketing  
 messages as part of  
 promoting the product and  
 price effectively

TARGET

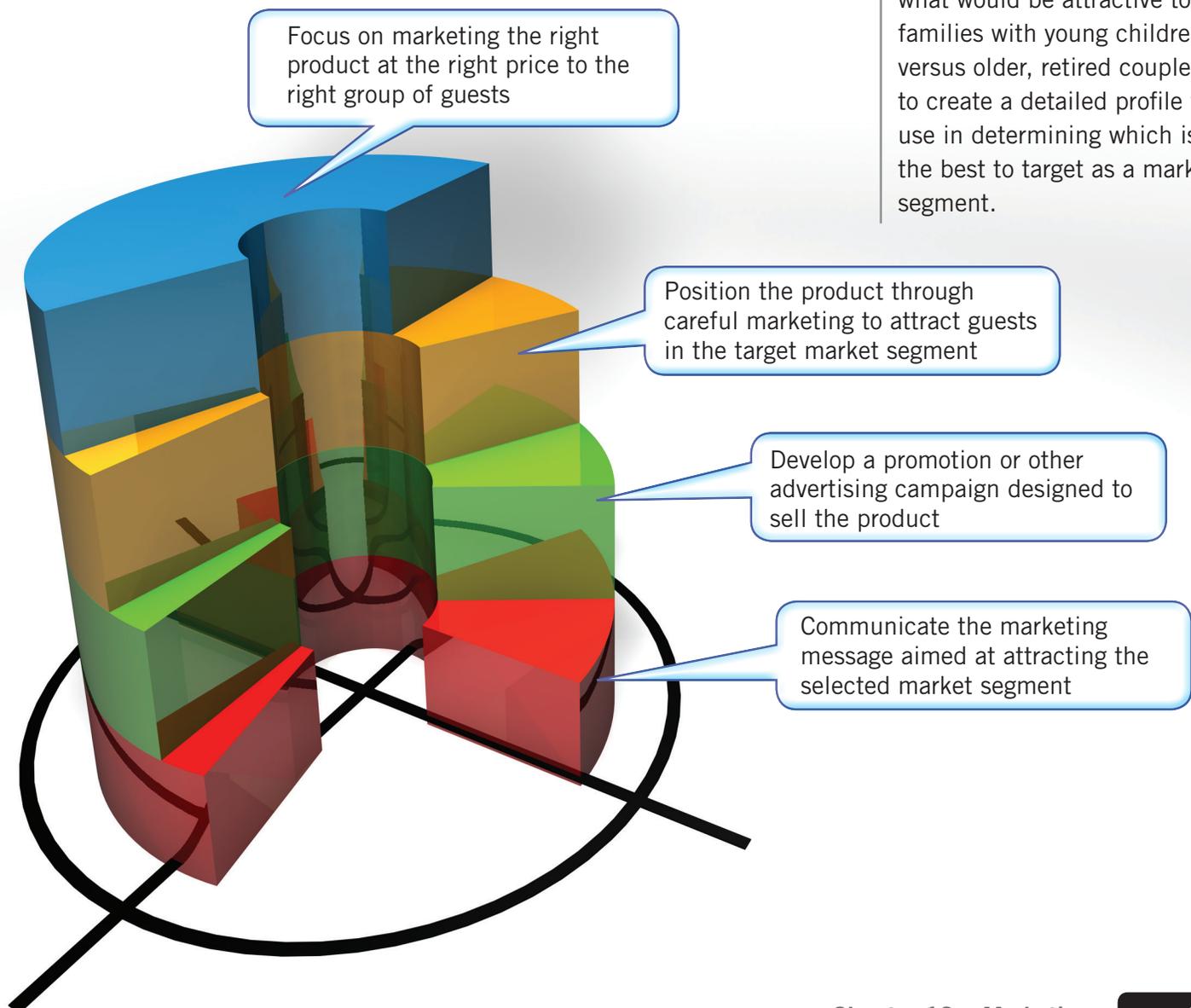
## Demographics and Psychographics

Market segment researchers will typically use **demographics** and **psychographics** to answer the questions of:

- Who are the guests in each market segment?
- What are the needs or preferences of each market segment?
- What services does each market segment want from a business like mine?
- What communication tools can effectively reach each market segment?
- Based on the answer to my questions, which market segment is the best match to what my business has to offer?

### Positioning the Product

Once a target market segment has been identified, hospitality and tourism businesses can:



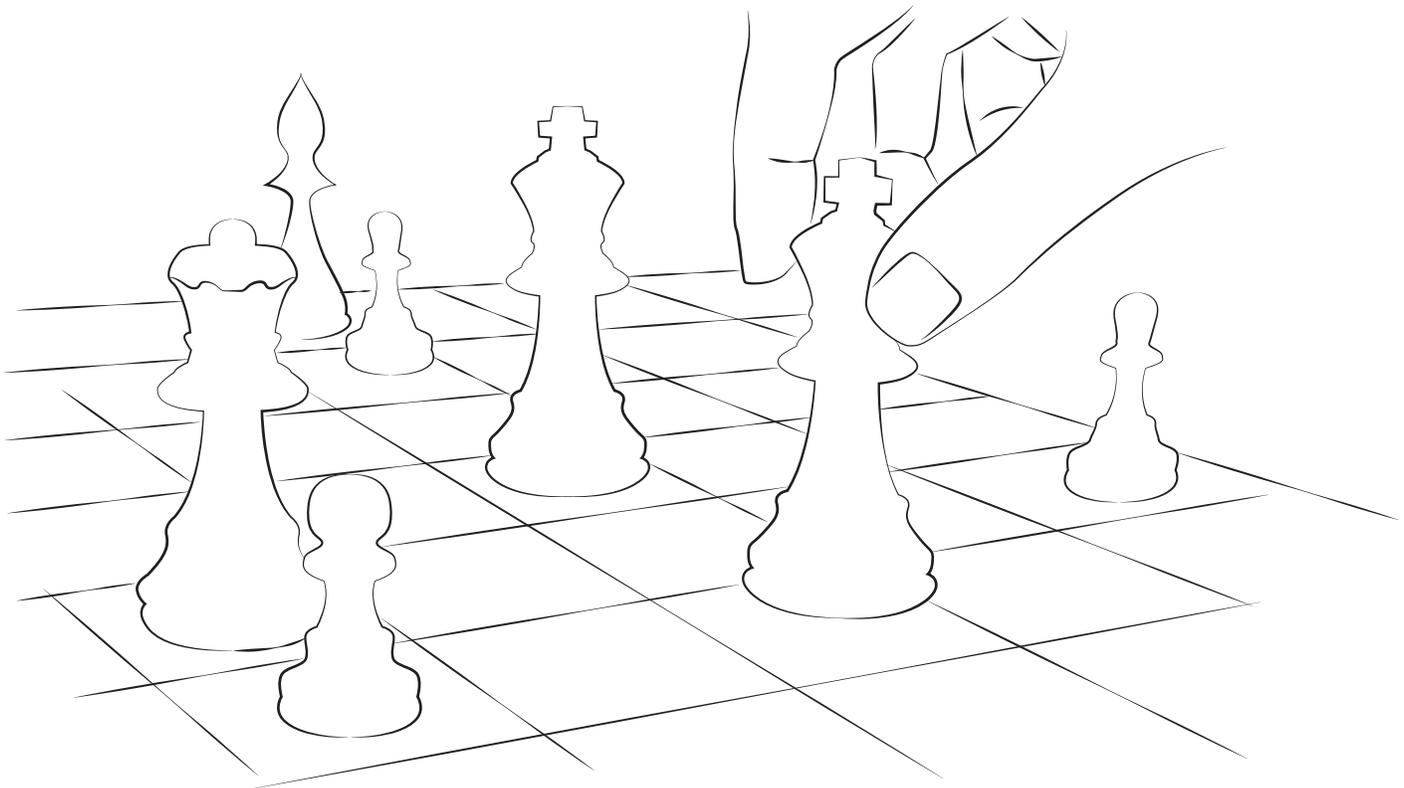
### TERMS YOU SHOULD KNOW

**Demographics**—the analysis of a variety of factors such as age, gender, educational level, income, marital status, occupation, religion, and family size to identify and group guests into a specific market segment.

**Psychographics**—the analysis of the lifestyle choices and preferences of guests, such as discovering what would be attractive to families with young children versus older, retired couples, to create a detailed profile for use in determining which is the best to target as a market segment.

## Tools of Marketing

To guarantee each marketing dollar is well spent, the marketing department has to decide on the type of tools and strategies that will be the most effective with the selected target market. A marketing strategy describes how the organization will achieve its marketing objectives, and needs to be realistic about the cost of implementing the strategy.



## Types of Marketing Tools

Because strategies lack detail, the next step is to decide on the tactics that will produce the most sales. Tactics involve the use of an assortment of marketing tools. Each one will vary according to the type of campaign or promotion developed, media used, and sales goal.

### Direct Marketing

Marketing messages are communicated directly to guests in a specific target market. One advantage of direct marketing messages is the results of the effort can be easily measured. The measurement is known as a response rate. As guests respond to the campaign or promotion, they are asked how they learned about it. The count of each source cited is used to calculate each marketing effort's response rate percentage. For example, a hotel website can ask guests making an online booking for a special weekend rate how they learned about the promotion. The higher the percentage, the more successful the direct marketing effort was in reaching guests.

One of the most common tools is direct marketing which focuses on the guest using:

- Mobile messaging
- E-mail
- Interactive consumer websites
- Online display ads
- Fliers
- Catalogs
- Promotional letters
- Outdoor advertising
- Social media
- Toll-free phone number
- Postage-paid postcard





## **Search Engine Optimization (SEO)**

The power Internet searches have over today's marketing efforts cannot be stressed enough. Through a tool known as Search Engine Optimization (SEO), website marketing experts research and carefully use a series of words potential clients may enter when searching for hospitality and tourism options. Why? Because the sole purpose of marketing using SEO is to spread the word about available products and services. Using key words in the marketing materials, website, or shopping cart title and content, the SEO expert can increase the chances of an Internet search hit during a potential client's web search.

If the SEO expert has done the research on the market segment correctly, and determined who is most likely to be attracted to the business, he or she can then identify the most relevant key words. Incorporating the key words a consumer is most likely to enter will significantly increase the chances of a potential client finding the business's website.

Most search engines rate the frequency of a key word hit along with the quality of the content of the site, then rate it as either an authoritative content site or not. The higher the rating, the more likely a website's link will appear on the first page of the search results. Poorly rated websites are considered to have worthless content and will appear on the last pages of a search. The goal of SEO is to constantly update and refresh the key words used to produce search engine hits in order to maintain a high SEO rating.

## **User Registration Database (URD)**

To create a user registration database, the gathering of specific information from the user is necessary. Typically, this will include the person's name, physical address, business name, phone numbers, and e-mail address. Since the average person will not complete a long form, limiting the fields to the needed information is a good practice. Using this information, the marketing team will send either hard-copy or electronic marketing newsletters to the potential guest.



# Structure of the Sales Department

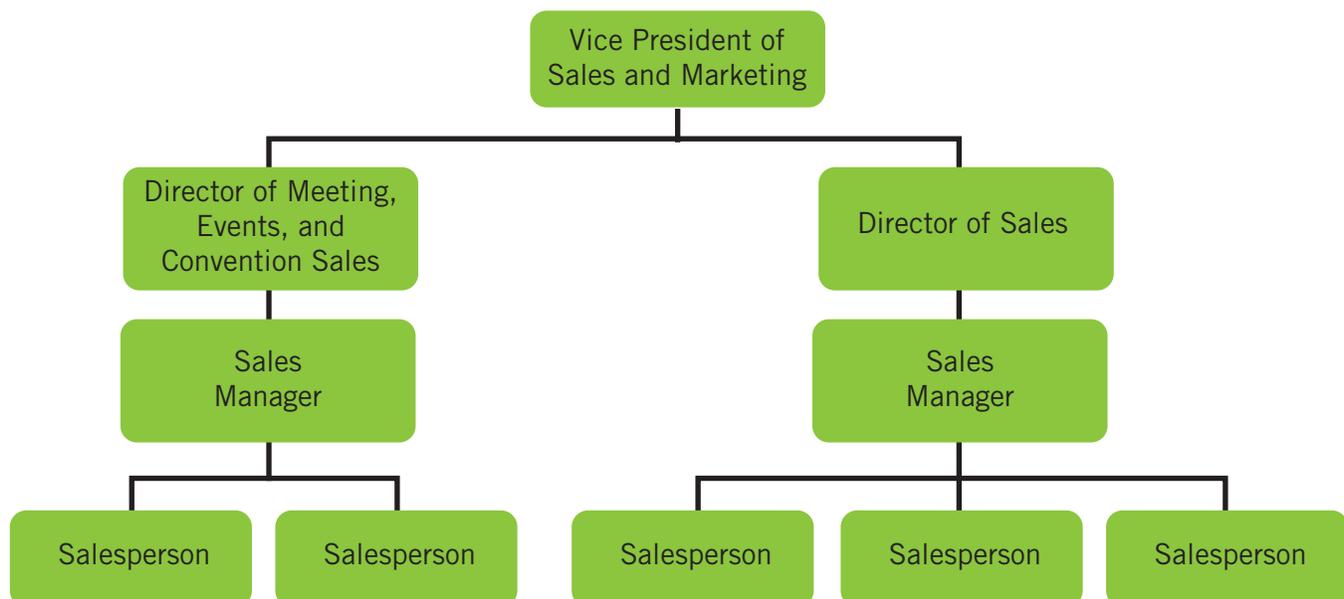
The sales department will vary according to the type of hospitality and tourism products, goods, or services being sold. This is also true of the job positions and number of staff employed in the sales department. However, the responsibilities of the sales professional will be basically the same:

- Find and connect with potential clients
- Present the products, goods, or services in a desirable way
- Answers questions and solve problems about the products, goods, or services
- Assist clients to select right-fit products, goods, or services
- Make the sale

In order to accomplish his or her responsibilities, the sales professional must be willing and able to:

- Be organized and use good time-management skills
- Use good listening skills
- Be well-spoken
- Set and achieve sales goals
- Use good influencing skills
- Focus on the client's needs
- Build strong, long-term relationships with the clients

Sample Sales Organizational Chart





## Sales Positions

### Vice President or Director of Sales and Marketing

- Responsible for identifying and implementing sales strategies
- Responsible for creating a sales plan and monitoring its success throughout the year
- Responsible for all aspects of the sales operation
- Responsible for identifying new sales opportunities

### Director of Meeting, Events, and Convention Sales

- Responsible for identifying sales opportunities in specialty areas
- Responsible for overseeing the meeting, events, and convention sales team
- Responsible for managing the meeting, events, and convention sales operation

### Director of Sales

- Responsible for managing daily sales operations
- Responsible for overseeing sales managers and sales staff

### Sales Manager

- Responsible for guiding the day-to-day sales efforts
- Responsible for assisting in identifying new sales opportunities

# Prospecting

## TERMS YOU SHOULD KNOW

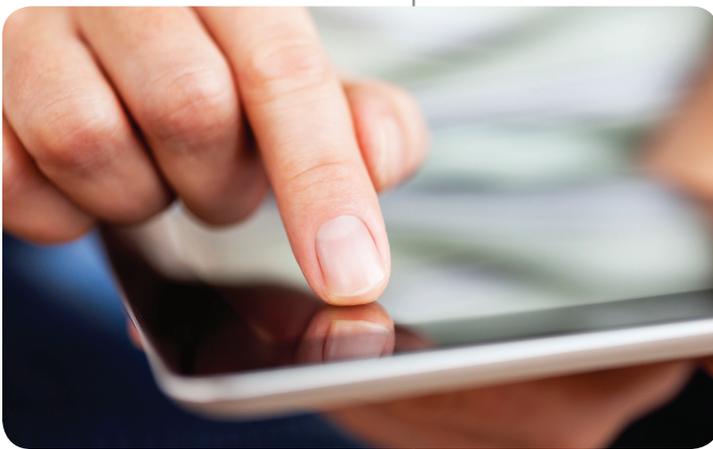
**Cold Call**—a sales tactic of visiting or phoning potential clients who were not expecting to be contacted by a salesperson. In some countries this is no longer allowed.

When asked what is the most challenging part of the job, a sales professional will usually answer in one word—prospecting. Prospecting requires the salesperson to continuously be on the lookout for new clients. This is especially true of hospitality and tourism sales staff since selling guestrooms, meals, admission, and transportation is an ongoing process.

## Internet Prospecting Tools

Another big change has been in the approach to sales. Where once the **cold call** was the sales professional's prospecting tool of choice, it has been replaced by more effective Internet-based methods capable of quickly reaching large numbers of potential guests. Today's sales professional is discovering new sales best practices using technology and the Internet, particularly in the area of prospecting.

The two main Internet prospecting tools are:



**Online Lead Generation**—the use of a custom form to be completed by a potential client prior to being given access to some type of online website offer, information, or content. Typically, the online offer is used to attract a specific market segment or guest demographic. This prospecting method allows sales to collect usable information on potential clients that can then be followed up with an e-mail or phone call. A privacy policy disclosure must accompany the form that requires the user to click “accept” before completing the process.

**Customer Relationship Management (CRM) Database**—the CRMs used in hospitality and tourism can include personal guest information, such as contact addresses and phone numbers, as well as family size, location, and other demographic information, or organizational information for business, group, or convention business. The CRM database should be used to record purchase information, service calls, customer support needs, and contract information. Anything relative to past and future customer interactions should be placed in a CRM database.

## Networking and Relationship Building

A business network is a type of social network whose reason for existing is to generate business activity. Networking allows the salesperson to build new relationships while creating business opportunities as well. Often considered a very cost effective way to generate new business, it does involve a personal commitment since it requires each salesperson to build one-on-one relationships with existing and new clients.

Many find a business network an effective way to manage the time commitment networking requires. In a business network, members meet on a regular basis for the purpose of exchanging business leads and referrals with one another. Using the new information, each salesperson follows up by contacting each sales lead to begin the process of developing a new business relationship.

## Building Strategic Alliances

This relationship is typically less formal. It allows businesses targeting the same market segment to work together to build attractive products, goods, or services that highlight the advantages and cost savings available to potential clients. For instance a hotel, florist, and photographer join forces to produce a marketing/advertising campaign for brides that packages all three brands into one product for sale at a promotional price. The goal of all three is to increase business by joining forces.

## Referrals

Referrals are a traditional, very effective sales tool used to collect the names of potential new clients from existing customers. One reason this is a favorite of sales professionals is that the referral is coming from a known customer who is helping to widen the circle of relationships for the salesperson. It is a win-win for everyone. The client being referred has a word-of-mouth recommendation from someone he or she trusts, and the salesperson has a very good chance of making a sale. This creates an advantage by cutting out the sales lead screening process, thus saving time and money. Usually, a referral results in a potential client in the market for the products, goods, or services represented by the salesperson, making the time between initial contact and closing the sale quick and efficient.



# Types of Sales

The purpose of any sales tactic, method, or tool is to exchange products, goods, or services with a client, customer, or guest for a specific amount of money. This is the basic role of sales in any business. How that is accomplished depends on the situation, type of client, what type of item is being sold, and the client's timeline for completing the sales process.

## Traditional Sales

The first task of any sales professional is to build a client base of regular users of his or her company's products, goods, or services. In the hospitality and tourism industry, this will often involve having a corporate client base that regularly needs accommodations, food service, entertainment, and transportation provided by outside vendors. The salesperson acts as the vendor representative, determines the client's needs, and matches them to products or services available from his or her business. The next step is to present the product or service options to the client, assist in the selection process, and attach a price to the item selected by the client. Using the client choices and the costs associated, the salesperson will write a contract, and have it approved and signed by the client. Once a signed contract is in place, the products or services can be provided for client use.

Typically, sales professionals will conduct this type of sale with:

- Existing clients to sell existing products, goods, and services
- New clients to sell existing products, goods, and services
- Existing clients to sell new products, goods, and services
- New clients to sell new products, goods, and services



## Upgrading

Selling is the job of every employee, especially for those working in the hospitality and tourism industry. Many see sales strictly as the responsibility of the sales team; however, upgrading guests by means of upselling, cross-selling, and suggestive selling can often be accomplished by non-sales employees as well. These three techniques are effective ways to increase revenues and training is the key to getting everyone on board using these methods. For example, hotels have a variety of room types and rates. When guests check in, the front desk may simply quote a room rate and make no attempt to sell additional services or amenities. Training front desk staff to offer guests other room options by highlighting added features that justify a rate increase, can frequently result in a guest deciding to move up to a nicer view, more amenities, or a larger space. This is particularly true of business travelers. The three tools both sales and non-sales staff can choose to use are:

**Upselling**—this practice encourages a client or guest to upgrade to more expensive products, goods, or services. The advantage is the client or guest gets a better or higher grade item while the company makes a more profitable sale.

**Cross-selling**—this technique involves selling additional products to an existing client. The advantage to the client is dealing with one supplier/vendor for multiple products, goods, or services, while the company increases its products, goods, or services sales base.

**Suggestive selling**—this type of selling influences a guest's choice by highlighting a variety of options using words that describe the item to make it appealing. Restaurant servers often use this as a way of selling appetizers and desserts.



## Specialty Sales

The area of specialty sales is a major source of revenue for the hospitality and tourism industry. Often, it is the second-highest source of revenue for hotels, restaurants, and entertainment venues. Frequently, clients or guests traveling for fun or business will have a need for blocked guestrooms, meeting space, group dining, and special events. This need is met by the sales professionals who focus on the specialty line of sales. The most common types of specialty sales are:

**Group sales**—focuses on group sales for weddings, family reunions, organized tour groups, school trips, and other event involving a large number of guests.

**Catered event sales**—focuses on planned events involving food and other activities typically available to family groups, company outings, and organizational events.

**Meeting room sales**—focuses on planned off site meetings by business travelers, organizations, and other groups.

**Convention/conference sales**—focuses on providing all aspects of a convention or conference group's needs, including hotels rooms, meeting space, exhibitor space, and meals.



# Operational Safety

**O**perational safety policies and procedures are a necessary part of hospitality and tourism responsibilities to prevent accidents and injuries. By implementing three simple operational safety rules, a business can set expectations for employees about workplace safety and their contribution to a safe work environment and accident-free operation.

The three operational safety rules are:

1. Take adequate time. No job is so urgent that you must do it in an unsafe, hurried manner. Make time to correct unsafe conditions immediately. If an unsafe or hazardous condition cannot be corrected in a timely manner, report it at once to management.
2. Do it safely the first time. Every employee must do his or her job in a safe and correct manner. This is the best way to prevent accidents.
3. All hospitality and tourism businesses should have a safety policy which explains the rules for a safe work environment to employees and the expectation for employee use of safe work practices.



## Slips, Trips, and Falls

Almost one in every five work-related injuries results from a slip, trip, or fall. Falls kill more than 1,200 people at work each year. That makes them the biggest cause of workplace fatalities after motor vehicle accidents. Slips, trips, and falls are expensive, disruptive, painful and sometimes tragic. However, there are many situations that can cause slips, trips, and falls which can be prevented by eliminating workplace hazards and training employees to take workplace safety seriously.

Best practices for preventing slips, trips, and falls are:

- Wear correct footwear that is appropriate for work and weather conditions inside and outside.
- Remove mud, snow, etc., from shoes when entering a building.
- Be aware of changes in surface levels and work floor coverings. Alter your stride to take shorter, slower steps.
- Walk, don't run, through work areas. Don't take "shortcuts" around machinery and equipment. Avoid areas that are cluttered or dimly lit.
- When carrying a load of items, make sure you can see over and around it. Get help to carry heavy or awkward objects and use carts or other aids for carrying heavy loads.
- Clean up, correct, remove or report unsafe conditions such as spills, electric cords, frayed carpets, worn stairs and other hazards that could result in a slip/trip/fall injury. Warn others that a hazard exists by placing signs or cones or by isolating the hazard with caution tape or barricades.
- Do not allow equipment, tools, materials or other obstacles to accumulate in aisles or walkways. Never store or place items on stairs.



- Keep desks and file cabinet drawers closed when not being used or when unattended.
- Always use a ladder or step stool. Never stand on a chair, desk, shelf, crate or box, or any other unstable item to reach something.
- Walk erect using even strides and good balance. Always use handrails when available.
- Maintain floors so they are clean and free of water, oil, or grease. Areas such as the engineering shop may need to be periodically steam cleaned. Tiled floors such as in kitchens should have an etched or rough surface.
- Apply non-slip surfacing such as adhesive backed sheets, anti-slip paint, open-spaced grates, or mats, to ramps, docks, platforms, kitchen tiles, or stairways thought to be hazardous.
- Paint edges where elevation changes occur with “caution yellow” paint. Post signs to warn of dangerous areas.
- During winter months, remove snow and ice and apply sand and salt before employees and guests use a walkway. Note areas that drain poorly, retain snow, or are habitually slippery, and initiate permanent changes to eliminate the hazard.
- Conduct periodic inspections of the property and grounds to identify and correct slip, trip, and fall hazards. Consider hazards to employees and guests. Inspect interior and exterior walkways, stairs, handrails, pavement conditions, parking areas, and lighting for needed repairs or changes to correct a safety issue.



## Fire Safety

Preparedness on the part of a hospitality and tourism business is the key element of fire safety. This requires developing a fire-safety plan which includes:

### Fire Protect Systems

- Fire alarms such as a visual alarm and voice alarm for guests with disabilities (ADA requirement)
- Sprinklers
- Fireproof doors
- Guestroom smoke detectors



## Fire Safety Plan

A fire safety plan must include:

1. A procedure for reporting a fire.
2. A procedure for notifying, relocating, or evacuating occupants.
3. A site plan showing:
  - a. Guest assembly point(s)
  - b. Location of all fire hydrants
  - c. Routes to be used by fire department vehicle access
4. Posted floor plans (on room-side guestroom doors) identifying the locations of the following:
  - a. Exits
  - b. Primary evacuation routes
  - c. Secondary evacuation routes
  - d. Accessible exit routes for guests with disabilities (ADA requirement)
  - e. Areas of refuge
  - f. Manual fire alarm boxes
  - g. Portable fire extinguishers
  - h. Occupant-use hose stations (wall-mounted fire hose boxes located in building hallways)
  - i. Fire alarm annunciator (buzzer) and controls
  - j. Sprinkler control valves
5. A list of major fire hazards associated with the normal use and occupancy of the premises, including maintenance and housekeeping procedures such as kitchen grease and trash can fires.
6. Identification and assignment of personnel responsible for maintenance of systems and equipment installed to prevent or control fires.
7. Identification and assignment of personnel responsible for maintenance, housekeeping, and controlling hazard sources such as gas cans containing fuel for lawnmowers and leafblowers.

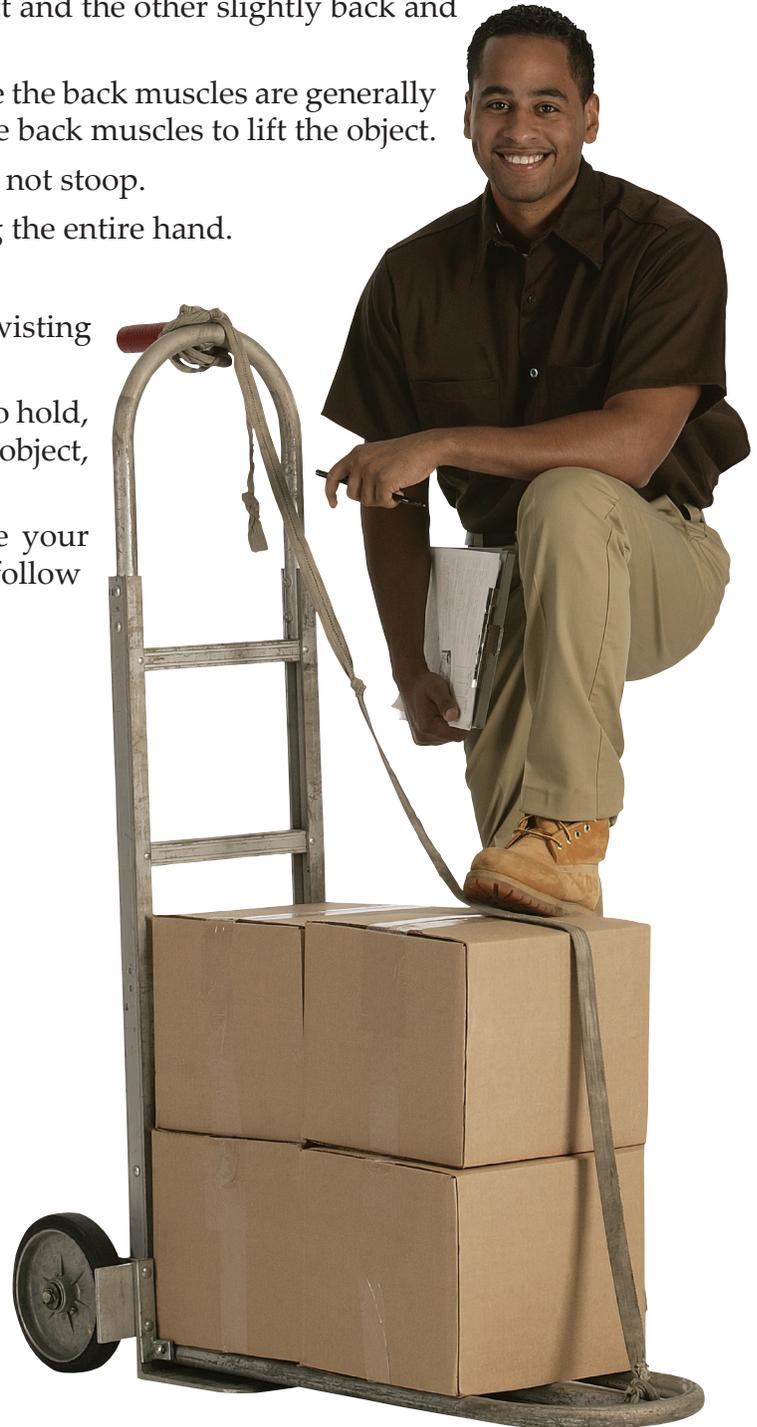


## Safe Lifting

One of the most common on-the-job injuries is due to improper lifting. This type of injury can be reduced or prevented by following these guidelines for safe lifting:

### Guidelines for Safe Lifting

1. Inspect the object before lifting. Do not lift any item that you cannot get your arms around or that you cannot see over when carrying.
2. Look for any protrusions, especially when lifting trash or bundles of linen. Quite often, these items can contain pointy objects or broken glass. Exercise special care to avoid injury.
3. When lifting, place one foot near the object and the other slightly back and apart. Keep well balanced.
4. Keep your back and head straight. Because the back muscles are generally weaker than the leg muscles, do not use the back muscles to lift the object.
5. Bend slightly at the knees and hips but do not stoop.
6. Use both hands and grasp the object using the entire hand.
7. Lift with the leg muscles.
8. Keep the object close to the body. Avoid twisting your body.
9. If the object feels too heavy or awkward to hold, or if you do not have a clear view over the object, set it down.
10. When setting an object down do not use your back muscles. Use the leg muscles and follow the procedures used to lift objects.





# Introduction

## TERMS YOU SHOULD KNOW

**Human Trafficking**—the act of recruiting, transporting, transferring, harboring or receiving a person through a use of force or other means, for the purpose of exploiting them. Exploitation occurs when the person is forced into illegal acts such as prostitution, unpaid labor, or slavery.

**S**ecurity in the hospitality and tourism industry must be capable of protecting guests, employees, and the physical assets of the property from criminal activities, severe weather, and emergency situations. This is particularly true of a hotel, which serves as an overnight home base for guests. Consequently, security efforts are not limited to crimes such as theft. Today, hotel security needs to be capable of dealing with anything from housing guests during a hurricane, to preventing meth lab activities, to monitoring for **human trafficking**. Following the events of September 11, 2001, security took on the stronger role of guarding against acts of violence and terrorism to ensure guests and employees a secure place to stay and work.

It is not the role of hotel security to replace law enforcement but to act as a watchdog for guests, employees, and property security by building a good relationship with the local authorities. Communication is a key element in security. Hotel security staff must communicate effectively with employees, law enforcement, and other community agencies to guarantee that appropriate levels of security are achieved.



# Hotel Security

Security functions somewhat differently in a hotel than it does for other types of businesses involved in the hospitality and tourism industry. This is because guests are taking up temporary residence at the property and have the right to feel protected against harm. Consequently, hotels have the added responsibility of exercising **reasonable care** when providing guests with a safe and secure place to stay. This duty of reasonable care mandates vigilance in protecting guests from foreseeable risks. The obligation to protect guests is not met merely by warning them, but must be combined with a security program meant to maintain a secure property.

The Reasonable Care Standard used by most hotels states:

- Hotels have a general duty to exercise “reasonable care” for the safety and security of their guests.
- Hotels have a general duty to reasonably protect guests from harm caused by other guests, employees, or non-guests.
- Hotels have an affirmative duty to make the premises reasonably safe for their guests. This obligation includes a two-fold duty to either correct a hazard or warn of its existence.

## Innkeepers Laws

The **innkeepers laws** date back to the days of horse and carriage travel and are based on **common law**. These laws began as a way to provide travelers with a safe haven at night and, to this day, each state has its own statutes and court rulings which hotels are expected to know and follow. Specifically, innkeepers laws include statutes about the type of security program hotel security personnel must have in place.

Some of the areas covered by innkeepers laws are:

- Locking systems, key control, and access control
- On-premises security personnel
- Lighting and door viewports
- Police/local law enforcement liaisons

### TERMS YOU SHOULD KNOW

**Reasonable Care**—the degree of care that a cautious person would use under like circumstances.

**Innkeepers Laws**—laws passed in the 1700s to protect travelers and overnight guests from inconvenience and injury. The laws today focus on the hotel operator’s areas of responsibility such as guest security, evictions, and discrimination.

**Common Law**—the general body of case law that governed England and the American colonies prior to the American Revolution. The principles and rules of action that derive their authority from the community customs and traditions that evolved over the centuries as interpreted by judicial tribunals.

# In-House Security

Most hotels use either in-house security staff or an outside private security firm to provide on-premises protection for guests and the facility. Typically, a security officer is outfitted with a badge and uniform to make him or her clearly identifiable. The security officer's role is to serve in a protective capacity by stopping and holding anyone they believe to be engaged in a criminal activity until local law enforcement arrives on the scene. This is accomplished by making a citizen's arrest.

Only law enforcement officers can exercise the lawful power of arrest on a person suspected of committing a crime, but most states allow individuals to make a citizen's arrest by lawfully depriving a person of his or her freedom when caught in a criminal act. However, in order to be capable of making a citizen's arrest, the security officer must be fully trained on the applicable statutes and laws in that specific state at the time they are hired into the position.

The key functions of a security officer are to:

- Patrol all areas of the property at random times to ensure guest and employee safety and security.
- Investigate any incidents reported by guests and employees, determine if law enforcement should be involved, and assist law enforcement as needed.
- Report to management the results of daily patrols, all investigations, and other security activities experienced.

## Front Office Security

The front office plays an active role in protecting both its guests and the property as a whole. Both front desk and uniformed services employees are able to continuously observe everyone who arrives and departs from the property. They are also in a good position to spot and report any suspicious activities, items, or vehicles. Front office participation involves a two-pronged approach when assisting security staff by:

1. Safeguarding sensitive guest information and confidentiality
2. Maintaining watch (when possible) over areas such as the:
  - a. Lobby
  - b. Parking lot
  - c. Back of house office spaces
  - d. Restaurant entrances
  - e. Elevators
  - f. Guest hallways
  - g. Pool/gym/recreation entrances

### Pineapple Fun Fact



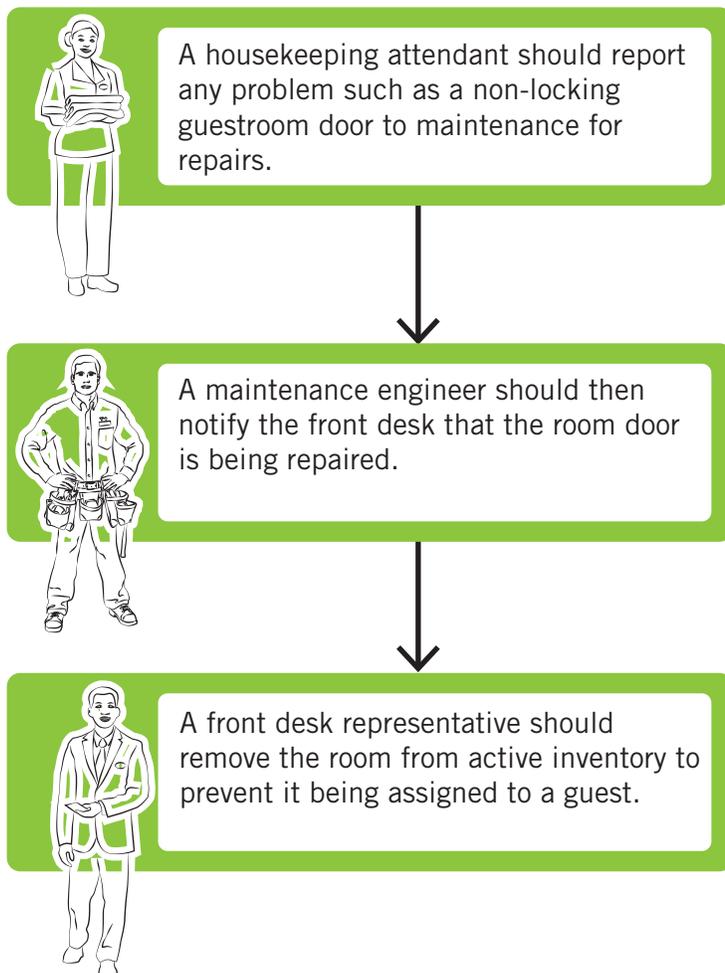
On July 2, 1777, the Vermont Constitution was adopted at Elijah West's Tavern in the township of Windsor. It was the first in the new world to outlaw slavery and to require a free education for all citizens, male and female. Today, the property is a Vermont State Historic Site known as The Old Constitution House.

During emergency situations, the front office can also act as central command under the direction of the security director, officers, and any local agency involved such as the police or fire department. The front desk is expected to make contact with each guest on property at the time and communicate any emergency procedures the guest needs to be aware of and follow. Uniformed services can control access to and from public areas, meeting spaces, and guestrooms, as well as help move guests to a safe location or distance if necessary.

## Guestroom Security

Housekeeping has a special responsibility for guestroom security since employees have direct access to both guestrooms and the guest's personal property. Housekeeping staff are also in a position to monitor for intruders, use of guestrooms for illegal activities, presence of weapons, and the planning of possible acts of terrorism.

While cleaning guestrooms and public spaces, housekeeping should check items such as locks, deadbolts, window latches, and other security devices to make sure they are in good working order. For example, to protect both guests and the property against a potential crime:



### AMERICAN HOTEL & LODGING ASSOCIATION

## GUEST SAFETY TIPS

- 1** Don't answer the door in a hotel or motel room without verifying who it is. If a person claims to be an employee, call the front desk and ask if someone from their staff is supposed to have access to your room and for what purpose.
- 2** Keep your room key with you at all times and don't needlessly display it in public. Should you misplace it, please notify the front desk immediately.
- 3** Close the door securely whenever you are in your room and use all of the locking devices provided.
- 4** Check to see that any sliding glass doors or windows and any connecting room doors are locked.
- 5** Don't invite strangers to your room.
- 6** Do not draw attention to yourself by displaying large amounts of cash or expensive jewelry.
- 7** Place all valuables in the hotel or motel's safe deposit box.
- 8** When returning to your hotel or motel late in the evening, be aware of your surroundings, stay in well-lighted areas, and use the main entrance.
- 9** Take a few moments and locate the nearest exit that may be used in the event of an emergency.
- 10** If you see any suspicious activity, notify the hotel operator or a staff member.

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# Key Control

A key control system is essential to preventing unauthorized access to all areas of the hotel. Keys issued to employees use a key numbering system to identify the areas the key can access and should only be issued to employees by a member of management. Any key issued as part of an employee's job responsibilities must go to a staff member with a valid work reason for accessing an area and the key must not be taken from the property. All other keys can be issued to employees on an as-needed basis. Most hotels keep employee-use keys locked in a safe or key control box. Employees are then expected to sign a log book when using a key. This allows the security team responsible for key control to track key usage. Something as simple as a locked door, and a system for controlling who can access a key, can have a significant effect on hotel security.



## Guestroom Keys

Some hotel guestrooms use a unique double locking system, while other properties use a single locking mechanism paired with a flip-latch security door guard. Regardless of the type of system, unoccupied guestrooms will have the door lock set as a single lock setting. However, when a guest enters the room he or she may engage the second locking mechanism either by turning the door handle into double-lock mode or latching the security door guard into place. Most properties have more than one level of guestroom keys:

**Guestroom key**—issued by front desk staff and should only be capable of opening a specific guestroom in single-lock mode only.

**Master key**—opens all guestrooms in single-lock mode only.

**Emergency key**—opens all guestrooms even when they are in double-lock mode. This key would not be needed for hotels using security door guards.

# Operational Emergencies

The security team must be prepared to handle a variety of common operational situations that can pose a risk to the property such as short power failures or a stuck elevator. An employee discovering anything out of the ordinary must notify security immediately. Following the property's policy and procedures, the security officer must take control of the situation, direct employee efforts, notify management of the situation, and cooperate with all local authorities involved. The types of situations which may occur during normal operations are:

**Theft**—Loss of either guest or hotel property must be reported and investigated by a security officer or manager. Depending on the severity of the crime, security may turn the investigation over to local law enforcement.

**Power Outages**—Officers will patrol guest hallways and public spaces to maintain a high level of security. Guests in occupied rooms should be kept informed about the situation and questioned to determine any medical or special needs while the power is off.

**Elevator Malfunctions**—Security is to be notified immediately when an elevator stalls between floors and the alarm activates indicating someone is trapped inside. Using the elevator's emergency phone system, the security office makes contact with the trapped guest(s) to determine any medical needs or other emergency situation existing beyond being in a stalled elevator. Security should remain in the area and assist maintenance, the elevator services vendor, or local authorities to free the guest(s) from the elevator.

**Medical Emergencies**—Security responds to all medical emergencies on property to assess the situation, determine the level of medical response required, and place the call for assistance to 911 and other authorities who need to be involved.

**Guest or Employee Death**—Security instructs an employee reporting a death to secure the area and leave everything untouched. Security will respond and take control over the area. At the same time, security must notify management and local law enforcement of the situation. Once law enforcement and emergency services are on site, security assists the authorities during the investigation.

# Emergency Preparedness

The security team at a hotel must be prepared to handle a wide variety of sensitive and potentially dangerous situations. The best method for being prepared is to build a detailed emergency response plan. An emergency preparedness committee, made up of employees and managers from every department and area, and under the direction of security, should be formed and charged with creating a formal, written plan for the property to implement. The committee should use the preparedness cycle when creating the emergency response plan.

The stages of the preparedness cycle are:

1. **Plan**—Determine the types of emergencies the property could face along with the best ways to protect both people and property during each one.
2. **Organize and equip**—Determine, purchase, and store all emergency preparedness supplies; this should include equipment, food, water, and possibly a backup power generator.
3. **Train**—Make certain every employee knows, and is capable of carrying out, his or her responsibilities during an emergency.
4. **Exercise (practice)**—Conduct mock emergencies to allow employees to practice responding in an emergency situation.
5. **Evaluate and improve**—Review and look for gaps in the plan that caused problems during the emergency exercise and take corrective action to prevent them from happening again.





## Emergency Response Plan

The emergency response plan must clearly state how the property will respond to each type of emergency and the duties to be carried out by employees during that particular situation. It should be a detailed plan capable of being put into use at a moment's notice since most emergencies happen without warning. The security team should oversee the process and provide training to each department so everyone on staff knows how to properly respond to the various types of emergency situations.

**Questions the property's emergency preparedness committee should also ask during the emergency planning process include:**

- Who's in charge of key elements in the plan and who should assist in managing the response activities?
- Who will manage shutting down or modifying property operations before and during the emergency?
- What method is the best choice for communicating with employees, community responders, and local, state, and federal agencies?
- Is evacuation necessary and what is the safest place to send guests and employees?
- Where is the best place for the emergency operations center?
- How can the property and vital records/documents be protected from damage or destruction?
- How can the property assist during a community-wide emergency?
- What will be needed to restore the property to full operational capacity once the emergency is over?

**These questions will also help determine the type of:**

- Equipment to purchase and store
- Methods and procedures to be followed
- Employee job assignments and responsibilities

The types of emergencies requiring a response plan are the serious, potentially life-threatening ones that, without a plan in place, could have disastrous results. Hotels must have an emergency response plan in place for:

**Fire**—the plan must cover fire response and recovery for a fire occurring within the hotel and for wild fires threatening from the local area.

**Severe Weather Emergencies**—the plan must describe response before, during, and following severe weather such as tornados, hurricanes, blizzards, and flooding.

**Natural Disasters**—the plan must cover response, evacuation, and shelter during and following an earthquake, volcanic activity, or tsunami.

**Threat of Violence**—the plan must describe handling of any intruder, guest, or employee who shows sign of becoming violent.

- **Weapons**—Monitor for detecting weapons on property and reporting it to law enforcement.
- **Active Shooter**—Response plan for evacuating people using the safest escape route or sheltering in place during an active shooter incident.

**Anti-Terrorism**—the plan must describe monitoring, detecting, and reporting suspicious activities or items that may indicate a potential terrorist group is working in or targeting the property.

**Human Trafficking**—the plan must cover monitoring and reporting activities that indicate a possible human trafficking operation is active within the property.

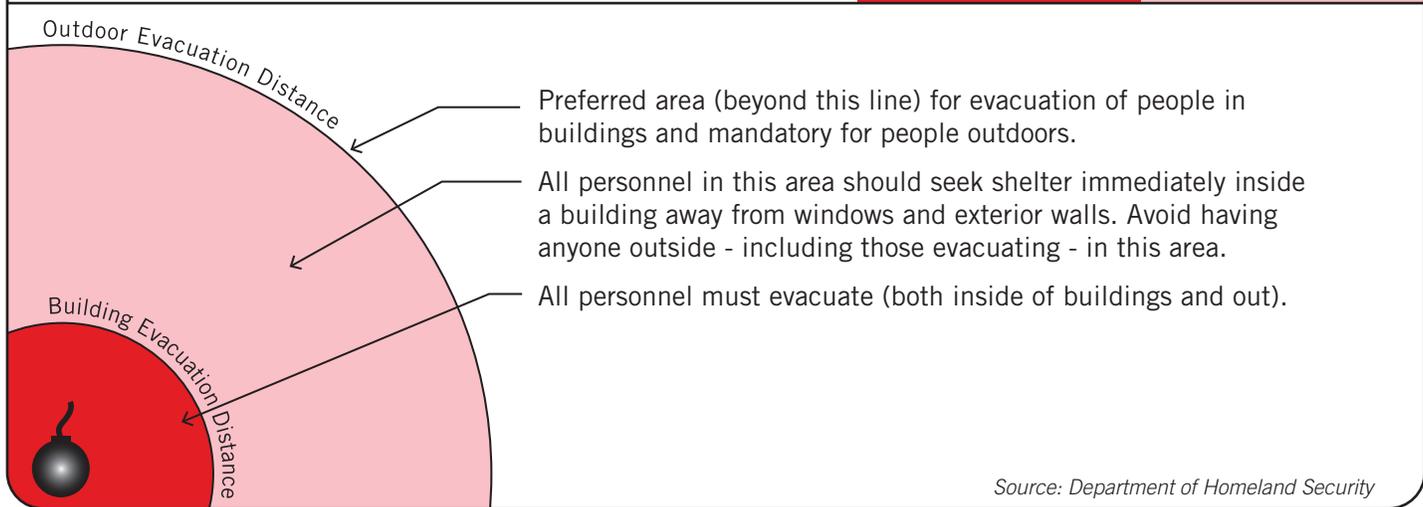
**Meth Labs**—the plan must detail monitoring and reporting a potential methamphetamine lab or other illegal controlled substance trafficking occurring at the property.

**Evacuation**—the plan must cover evacuating guests and employees to a safe distance based on the type of danger and the location of the safest place to be in that situation.

## **Bomb Threats: Determining Safe Evacuation Distances**

How far away should guests be moved so that they are truly safe is a common question asked by employees and security staff. The distance is determined by the type of bomb threat and the level of danger the device involved poses for the employees and guests being evacuated. On the next page is a chart detailing the various types of bomb threats a hospitality and tourism facility could experience and the minimum safe evacuation distances.

Bomb Threat Stand-Off Distances			
Threat Description Improvised Explosive Device (IED)	Explosives Capacity (TNT Equivalent)	Building Evacuation Distance	Outdoor Evacuation Distance
 Pipe Bomb	5 LBS	70 FT	1200 FT
 Suicide Bomber	20 LBS	110 FT	1700 FT
 Briefcase/Suitcase	50 LBS	150 FT	1850 FT
 Car	500 LBS	320 FT	1500 FT
 SUV/Van	1,000 LBS	400 FT	2400 FT
 Small Moving Van/ Delivery Truck	4,000 LBS	640 FT	3800 FT
 Moving Van/ Water Truck	10,000 LBS	860 FT	5100 FT
 Semi-Trailer	60,000 LBS	1570 FT	9300 FT



## Partnering with Law Enforcement

Most major emergencies will fall under the direction of an outside agency. Depending on the type of situation, it may be the local police, fire department, FBI, or even the Federal Emergency Management Agency (FEMA). Consequently, during emergency response situations, there is a need for good communication and total cooperation to exist between hotel security and the responding agency. By partnering with the appropriate agencies, mock emergencies such as a guestroom fire can be practiced. This will allow employees and local responders to test each emergency response procedure. Afterwards, each policy or procedure can be evaluated for how it helped or hindered the situation, and improvements can be made based on the feedback from both employees, management, and local authorities.