

Chapter 1

The Front Office Department

1.1. Introduction to Front Office

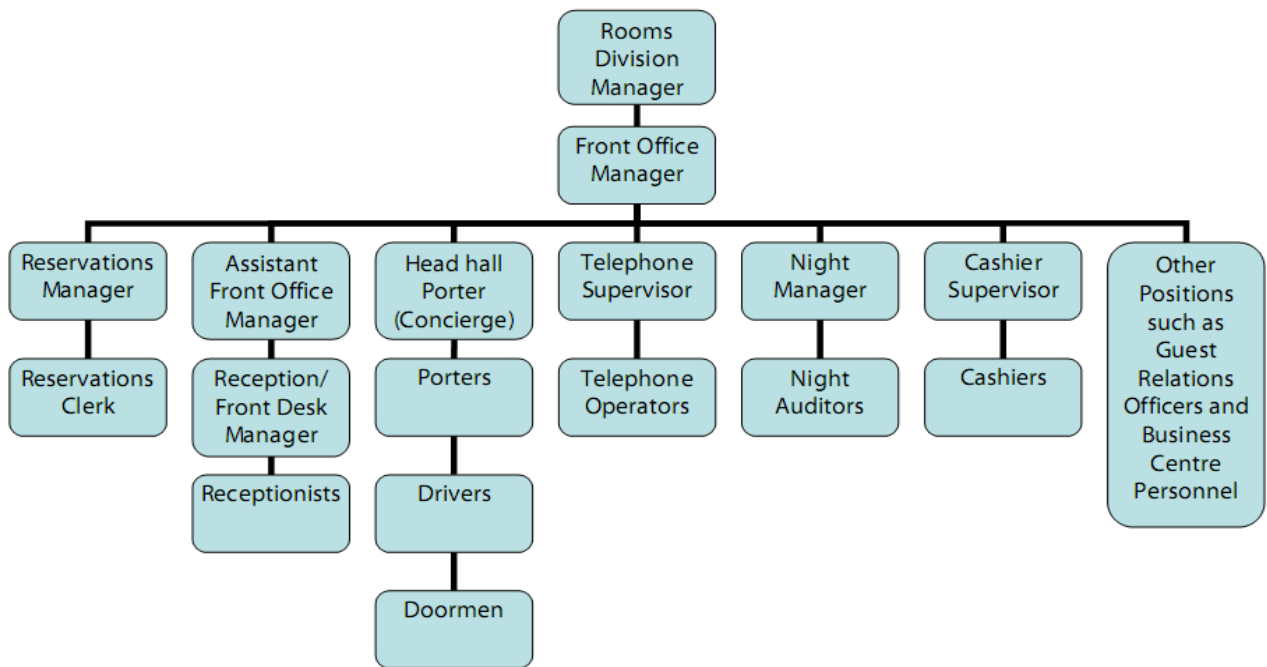
Front office is the name given to all the offices situated in the front of the house. It is one of major departments of the hotel. It is the most visible and essential focal-point of a hotel. It is the communication center and the nerve/brain of the hotel with great amount of guest contact, thus located at front/ entrance area of the hotel building. It is the show window and the focal point of the hotel. It should be well furnished. This is the department where the guest first checks in and finally checks out of the hotel.

Front Office department performs many activities such as: It sell guestrooms, register guests, assign guestrooms, handling the key, maintain accurate room status information, provide any information about hotel, surrounding community, attractions, handling of guest requests, coordinating/facilitating guest services, maintain guest accounts and financial tasks such as: receiving cash payments, monitor credit, handling foreign currency and credit cards, produce guest account statements, complete proper financial settlement, handling guest folios.

1.2. Organizational Structure of Front Office Department

The organizational chart of a hotel / chain hotel may differ from hotel to hotel and chain to chain. With the development in management techniques, labor saving devices, the jobs earlier performed by different persons is handled by one person. In spite of all kind of computers and clubbing of jobs, this industry is still one of the most labor intensive industry and human touch cannot be eliminated to extend the personalize services. The personalize services offered by the Indian Hotels is graded as one of the bests in the world.

The small hotels are usually managed by the owner himself with very limited staff to keep the labor cost very low, the various services like food, laundry, etc. are out sourced



1.3 Duties and Responsibilities of Reception (Front) Desk Personnel

Reception' may be an umbrella term for all front-office functions, but in larger hotels, there is likely to be a special reception desk.

1.3. 1 The Roles of Front office manager

- Reception' may be an umbrella term for all front-office functions, but in larger hotels, there is likely to be a special reception desk

A. Managing HRM:

- He/ she can make decisions about hiring and firing of employees and plans/ schedules day to day tasks of individuals and team of employees in those departments.
- Responsible for the training, supervision and motivation of reception staff;

B. Marketing activities:

- The maximization of occupancy and revenue (yield management) from the sale of hotel facilities and services; and higher-profile guest duties (e.g. greeting VIP guests). There may be a senior receptionist. Sales forecasting

C. Finance and accounting: S/he is responsible to make decisions that help to increase profitability of the hotel.

D. Managing services quality:

- S/he should acquire excellent customer service ethics.
- This position requires motivational, supervisory, and customer service skills.

E. Creating impressive relation with customers

- Front office manager is responsible for:
 - ✓ meeting and greeting customers
 - ✓ dealing with customer complaints and comments

General duties of front office manager

- ✓ Monitoring reservation status
- ✓ Looking over market mix and preparing occupancy forecasts
- ✓ Determining rate structures and supervising implementation of rate policies
- ✓ Determining rate structures and supervising implementation of rate policies
- ✓ Reviewing previous night's occupancy and average room rate
- ✓ Reviewing arrivals and departures for the day and the next day
- ✓ Making staffing adjustments needed for arrivals and departures
- ✓ Reviewing the VIP list,
- ✓ Checking VIP rooms,
- ✓ meeting VIPs and entertaining them

1.3.2 The Roles of Senior Receptionist

There may be a senior receptionist in charge of each team or shift: of reception staff, who will take responsibility for staff rosters, and the handling of more challenging tasks such as group arrivals and guest problems, requests and complaints.

1.3.3 The Roles of Receptionists (Front Desk Agents)

They are taking enquiries and reservation requests from 'walk in' Visitors; preparing for the arrival of guests; greeting guests on their arrival; checking guests in (registering them, allocating suitable rooms and checking methods of payment); selling the facilities and services of the hotel; responding to guest problems and queries, or referring them to other departments that can do so; providing information about guests to other front office units and departments of the hotel; and maintaining guest records.

1.3.4 The Roles of Reservation Agents/ Clerks

Reservations clerks are responsible for taking enquiries from prospective guests, travel agents, group or conference organizers and other parties who may wish to reserve accommodation.

Their role is to obtain the information required to make a booking; record that information in manual or computerized reservation records; monitor the levels of reservations; issue any documentation to guests to confirm the booking (e.g.. confirmation letters, requests for deposit); and ensure that reception is Informed of the confirmed reservation details and expected arrivals for each day.

A reservations manager or supervisor will be in control of the section, organize staff duty rosters, and make decisions on whether and which bookings should be accepted (if the hotel is fully booked, or bookings have to be 'juggled' to maximize occupancy).

Advance reservations may be handled by the receptionist in a small hotel, but many hotels will have a separate reservations desk or department - perhaps in a back office near reception, since most reservation requests come in by telephone, mail, e-mail or online, rather than via 'walk ins'.

1.3.5 The Roles of Front Office Cashier

The duties of the front office cashier include the following:

- ✓ Handle safe deposit boxes
- ✓ Update guest folios and maintain accurate folio balances
- ✓ Monitor guests folio balance for house limit and floor limit
- ✓ Handle the different methods of payment
- ✓ Handle float and make remittance
- ✓ Check out guest
- ✓ Handle foreign exchange transactions
- ✓ Communicate with relevant departments
- ✓ Perform various clerical and administrative duties
- ✓ Balance all transactions during his/her shift
- ✓ Sell miscellaneous items
- ✓ Sell the hotel, its product and services
- ✓ Perform any other duties assigned by management

1.3.6 The Roles of Night auditor

Being a night auditor is one of the most difficult positions to fill at the front desk. The reasons for this are many, but one of the more prominent ones is that the hours the employee works are difficult. It is hard for most people to stay awake from 11.00 pm to 7:00 am, all the while trying to focus their attention on work that requires a great deal of accuracy with numbers. Therefore, one of the most important traits a manager should look for in a night auditor candidate is the ability and desire to stay awake and work during this shift.

The basic functions performed by the night auditor include:

- ✓ Auditing of all daily charges and adjustments posted by the front desk to ensure that the guest ledger is in balance
- ✓ Posting any late charges, posting room and tax charges, and updating the guest ledger.
- ✓ Balancing restaurant, beverage, laundry, valet, phone and all other charges with the cashier reports
- ✓ Balances all allowances and city ledger transfer postings
- ✓ Reviews all postings to the city ledger and credit cards
- ✓ Checks credit limits on individual guest accounts
- ✓ Prepares and balances the daily report for presentation to management
- ✓ Prepares all work for presentation to the accounting department
- ✓ Switches the system over to the next business day.

The night auditor prepares various reports for management. Statistics such as the average room rate, percentage of double occupancy, percentage of occupancy, and other figures are needed daily by management to review the results of operations.

Additionally, a report indicating the status of every room is prepared for the housekeeping department.

1.3.7 The Roles of uniformed staff

- Employees who work in the uniformed service department of the hotel generally provide the most personalized guest service.
- In other terms, It is simply Guest service i.e. Taken into consideration the degree of attention given to the guests by this department.
- It is providing personal service for guest in reservations, front desk, and communications areas to satisfy their needs, wants expectation and perception

- it is often personal in uniformed service who make a lasting impression.

Also uniformed service staff is usually classified as "tipped employees", since a portion of their income is derived from guests' gratuities!

The primary positions within the uniformed service department are:

- a. **Transportation personnel** - person who provides transportation services for guests.
- b. **Valet Parking attendants** - Persons who provide parking service for guests automobiles.
- c. **Door attendants** - Persons who provide curb-side baggage service and traffic control at the hotel entrance.
- d. **Bell attendants** - Persons who provides baggage services between the lobby area and the guest room.
- e. **Concierges / Porters**
 - Concierge is the French term for 'porter', but the concierge department in a large hotel (which may also called 'lobby services') may cover a variety of roles, often divided in to:
 - ✓ They assist guests by making restaurant reservations, arranging for transportation, getting tickets for theater, sporting etc.
 - ✓ An enquiries desk, which may be responsible for general guest or visitor enquiries and direction
 - ✓ Handing out and accepting guest keys; handling incoming and outgoing mail for guests; and organizing taxis or valet parking.
 - ✓ A bookings desk, which may handle car hire, flight confirmations, tour bookings and entertain tickets for guests.
 - ✓ A baggage handling and storage desk, or 'porter age' desk (although this may also be handled by reception).
 - ✓ Security in the lobby/reception area, if this is not handled by a separate security officer or team.

1.3.8 The Roles of Mail and information

A mail and information counter is normally found only in very large hotels and incorporated into the concierge/porters or reception departments. The mail and information section comprises of the mail and information supervisor and the mail and information clerks. The mail and information team is

responsible for deliver guests' mail and messages. They are also responsible for dealing with guests' visitors, and providing information on the hotel or local attractions.

Qualities of a Good Telephone Operator:

1. **Punctuality** – it is extremely important that an operator reports for duty at least five minutes before his/her shift.
2. **Personal hygiene and deportment** – operators must be particularly careful that their mouths are free from odor. Hair should be properly groomed and finger nails well maintained.
3. **Accuracy** – errors are usually caused by carelessness or misunderstanding. All this can be avoided by the exercise of reasonable care, particularly in putting through connections, ringing, listening attentively, speaking and enunciating distinctly, allowing proper time for connection and paying close attention to signals.
4. **Speed** – speed is a skilled performance for each operation with the least possible expenditure of energy. Consistency in speed of service is necessary.
5. **Cooperation** – cooperation between all attendants and in fact, all employees is essential for the successful performance of the hotel's business.
6. **Clarity of speech** – clarity when speaking on telephones is essential. Clarity of speech is often lost by the operator speaking
7. **A sense of responsibility on the job** – irresponsibility can lead to the guest's / hotel's loss of business or equipment damage which is irreparable.
8. **8. Secrecy** – all employees are expressly forbidden to divulge any information regarding communications between users of the telephone.
9. **9. Memory** – it is nice if a telephone operator remembers a guest's names as it gives a personal touch which is particularly important in a service industry like hotelier.
10. **10. Concentration, application and quickness** – operators have to develop absolute concentration in their work. It is also imperative that the operators apply their mind to their work, take their work seriously as this will go a long way towards guest satisfaction.
11. **11. Cheerfulness** – it is essential that an operator brings out the cheerfulness in his/her voice.
12. **12. Careful and polite** – along with being careful the operator must possess the quality of politeness as well.

1.3.9 The Roles of Telephone Guest relation officer

They are heard by the guest but are rarely seen. They represent the hotel through their voice on the phone. They build a very significant image of the hotel to a prospective guest. The work has drastically changed due to the electronic age, but the basic voice assistance is always a warm welcome.

Basic Function: Receives and directs incoming and outgoing calls to individual guests, staff, or departments.

Duties and Responsibilities:

- ✓ Answer incoming calls.
- ✓ Direct calls to guestrooms, staff, or departments through the switchboard or PBX system.
- ✓ Place outgoing calls.
- ✓ Receive telephone charges from the telephone company and forward charges to the front desk for posting.
- ✓ Take and distribute messages for guests.
- ✓ Log all wake-up call requests and perform wake-up call services.
- ✓ Provide information about guest services to guests.
- ✓ Answer questions about hotel events and activities.
- ✓ Provide paging services to hotel guests and employees.
- ✓ Know what action to take when an emergency call is requested or received.
- ✓ Be aware of all the emergency service nos. and systems relating to the same.

1.3.10 Business centers

Many hotels now have business centers which provide secretarial services, fax and computer facilities for the guests. These centers relieve the mail and information desk of some of the specialist information and requests made by business people.

1.5 Front Office Terminologies

- **Free sale:** term used to mean available rooms for sale
- **Rack rate:** The price at which a hotel sells its rooms when no discounts of any kind are offered to the guest. It is normal room rate/ price.
- **Special Event Rate:** An above-rack room rate typically implemented during single day or multiday periods of extremely high demand for rooms.

- **Flat Rate:** refers to a pricing structure that charges a single fixed fee for a service, regardless of usage. Rarely, it may refer to a rate that does not vary with usage or time of use.
- **Corporate Rate:** This segment represented by business travelers that make up a large portion of the traveling public. As this segment is paying among the highest rooms rates the hotel will be able to achieve, hence catering their needs is very important.
- **Incentive Rate:** A special room rate for guests in affiliated travel and tourism organizations because of the potential referral business they can generate for the hotel
- **Inclusive:** A single rate/ price that includes all charges.
- **Discounted rate:** percentage discount of rack rate for regular clients, for cooperates etc.
- **Day Rate:** A special room rate for less than an overnight stay.
- **Half-Day Rate:** A special rate that typically includes 1-4 hours (but not overnight) use of the room
- **Reservation:** An agreement between the hotel and a guest that the hotel will hold a specific type of room for a particular date and lengths of stay.
- **Booking:** making a confirmed sale. As in, "What is the current booking volume for the month in the Food and Beverage department?" or "How many out-of-state tour buses were booked into the hotel last month?"
- **Advance Deposit Guarantee:** A type of reservation guarantee which requires the guest to furnish a specified amount of money in advance of arrival.
- **Block Rooms:** reserved exclusively for members of a specific group. As in, "We need to create a block of fifty rooms for May 10 and 11 for the Society of Antique Furniture Appraisers."
- **Central Reservation System (CRS):** A network for communicating reservations in which each property is represented in a computer system database and is required to provide room availability data to the reservations system on a timely basis.
- **Affiliated Hotel:** One of a chain, franchise, or referral system, the membership of which provides special advantages such as reservation.
- **Fax (Facsimile):** A copier-like machine which transmits full-page documents over telephone lines.

- **Telex:** Is a communication system consisting of teletype writers connected to telephonic network to send and receive signals. An international communication network often used to communicate reservation requests. Telex communication is faster than the postal service and more reliable than the telephone since the hotel receives a written message. (Facsimile = telefax replaced telex rapidly.)
- **Check-in:** arrival of the guest who has registered his name
- **Registration:** The procedure by which an incoming guest is signifying his or her intent to stay at a property by recording/ completing and signing registration details on registration card.
- **Registration Record:** A collection of important guest information created by the front desk agent following the guest's arrival. The registration record includes the guest's name, address, telephone number, and company affiliation; method of payment; and date of departure.
- **Wake up call:** a time given to the front office telephone to wake up the guest

TERMINOLOGIES	MEANING
O	Occupied
CO	Check out
XB	Extra bed
V	Vacant
VC	Vacant clean
OOO	Out of order
UN	Under repair
VD	Vacant dirty
DND	Do not disturb
N.B	No luggage but guest slept inside
SO	Single occupancy
L	Luggage but no guest is slept inside
DO	Double occupancy
DOA	Date of arrival

- **Complimentary Room:** A room status term indicating that the room is occupied, but the guest is assessed no charge for the use. Forming or serving as compliment.

- **Skipper:** A room status term indicating that the guest has left the hotel without settling the bill
- **Sleeper:** Room is occupied by guest, but has not been checked into the computer
- **Stay-on:** The guest will stay for the night
- **VIP Guests:** Short for Very Important Person. VIP status is granted to persons who expect special treatment, or celebrities or officials who need to spend minimal time checking in.
- **Stay on:** guests who extends his or her stay beyond the original day of departure
- **Left luggage:** is a luggage in hotel kept after the guest has checked and will be later collected by the guest
- **Amenities:** Hotel products and services designed to attract guests.
- **Concierge:** The individual(s) within a full-service hotel responsible for providing guests with detailed information regarding local dining and attractions, as well as assisting with related guest needs.
- **Valet:** Originally a term used to identify an individual who cared for the clothes of wealthy travelers. Its most common usage now is in reference to those individuals responsible for parking guest vehicles.
- **Corporate Culture:** The generally accepted values and shared meanings that determine how employees within an organization will act.
- **Distribution Channel:** A distinct and definable source of hotel rooms or services sales. For example, the Internet is one distribution channel, and meeting planners are another.
- **Hotel Broker:** A person who sells hotel room prize packages to corporations, sweepstakes Promoters, game shows, and other sponsors.
- **Keycards:** The electromagnetic card used in a recordable locking system.
- **Recordable Locking System:** A hotel guest room locking system designed such that when a guest inserts their "key" (typically an electromagnetic card) into the guest room lock for the first time, the lock is immediately recoded, canceling entry authorization for the previous guest's key and thus enhancing guest safety.
- **Electronic Locking System:** A locking system which replaces traditional mechanical locks with sophisticated computer based guestroom access devices.

- **Master Key (Grand master Key):** One key that opens all guest rooms except those locked from within.
- **E-Key:** Short for emergency key.
- **Key Fob:** A decorative or descriptive plastic or metal tag attached to a hard key
- **Key Rack:** An array of numbered compartments used to maintained guestroom keys
- **Folio/ Guest Folio: :** The detailed list of a hotel guest's room charges, as well as other charges authorized by the guest or legally imposed by the hotel. It is used to chart transactions on an account assigned to an individual Person or guestroom. It is **master bill** in which all cash and credit transaction by the guest are recorded
- **Master Folio:** A folio used to chart transactions on an account assigned to more than one person or guestroom, usually reserved for group accounts. A master folio collects charges not appropriately posted elsewhere.
- **Posting:** entering of a guest's charges into the PMS, thus creating a permanent record of the sale.
- **PMS** Short for "property management system." This term refers to the computerized system used by the hotel to manage its room's revenue, room rates, room assignments, and reservations, as well as other selected guest service functions.
- **Guest History File:** date of guests who has stayed before. A collection of guest history records constructed from expired registration cards or created through sophisticated computer-based systems which automatically direct information about departing guests into a guest history database.
- **Guest History Record:** A record of personal and financial information about hotel guests which is relevant to marketing, sales, and servicing the guest's return. State law may require retention of certain guest data for some period of time.
- **Ledger:** A grouping of account.
- **Guest Ledger:** The set of accounts for all guests currently registered in the hotel. Also called the front office ledger, transient ledger, or room ledger.
- **Guest Ledger Report:** A report which carries the current account balances of all registered guests, typically prepared as part of the night audit.

- **City Ledger:** The collection of all non-guest accounts, including house accounts and unsettled departed guest accounts
- **Voucher:** A document detailing a transaction to be posted to a front office account, used to communicate information from a point of sale to the front office. Common vouchers include cash, charge, transfer, allowance, and paid-out vouchers. Also, a form provided by travel agent to their clients as a receipt for advance registration payments.
- **X Report:** The term commonly used to indicate the total revenue generated by a revenue-producing department during one part of a specific time period.
- **Z Report:** The term commonly used to indicate the total revenues generated during an entire time period. Producing a Z report includes re-setting the continuous total feature of a POS or other electronic register system to “zero” to begin recording the next period’s revenues.
- **Hoteliers:** Those who work in the hotel business.
- **P&P Manual:** Short for policies and procedures manual. A publication that provides an outline of how the specific duties of each job are to be performed.
- **Employee Handbook/ manual:** Written policies and procedures related to employment at a hotel.
- **Pub:** British name for ‘Public House’, an establishment licensed to serve alcoholic drinks.
- **Back bar:** A range of shelves displaying glassware and bottles.
- **Cocktail:** Any mixed drink prepared using alcohol.
- **Mocktail:** A non-alcoholic mixed drink prepared using fruit juices or other soft drinks
- **High Ball (Long Drink):** Alcoholic beverage mixed with a large volume of soft drink and served in a tall glass with straw.
- **Shot Ball (Short Drink):** Alcoholic drink consumed in a gulp. It is served in shot glass
- **Corkage Fee:** A charge levied by a hotel when a guest brings a bottle (e.g., of a special wine) to the hotel for consumption at a banquet function or in the hotel’s dining room.

Chapter 2

Front Office Operations

The primary function of the front office is that of a facilitator between the guest and other departments of the hotel. Another job of Front office desk is also to support and help in providing services to the guests. The number of interactions and transactions between the guest and the hotel during a guest stay determine the type and nature of front office operations. The stages of guest stay are:

- Pre-Arrival
- Arrival
- Occupancy and
- Departure

2.1. Guest cycle

The guest cycle describes the activities that each guest passes from the moment he/she calls to communicate a reservation inquiry till he/she departs from the hotel. The guest cycle encompasses 4 different stages, which are depicted in the underneath, diagram:

Pre-Arrival ⇒ Arrival ⇒ Occupancy ⇒ Departure

Each stage of the guest cycle is associated with guest service, and guest accounting activity.

1. Guest services:

Reservation ⇒ Registration ⇒ Occupancy services ⇒ Check-out and history

2. Guest Accounting:

Establishment of credits ⇒ posting charges ⇒ Night auditing ⇒ settlement of accounts

Below is a description of the activities undertaken at each stage of the guest cycle:

1. Pre-arrival:

At the pre-arrival stage, the hotel must create for every potential guest a reservation record. Doing this initiates the hotel guest cycle. Moreover, reservation records help personalize guest services and appropriately schedule needed staff and facilities

The reservation department should, then, complete all the pre-registration activities and prepare guest folios (applicable only for automated systems). Doing so will eventually maximize room sales by accurately monitoring room availability and forecasting room revenues.

ABC Hotel Reservation Form

Date _____

Name of the guest _____ Address _____

Arrival date _____ EATS/ Flight _____

Number of rooms _____

Type of room: Single ☐ double ☐ Twin ☐ Suite ☐

Other facilities _____

Room rate _____

Telephone No _____

Fax No _____

E. Mail _____

No of persons _____

Departure date _____

Remark -----

2. Arrival:

At the arrival stage, registration and rooming functions takes place and the hotel establishes a business relation-ship with the guest.

The check-in clerk should determine the guest's reservation status (i.e. pre-registered guests Vs walk-ins). Later, he/she shall prepare a registration record or make the guest sign the already-printed pre-registration record (under some of the semi-automated and all fully automated systems).

The registration records shall include the following *personal* and *financial* items:

a) Personal information:

1. Name and Surname of the guest along with billing address, telephone number, and any other coordinates
2. Passport number, birth certificate, and/or driving license number (whatever applicable)
3. Any special needs or requests
4. Guest Signature

b) Financial information:

1. Date of arrival
2. Expected date of departure or length of stay depending on how the system in the hotel is designed
3. Assigned room number
4. Assigned room rate
5. Guest's intended method of payment

Registration records can be used for various purposes:

- a) Satisfy guest needs
- b) Forecast room occupancies
- c) Settle properly guest accounts
- d) Establish guest history records at check-out [personal & financial information]
- e) Assign a room type and a room rate for each guest
- f) Determine long-run availability [i.e. reservation information] versus short-run availability [i.e. room status]
- g) Satisfy special categories of guests such as disabled people through barrier-free designs

ABC Hotel Enterprise Guest registration Card	
Sur name _____	First name _____
Permanent Address _____	
Past port _____	Nationality _____
Profession _____	Date of arrival _____
Account payable by _____	
Address and reference in Ethiopia _____	
Purpose of visit _____ proceeding to _____	
Date of departure _____	Signature _____
Bill No.official use Room NO.No. of personsRate..... ..Receptionist..... * Check out time is 12:00 noon * Guests are requested not to leave their valuables in the room, safe deposit boxes are provided at the reception free of charge * Personal checks are not accepted * We accept only American express card * Tariff subject to change without prior notification	

3. Occupancy:

At the occupancy stage, the front office department shall coordinate guest services in a timely and accurate manner. Moreover, front office clerks should encourage repeat guests by paying a great attention to guest complaints. This is ensured by placing complaint and/or suggestion cards in every public place and revenue centers in the hotel. Moreover, the hotel shall, at least on a daily basis, collect comment cards, proceed with their analysis, and provide positive feedback to guest as soon as possible.

In addition, shall design effective procedures in order to protect the funds and valuables of guests. This might be ensured through guest key control, property surveillance, and safe deposit boxes and well designed emergency panels and exits...

Another activity at occupancy is to process posting of guest charges; i.e. post room rates, F&B charges, additional expenses, and taxes... to various guest folios, master Folios....While doing so, front office clerks shall continuously check for deviations from the house limit, and take corrective measures as to change the status of the guest to Paid-in-advance. Finally, front office clerks shall periodically review Account Balances in coordination with the night auditor.

4. Departure:

At the departure stage, the guest shall be walked out of the hotel. Moreover, front office clerks shall create guest history record. Finally, cashiers shall settle guest account outstanding balances; i.e.: balance the Guest account to **0**.

In general, a proper checkout occurs when the guest:

- a) Vacates the room
- b) Receives an *accurate* settlement of the guest account
- c) Returns room keys
- d) Leaves the hotel

At departure, checkout personnel should encourage guests to consider returning to the hotel on any future date. That's why cashiers should act like a true sales person, and might eventually accept guest future reservations. That way, the stages of the guest cycle become really a cycle; i.e. start from where it ends.

- If at departure, the guest account is not fully settled, then late charges accumulate. In such an undesired case, the responsibility of collection lies within the accounting department, however the front office department shall provide all necessary types of information to make this collection easier, quicker, and feasible
- Various transactions between the guest and the hotel, therefore, depend upon the stage of the guest stay.

- The transactions can be best understood by going through the guest cycle

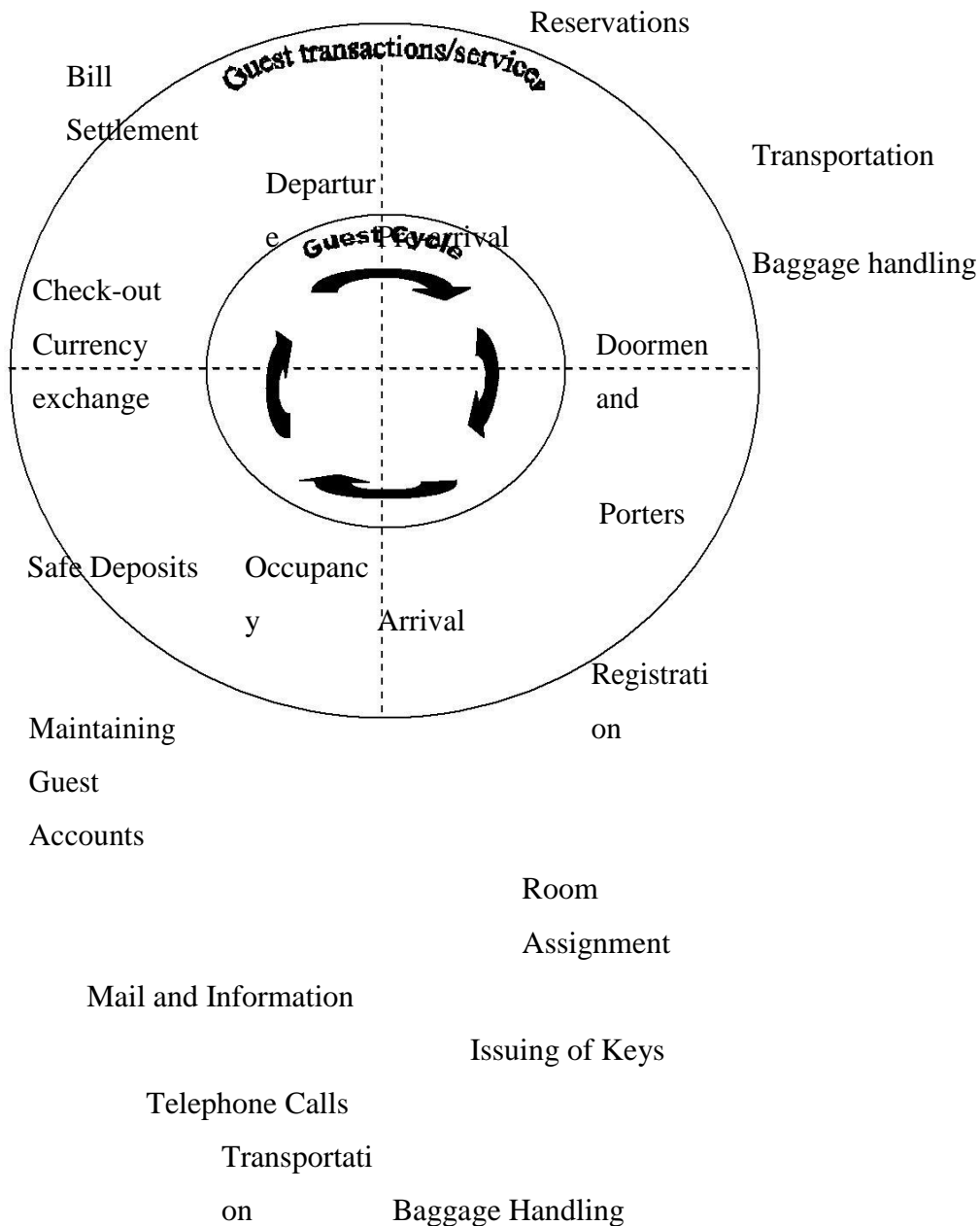


Figure I: The Guest Cycle

(Source: Principles of Hotel Front Office Operations, Sue Baker, Jerenry Huyton and Pam Bradley)

Figure I show the following transactions and exchange of services between a guest and the hotel:

- ✓ reservations,

- ✓ check-in and registration,
- ✓ mail and information,
- ✓ uniformed service and baggage handling,
- ✓ telephone calls and messages,
- ✓ handling guest accounts, and
- ✓ Check-out and bill settlement.

2.2. Front office system

Front office system is a Structured/unified/ combined integrated activity in to whole form. The system is formed from group of interrelated or interacting elements/ components working together toward a common goal by accepting inputs and producing outputs in an organized transformation process.

- Systems that share the same environment may be connected to one another through a shared boundary, or interface.
- Open versus closed system
- Adaptive system
- Electronic or manual
- Information and accounting systems have developed from an entirely manual method of operating to an electronic method, but the basic principles have remained the same.

As information technology and electronics have developed, so too has the use of computers in the hospitality industry. Information and accounting systems have developed from an entirely manual method of operating to an electronic method, but the basic principles have remained the same. Installing of electronic system (property management system) is expensive; therefore it must offer extensive benefits to the hotel and to guests. Many functions performed by the front office are suitable for computers due to its recurring, data manipulating and number calculating nature.

The main **Functions**, advantage of a property Electronic systems/ management system includes:

- | | |
|---|---|
| • Perform automatically and simultaneously in turn saving time and money. | • Automatically generate information, post charges to guest accounts and balance all functions. |
|---|---|

- Processing of reservation requests (CRS)
- Registration of guests during check-in
- Updating of room status
- Posting of all charges to guest accounts
- Settlement of folios either during the guest's stay or at checkout
- Updating of guest history
- Audit
- Yield
- Management
- Electronic
- Point of Sales (POS)
- Generating relevant reports for use by other departments and management

The manual front office system can perform all these functions, but not as effective and immediate as a computerized system. Information generated by a computer is more accurate, up to date and available much faster.

2.3 Front office work shifts

The front desk area is operational for 24 hours per day. The reception desk in a very small hotel may only operate extended business hours (say, 7.30 am to 8.30 pm) to cover the main peaks of activity; however in larger hotels work schedule of reception personnel will be for eight-hours in three shifts

- 7:00 am – 3:00 pm 1st shift Day shift
- 3:00 pm – 11:00 pm 2nd shift Swing shift
- 11:00 pm – 7:00 am 3rd shift Graveyard shift

When more than one guest service agents is being scheduled per shift, which is the case in most full-service hotels with over 100 rooms, the beginning times should be staggered. If two agents are working on the day shift for instance, one of them should start at 7:00 am and one at 7:30 am. Then, the two agents coming in on the second shift should be schedules similarly, with one beginning at 3:00 pm and the other at 3:30 pm. This overlapping of the shifts will allow for a smooth changeover and a thorough communication of all necessary information between shifts. Part-time employees may be utilized for a full eight-hour shift when they fill in on full-time employees' day off.

Chapter 3

Accommodation Products and Hotel Guest

3.1. Types of guest rooms

Hotel accommodation varies in different ways:

- ✓ By grade or standard, depending on size, decor and furniture, location/view and in-room facilities. (E.g. A hotel may classify its rooms as standard, superior and deluxe - or have its own special terminology to describe different grades). Customers are unlikely to know what these descriptors mean, so reservations staff will have to be able to describe the amenities provided by each grade of room - and the value added at each higher grade: superior rooms are larger, say, or have bathrooms, or mini-bar facilities.
- ✓ By number and size of beds per room. This is the main way in which prospective guests will enquire about rooms.

Type of room	Number of beds per room	Size/width of bed	Occupants per room
Single	1 (single bed)	3 feet	1
Twin	2 (single beds)	3 feet	2 - but may be let for single occupancy
Double	1 (double bed)	4 ft 6 inches	2 - but may be let for single occupancy
Queen	1 (queen size)	5 feet	2 - but may be let for single occupancy
King	1 (king size)	6 feet	2 - but may be let for single occupancy
Family	3+ (double plus singles or bunks)		3+

- By target customer. Some hotels offer special types of accommodation for particular types of **customer**:
- There may also be 'presidential suites' or 'penthouses' for VIP and wealthy guests: usually a suite of rooms, which are spacious and decorated to a very

high standard.

- There may be areas of the hotel designated for female travellers only (for their comfort and security), or for smokers (to avoid placing non-smokers in rooms which have absorbed tobacco smells).
- A hotel with a high proportion of business trade may set aside 'executive floors', with room types and facilities specially catering to the needs of business travellers: meeting rooms, communication facilities, lounge and bar for client entertaining and so on.

3.2. Room rates

- The room rates refer to the price at which the hotel sells its rooms. Hotels offer different types of room rates to cater to the needs of their diverse sources of business.
- The rate for any given room may also vary, according to:

1. The day of the week:

- a. Occupancies** may be higher from Monday to Thursday for hotels with a high proportion of **business guests**, so it may set a lower 'weekend rate' to attract guests on the weekends.
- b. For tourist hotels/Leisure or pleasure travellers**, conversely, a lower 'weekday' or 'mid-week' rate may be set to attract business during the week, but high weekend

2. The season and seasonal demand: rate will be charged.

- Discounted seasonal rates may be set to increase occupancy in 'out of season' months; while higher 'peak season' rates get the maximum revenue from high demand.

Free sale: term used to mean available rooms for sale

Types of room rates

- 1. Rack rate /Published Rates:** these are the rates usually quoted to walk-in guests and are the highest rates charged by the hotel. It is the standard rate for the room with no any kind discounts or reductions are offered to the guest. It is normal room rate/ price.
- 2. Flat Rate:** refers to a pricing structure that charges a single fixed fee for a service, regardless of usage. Rarely, it may refer to a rate that does not vary with usage or time of use.
- 3. Inclusive rate/ Package Plan Rates:** is a single rate/ price that includes all charges.
 - Package plan rates are rates that include other hotel products and services in addition to the guestroom. They are introduced by the hotels themselves during full period to increase demand

for guestrooms. The following are examples of package plan rates:

Package Plan	What is included	UK Terminology
European Plan	Room rate is for accommodation only	Room only
Continental Plan (CP)	Room rate includes accommodation and a continental breakfast	Room and Breakfast
American Plan (AP)	The room rate includes accommodation and all three meals. It is usually referred to as Bed and Board	Full board
Modified American Plan (MAP)	The room rate includes accommodation, breakfast and one other meal	Half board

These packages should not be confused with the packages offered by airlines and travel agents for which the hotel is approached to provide the room component.

4. Discounted Rates

- Discounted rates are given to attract guests to the hotel because of the lower rate offered during promotional period. Some hotels give as much as 50% off the published rate as part of the hotel's pre-opening promotion or anniversary celebration.
- Traditionally, employees of related trade, such as airlines and travel agencies enjoy a discounted rate of 50% off the rack/published rate if they can prove their identity.

- Such discounts are usually not applicable during high season.

5. Incentive Rate: A special room rate for guests in affiliated travel and tourism organizations because of the potential referral business they can generate for the hotel.

6. Day Use Rates: A special room rate for less than an overnight stay. Day use is when the guest checks in and checks out on the same day, without staying overnight.

7. Half-Day Rate: A special rate that typically includes 1-4 hours (but not overnight) use of the room

8. Monthly Rates: These rates are special quoted rate for guests who stay for a month or more. When quoting such rates, it is important to state that the special rate will be honored provided the guest stayed a minimum number of nights. Some hotels refer monthly rates as long term rates.

9. Special Event Rate: An above-rack room rate typically implemented during single day or multiday periods of **extremely high demand for rooms**.

10. Corporate Rates: These are special rates offered to regular business traveler clients staying in the hotel that make up a large portion of the traveling public.

- These special rates are given to encourage repeat business. These rates are re-negotiated periodically based on the volume of business generated.
- As this segment is paying among the highest rooms rates the hotel will be able to achieve, hence catering their needs is very important.

11. Commercial Rates: Commercial rates are usually discounted rates extended to business people to encourage them to use the hotel. These rates may not be as attractive as corporate rates. However, some hotels use the terms 'Corporate' and 'Commercial' interchangeably.

12. Contracted Rates:

- Contracted rates are special rates negotiated between the hotel and airlines and travel agents for their airline crews, packages and group guests. These rates are agreed upon only if companies are able to generate a specified number of room nights over a period of time. Like corporate rates, contracted rates are reviewed periodically.

13. Group Rates:

- Group rates are special rates given because of the large number of rooms reserved in a block.

14. Family Plan Rates:

- These are rates designed to attract families. Hotels with family plan rates do not charge for child/children under a certain age, staying in a room (without request for extra bed) with their parents. For example, children under 2 years of age might stay for free and children under 12 years of age might be charged at 75% of the rack rate.

3.3. Hotel brochures and tariffs**3.4. Types of hotel guest**

Different types of guest may travel at different times of year or week. They may have different needs and preferences in regard to the rooms, services and facilities offered by the hotel. They may have different budgets available to spend on their stay. It will, therefore, be important for hotels to be aware of who their guests are, and to classify them as distinct 'market segments', when: planning and selling the facilities to prospective guests; anticipating and meeting the needs and wants of guests during their stay; and determining pricing policies that will attract the kind of guests the hotel wants (or gets).

A. Leisure or pleasure travelers

Leisure travelers (or tourists) travel for sightseeing, relaxation or entertainment. They are often highly seasonal: travelling during school holidays, best-weather periods or attracted by special events in an area. Because they are self-funding, they are price-sensitive and attracted by value for money. Their main requirements from a hotel may be comfort, entertainment, budget accommodation, convenient location (for tourism and transport), foreign currency exchange facilities - and helpful front office staff!

- Leisure travelers may be classified in any way that is helpful for the hotel, but you may hear the following terms:

- a. **Domestic tourists:** are local people who stay at a hotel for weekend breaks or special functions.
- b. **Foreign independent travelers (FITs):** are international tourists who have made their own travel arrangements.
- c. **Group inclusive tours (GITs):** are groups of tourists travelling together on a 'package' tour, with accommodation and meals often booked in advance by the tour operator. Budget is often a consideration on such tours, because they may have limited 'spending money' on top of inclusions.
- d. **Special interest tours (SITs):** are smaller groups who are visiting an area with a special interest e.g. eco-tours, adventure tours or cultural tours, seeking particular locations, experiences or activities.

B. Business travelers

Business travelers are those who travel for the sole purpose of undertaking business: sales representatives, people attending meetings and conferences (or on their way to them), etc.

Business travelers are the largest year-round source of demand for hotel accommodation.

- They are those who travel for the sole purpose of undertaking business:
 - a. sales representatives
 - b. People attending meetings and conferences (or on their way to them), etc.
 - Conference delegates may have accommodation booked in the hotel where (or near to where) a conference is being held, perhaps reserved by their company, or by the conference organizer
- Business travelers are the largest year-round source of demand for hotel accommodation.
- Corporate business travelers represent companies which may make regular bookings. They may be sub-divided into:
 - a. **'negotiated contract' travelers** (who have negotiated a special discounted rate and terms with the hotel, based on a guaranteed volume of business) and
 - b. **'non-negotiated' travelers** are travelers who may be eligible for a standard discounted corporate rate, on the understanding that there may be repeat business available).

3.5. Guests and their needs

A. Leisure Travelers and Holiday Makers

- ✓ Rollaway bed/ baby cot;
- ✓ Connecting rooms;
- ✓ In-room movies;
- ✓ Sports facilities, e.g. gymnasium, swimming pool;
- ✓ Spa facilities for beauty and health treatments, e.g. massage, hydrotherapy, facials and intensive foot and hand therapies;
- ✓ Baby sitting service

B. Business Travelers

- ✓ Broadband Internet service;
- ✓ International direct dialing (IDD) service;
- ✓ Local & international newspapers;
- ✓ Laundry/valet service;
- ✓ Shoes polishing service;
- ✓ Other business facilities, e.g. business centre, executive floor, fax machine,
- ✓ Laptop computer, conference and meeting facilities.

Guests with Special Needs

- ✓ Wheelchair; and
- ✓ Facilities for the disabled

Other Requests

- ✓ In-room dining (Room service);
- ✓ Doctor service;
- ✓ Smoke-free guest room;
- ✓ Room make-up service;
- ✓ Alteration & mending service;
- ✓ Repair and maintenance service;
- ✓ Food & beverage enquiries, e.g. hours and location of meal

3.6. Selection of hotel

Chapter 4

Front Office Telecommunication

4.1. Introduction to front office telecommunication

Effective communication by telephone will not only assist in selling the hotel, but will also promote an image of efficiency.

Since the client has only the telephone conversation on which to judge the standard of the hotel, the rules that apply to good verbal communication are even more applicable to telephone communication.

Many hotels insist upon their staff answering the telephone in a certain way, e.g. ‘Good morning. The XY Hotel, Sara speaking. How may I help you?’ This quickly becomes standard procedure and ensures that the client receives all the information.

As long as the call is answered promptly with an appropriate greeting, the client will feel confident that the organization is efficient. In addition to the correct greeting, all switchboard operators should be familiar with the procedures for making credit card calls, directory enquiries, collect/reverse charge calls, early morning calls and international calls.

Most modern telephone system enable the guest to dial direct both local and long-distance calls.

Making Calls

- Before making calls, you organise and pen down what you want to say
- You have prepared/gathered the necessary reference materials and documents
- You check that the telephone number you are going to dial is correct
- You allow the other part’s telephone to ring for 1 minute, which is about 7-10 rings
- When the other party answers the phone, you identify yourself and your company
- You state your reasons/purpose for calling.

Answering the Telephone

- You answer promptly, if possible, within 3 rings. If you cannot answer the call promptly, you apologize to the caller at the start of the conversation.
- You greet the caller with the appropriate greeting
- You identify your company or your name/dept. You are proud to identify yourself
- You always have pen and paper at hand
- You take notes, instructions, details and information as required
- You repeat all instructions or requests
- You listen to the callers’ tone/mood, not just what he is saying

- During the conversation, if you need to leave the phone to get something, you inform the caller the reason/situation. If you estimate you will take a long time, you inform him and suggest you take down his phone number and contact him when you have got the information. And of course, you keep your word
- If the caller is looking for somebody who is not around, you offer to transfer the call to somebody who can help or offer to take a note/message.

Transferring Calls

- If you need to transfer the call to another person or dept, you state the reason to the caller
- You get the caller's permission before transferring the call
- You inform the caller the dept/job title you are transferring to and the name of the person you are transferring to
- You ensure both parties are properly introduced. You can do this by briefly explaining the situation to the person taking the call before you put through the call.

Taking Messages

- You get all the necessary information from the caller. These information include full name of caller, company name, message and the contact number
- You repeat all information obtained to the caller for accuracy
- After ending the call, you fill up the message form completely and indicate the following items – full name of caller, caller's company name, message, caller's contact number, name of person whom the message is for, room number, person who took the message, date and time
- You write neatly
- You pass the message to the person concerned as soon as possible.

Telephone Message Record**To:****Room Number:**

From:**Tel no.:**

Message:

Date:

Time:

	<input type="checkbox"/> Telephoned
	<input type="checkbox"/> Will phone back
	<input type="checkbox"/> Please phone
Signed/Initialed:	<input type="checkbox"/> Urgent

Fig 3.5 Message record

4.2. Communication equipments

Electronic Communication

Internet

Increasingly, hotels are using interactive TV sets functioning as room terminals and providing clients with a fax and computer modem as part of the service. Access to the Internet and the World Wide Web is essential in business hotels. Through the use of webcams, the user can follow proceedings elsewhere, and world-wide video conferencing is an important part of many international organizations.

E-mail

This system can be in use both internally and externally, providing that the organisation is networked. It is a way of using the network to both send and receive messages, either from one office to another or from one organization to another. Even if the recipient is overseas, the message can be composed and transmitted in a matter of seconds. Attachments can also be sent, so that consultative documents do not need to be reproduced.

Use of e-mail within an organization can significantly reduce the amount of paper generated, since the message need not be printed out, but can be stored in the memory for future reference. The same message may also be sent to any number of people without the need to photocopy or circulate the information. Once a message has been received, the reply can be attached to it, or it can be forwarded to a third party.

4.3. Property Management systems

The PMS consists of the computer hardware and programs utilized to record guest reservations and requests and to manage the prices charged for rooms and other services. The system also records and stores hotel sales data and other historical information useful in decision making for effective hotel management.

Property managements systems (computerized) hotels offer:

- ▣ Database for recording **enquiries** (and converting enquiries to confirmed reservations and guests records as appropriate), with up-to-date records of enquiry status
- ▣ **Reservations** and group booking applications, with up-to-date records of the status of all reservations
- ▣ Computer-aided '**yield management**' functions: helping reservation staff to make decisions about which reservations to accept, and at what rate, in order to maximize revenue
- ▣ The generation of **arrival and departure lists** and amendment notifications (from the most up to-date reservation, check-in and check-out records)
- ▣ Up-to-date records of **room status and availability** (automatically up-datable as rooms are reported vacant, reading to re-let, allocated to arriving guests and so on)
- ▣ **Guest records** (guest's reservation, stay, charges etc), which can be used with applications
- ▣ **Marketing applications**, linking the reservation system to tourist information centers, hotel booking agencies and other group hotels
- ▣ **Building management** applications, such as energy monitoring and management systems (minimizing unnecessary use of electric power); the use of electronic key coding for guest room doors; fire/intruder/theft alarm sensing systems; and so on.
- ▣ **Advantages of computerized system**
 - ✓ Reduction in entries required, due to automatic updating of related records: multiple records and reports can be compiled from the same data
 - ✓ Automation of routine processes for speed and Accuracy
 - ✓ Reduction in duplications and messages for inter-departmental data sharing
 - ✓ Reduced time and cost of data handling
 - ✓ Reduced human error in copying across data and making calculations
 - ✓ saving staff time and improving guest service)
 - ✓ Storage of data without physical space
 - ✓ Ease of access to data through 'search by' fields:
 - ✓ no need to leaf through files
 - ✓ Updating of records without separate
 - ✓ entries, erasures, crossing out etc
 - ✓ Speed of data searches, updates,
 - ✓ calculations, report/document preparation
 - ✓ Presentation of reports and guest documentation In a variety of formats, with professional (printed presentation)

- ✓ Enhanced security through password protected access

4.3.1. Reservation Management System

(RMS) is an integrated, cost-effective and comprehensive web based hotel reservation and payment-processing solution service designed for hotels to accept and manage reservation and payments online from customers anytime anywhere. RMS provides ready online booking facilities with full featured reservation management system to manage online reservation with choices.

The hotel reservation system should be able to satisfy the following requirements:

- ✓ The system should be able to keep the records of the guests and the room allotted to them.
- ✓ . Customers should be able to know the availability of the rooms on a particular date.
- ✓ Guests should be able to book the available rooms online.
- ✓ The record of food and services availed by the customer should be kept.
- ✓ The system should be able to generate the bill for a customer.

4.3.2. Revenue Management system

Revenue Management helps to predict consumer demand to optimize inventory and price availability in order to maximize revenue growth. Revenue Management means not selling a room today at a low price to sell it tomorrow at a higher price.

Revenue management also means selling a room at low price today if you do not expect higher demand.

Revenue Management challenges the resources to gather information about the market so that you can be proactive and not reactive. Use the information to divide your market and adjust your products through distribution, to the right customer at the right time and at the right price.

Revenue Management is not only maximizing in high period demand, it helps stimulating demand in low periods while avoiding pricing more. Revenue Management is long term strategic, takes all revenue with their profitability into consideration, can sell low rates even in high demand period.

Ingredients of Effective hotel Revenue Management

So what do you need to apply effective hotel Revenue Management?

- ✓ Market Segmentation
- ✓ Historical Demand and Booking Patterns
- ✓ Demand Forecast and Displacement Analysis
- ✓ Pricing and Inventory Management

- ✓ Overbooking
- ✓ Information Systems

4.3.3 Guest account Management system

Guest account Management system is responsible for:

- a) Creating and maintaining an accurate accounting record for each guest
- b) Tracking all financial transactions throughout the guest cycle
- c) Ensuring internal control over cash and non-cash transactions
- d) Recording settlement for all goods & services provided

5.3.4 Back office and system

Operations involve the activities which do not take place in front of the guests. The front office activities start the moment an enquiry or request regarding accommodation is made. This enquiry is answered keeping in view converting it into a reservation request. Although reservation is an activity of front office, major hotel lines/chain of hotels have centralized reservation system, operational 24 hours a day 365 days a year. A confirmed reservation leads to browsing of information, i.e., guest -record to determine whether this is a repeat guest and if yes what are the personal information and preferences of the guest. This helps you giving personal touch to guest's stay with the hotel.

It also co -ordinates with housekeeping and room sales to maintain the status of occupied as well as unoccupied rooms. Finally, the guest record or personal data is maintained by the front office, which is essentially a back- of- the -house activity. Thus, the Guest cycle which started by taking guest booking, receiving guests, providing for their stay and billing them on departure gets completed.

5.3.5 General management system

Chapter 5

Reservations and sales

This is one of the most important and tricky tasks of the hotel Front Office team.

Reservation is the activity of booking the room in advance for a prospective guest on his request for future, which may be from few days to months in advance.

Below is the detailed process of reservation:

1. Conduct the reservation enquiry
2. Determine room and rate availability
3. Create the reservation record
4. Confirm the reservation record
5. Maintain the reservation record
6. Produce reservation reports.

Functions of the Reservation Section:

The main function of the reservation section is to help the hotel in generating revenue from future and prospective room sales. The reservation section should receive the reservation request from the prospective guest, check availability of rooms, process the request and either accept it, wait list it or deny it and communicate the decision.

5.1 Types of reservation

1. Guaranteed Reservation

Ensures that the hotel will hold a room for the guest until a specific time following the guest's scheduled arrival. On return, the guest shall guarantee his / her reservation of room unless reservation is properly canceled. In order to guarantee a reservation, guests might opt for one of the following methods:

- ✓ Prepayment: complete deposit or a partial deposit
- ✓ Credit Card
- ✓ Travel Agent
- ✓ Corporate

2. Non-Guaranteed Reservation

Ensures that the hotel agrees to hold a room for the guest until a stated reservation cancellation hour. In case the guest who has made the reservation arrives after a stated time, the hotel is not bound to provide him accommodation. Non-guaranteed reservation usually occurs when the prospective guest does not provide any payment guarantee but simply confirms through a letter.

Reservation agents shall make sure to encourage their guests to guarantee their reservations, especially in the high season.

5.2 Sources of reservation

- **Direct reservation:** it is directly handled by the hotel.

In person - People may come in 'on the off chance' of immediate accommodation, often because they are travelling unexpectedly, or touring (usually in the off season) without making advance plans. A local person may also 'drop in' in person, since it is convenient to do so, to make a booking on behalf of others. Face-to-face enquiries offer the advantage of interactivity: enquirers and reservation staff can both gather information and get their questions answered in real time - and written confirmation of the details can also be prepared and handed over on the spot.

In writing - A written request for a booking (letter, by mail, facsimile transfer (fax) or booking form - from a hotel brochure. Written enquiries are useful for the hotel, as they may set out clearly the details of the guest's requirements (room types, number of guests, arrival and departure dates), and contact details for the hotel to gather additional information and/or confirm the booking. These can be used to confirm bookings made by telephone, so that both parties have written evidence of what was discussed and agreed, which they can refer later if they need to. Compared to the postal system, the advantage of e-mail and fax is that they can be used to send and receive bookings and confirmations almost instantly (via telecommunication links) from one side of the world to the other, regardless of distance, time zones and so on.

By telephone - Is a fast, convenient and cost-effective way of making an enquiry? Its interactive nature allows the prospective guest and the hotel to ask questions and exchange information in real time - without written, for quick, accurate agreement on details. Because guests can *know that their enquiry has been received and answered, on the spot*, telephone is often used to make last-minute bookings.

Online - Increasingly, guests and travel agencies gather information about hotel rates and room availability via the web sites of individual hotels, centralized booking sites for hotel chains, and agency booking sites. Bookings can be made online and processed directly by the hotels or agency's computerized booking system: leaving an electronic record for the hotel, and generating an electronic confirmation for the guest - without human intervention or involvement. This can be extremely cost effective for a hotel with the relevant systems set up.

- **Central Reservation Systems**

The majority of Lodging Properties belongs to one or more Central Reservation Systems. A central reservation system is composed of a central reservation office, member hotels connected together via communication devices, and potential guests. Central Reservation Office [CRO] offers its services via a 24-hours toll free telephone number(s). Member hotels of the central reservation system shall provide and exchange accurate room availability data to central reservation offices. To illustrate, central reservation offices and member hotels shall communicate (on real time) any reservation transaction. This is possible, nowadays, with the sophisticated communication equipment available. These equipments shall be provided by central reservation offices to its member hotels.

Central Reservation Offices are divided into two:

i) **Affiliate reservation network** - this network is referred to as the hotel chain's reservation system. In fact, it is composed of a CRO and hotels, which are members of the same chain. The main advantages of affiliate reservation network are:

- a) make more efficient the process of reservation
- b) Reduce overall system costs
- c) Attract business for or refer business to another chain property
- d) Affiliate reservation networks might serve, in addition to its main function, other duties like:
 - ✓ Serve as an inter property communication network
 - ✓ Serve as an accounting transfer tool
 - ✓ Serve as a destination information center
 - ✓ Serve as a connection with Global Distribution
 - ✓ Systems [GDS] System including several Central Reservation Offices connected to each other.

ii) **Non-affiliate reservation network** - A non -affiliate reservation network is composed of a central reservation office, potential guests, and member independent hotels.

5.3 Handling reservation

Guests can communicate their reservation enquiries in any one of the methods; in person, over the telephone, via mail, through facsimile, re-mail. Moreover, reservation inquiries can also be made through Central Reservation System.

While getting a reservation enquiry, the reservation agent shall obtain the following guest-related information:

- ✓ Guest's name, address and telephone number

- ✓ Company or travel agency name, where possible
- ✓ Date of arrival and departure
- ✓ Type and number of rooms requested
- ✓ Desired room rate and type of room
- ✓ Number of people in the group, if applicable Method of payment and / or guarantee
- ✓ Any other special requests

5.4 Reservation reports

After reservation has been received by prospective guest, the reservation sub section has to prepare a reservation report. This is, therefore, very important for organization to:

- ✓ To forecast better the occupancy, future potential revenue, and marketing mix of the hotel.
- ✓ To serve guests according to their requests.
- ✓ To help the departments plan their budgets.

5.5 Reservation considerations (Legal implications, Waiting list, Packages,

Potential reservation problems

The hotel may face a number of problems while receiving reservation from the customer.

- ✓ Room number
- ✓ Basic price
- ✓ Maximum occupancy
- ✓ Type of room(single, double, twin, executive, suite)

Chapter 6

Check-in and its procedures

6.1 Welcoming the guest

Why Welcome a Guest?

- a. To maintain hotel brand standards (You will know how to welcome a Guest in line with the hotels Brand Standards)
- b. Our Guests are important for the survival of the hotels
- c. First Impressions Last

➤ so, it's important to welcome the right way, the first time.....

What makes an impressive welcome?

- Good Eye Contact
- Smile
- Upright Posture
- Relaxed Facial Expressions
- Positive Tone of Voice
- **Facts - Word of Mouth**
 - ✓ People will tell 3 others of a good experience, but 11 of a bad experience! This is human nature!!
 - ✓ People are more likely to believe people if they have been through a real life experience, this is much more powerful than advertising.
 - ✓ So, we must try to make the experience a good one for our guests!

6.2 Basic check-in activities

6.2.1. Pre-registration activity (Pre-arrival)

The front office needs a list of all the guests expected on a given day to prepare for guests' arrival, with their estimated arrival times, room type (or allocated room, if any), special requirements, and so on.

The arrivals list is usually generated, using the data in the bookings diary, the day before the arrival date, so that it is as current as possible (allowing for the possibility of last-minute walk-in or 'chance' lettings). Separate group arrivals lists and VIP/Special Attention Guest lists may be generated a week in advance, however, because such guests generally require more preparation. These various lists will be copied, as required, to the housekeeping department (so that rooms can be prepared for new arrivals), the food and beverage manager

(e.g. for incoming banqueting parties), and guest relations (e.g. if some arrivals are flagged as VIPs)

	Date of arrival april16,2016					
Name	No of adults	No of children	Room type	Room allocated	Length of stay	Remarks
Helen	1		SS	11	4	
Abraham	2	1	DB	12	5	
Engida	2		TB	13	3	

The Computer will generate a list that gives details of guests who are expected to arrive on a daily basis. This list is called The Expected Arrival List. Some items of information found on the lists are: To check the arrival list is one of the first steps in preparing for Guests arrival. This list is also used for pre-assigning rooms.

The main reasons for carrying out this process are:

- ✓ It speeds up the check-in process as some sections of the registrations are already completed beforehand. All the Front Desk Agent needs to do is to verify the information provided with the guests’.
- ✓ It gives repeat and VIP guests a feeling of importance to know that the hotel is aware of and prepared for their arrivals.

Registration

Registration is a mandatory requirement that all guests over the age of 16 years –irrespective of domestic or foreigner, ordinary personnel or VIP. Regardless the size of the hotel, be it small or large guests, must provide basic information about them and fill up either a visitors register / hotel register. The register may be a Red Book / form or a card also called G.R. Card (Guest Registration Card). The guest has to fill in the form and attest his signature. This agreement between the hotel and the guest is known as a simple.

The registration process has the following basic concepts.

- ✓ **Collection:** It is the gathering of information about the guest such as date and time of arrival, guest personal information (name, address, nationality, occupation etc), purpose of visit, date of departure.
- ✓ **Product Matching:** Assigning the right room to the guest as desired based on availability.

- ✓ Revenue Management: The billing instructions i.e. mode of payment through cash, credit card, travelers cheque etc.
- ✓ Rooms Management: The duration of stay of the guest. The availability of the room for resale for the next guest.
- ✓ Completion: After the guest has registered a rate for room is decided and a room assigned after establishing his creditability. Then the guest along with his luggage sent to his room. After that the receptionist would complete the paper and other work related to the new arrival.

6.2.2. Registration record

The registration record is a collection of important personal and financial guest information. A typical registration record includes:

- ✓ Guest name and surname
- ✓ Guest address and telephone number
- ✓ Company affiliation (if applicable)
- ✓ Expected arrival date
- ✓ Planned departure date or length of stay
- ✓ Required room rate Required room type
- ✓ Room number
- ✓ Method of payment
- ✓ Special requests
- ✓ Signature of the guest.

Guest registration information details forwarded to different areas and functions of the hotel.

6.2.3. Room and rate assignment

The hotel shall identify the room preference of the guest and allocate an available room from the existing specific room category (i.e. type & rate). Moreover, while assigning rooms check-in clerks shall keep an eye on hotel's reservation commitments and not assign a room to a guest, while that very room is pre-assigned to some other guests for the same period of time.

While pricing rooms, the hotel shall keep in mind that rate should be between a minimum (determined by cost structure) and a maximum (determined by competition structure) boundary. Front office department shall finalize room rates with guests during the registration process. Moreover, rack rates shall only be applicable for walk-ins especially during the high season. Lastly, room rates might be affected by:

- a) Seasonality
- b) Service level
- c) Room location
- d) Type of Guest and / or usage (eg. commercial, corporate, complementary, group, family, day, and package-plan etc.)

6.2.4. Methods of payment

Guests, at the registration stage, shall communicate or confirm their intended method of payment. Below are the common methods of payments accepted by hotels:

1. **Cash** - Guests intending to settle their accounts by cash shall have no in-house charge privileges and, hence, all their purchases should be paid in advance (i.e. PIA status), which means that as guests purchase any kind of service or product, they shall pay for it immediately.
2. **Personal Cheques**- Very few hotels still accept personal cheques as a method of payment due to the high probability of fraud associated with this method. In fact, in order to accept personal cheques, most hotels necessitate that these cheques be supported by a credit card with a cheque-cashing guarantee, that the amount to be cashed against cheques shall be within the hotel's established limit, and preferably accept personal cheques only during standard business hours where banks are open. If personal cheques are to be accepted, front office personnel shall imprint the credit card on the backside of the guest personal cheque and record the Guest ID card or driving license certificate along with the guest's address and telephone number on the face of the cheque.
3. **Credit Cards**- Nowadays almost all the mid-sized and large hotels have credit card machines. Credit cards have become a preferable method of payment for guests and hotels. The guest credit card is swiped on the spot and the amount credited to the hotel's account.
4. **Direct Billing** - Some guests (especially VIP) do not prefer to wait at checkout queues like other guests before departure. They, rather, prefer, only to sign their guest folios, go to their homes, and later receive a certain invoice detailing their charges while they were staying at the hotel to be settled by payment to hotel bank accounts. In order to satisfy the needs of this category of guests, hotels created the direct billing process. To be eligible for a direct billing privilege, guests shall at pre-arrival stage or maximum at the arrival stage fill a hotel credit application form along with the provision of an imprint of a valid credit

card. This form is sent to the Front Office Manager or Rooms Division Manager for approval.

5. **Special Programs-** Special programs are any form of vouchers, coupons, or any special incentive awards received from businesses, airline companies etc.

6.2.5. Issuing the room key

With the issuing of room keys, the rooming process gets to an end. However, concerning room keys, front office clerks shall respect hotel's written policies governing guestroom key control. As an illustration, front desk agents shall only hand the room key to the guest without announcing and / or spelling out the room number. This is a vital requirement to protect and ensure guest safety and privacy. After guest is handed over his / her room key, front office clerks shall offer bellboy assistance

6.2.6. Handling special requests of a guest during registration

Front Office Department shall watch for special requests by guest and try promptly to satisfy them. This creates a good impression and lasting professional relationship with the guests and increases the probability that the hotel will receive these guests for many more times to come in the future (i.e. repeat guests). Guests' requests are usually grouped under the following categories:

- ✓ Room type
- ✓ Bed type
- ✓ Location
- ✓ View
- ✓ Amenities

6.2.7. Selling the guest room

Each opportunity to sell is unique. The receptionist has to be able to sell different products to different customers in different situations. The receptionist will most often be involved in personal selling. Each new arrival presents an opportunity for personal or face-to-face selling. In addition, receptionists will be involved in telephone sales and sales through correspondence such as letters, faxes and emails.

1. Top down

This method begins with the Front Office Agent giving a strong enthusiastic recommendation

of the highest rate category that fits a guest's situation. The guest might take the room or decline the room. If the guest declines, the Front Office Agent describes the next highest rate category, continuing down in the same manner until the guest makes a decision. Guest often do not like to decline twice and might settle for the second option.

2. Bottom Up

This method is most often used after a guest has reserved a minimum rate room. During registration, the Front Office Agent can suggest extra amenities or features which can be enjoyed in a more expensive room or better satisfy the guest's needs.

6.3 Overbooking

Over booking is the practice of accepting more reservations than there is space available. The purpose of overbooking is to assist the hotel in obtaining maximum occupancy, and, last-minute cancellations and non-arrivals. The reception department should keep figures of non-arrivals and early departures, and from these should calculate the percentage to which overbooking is possible.

The degree of overbooking will vary not only from one hotel to another but also from week to week and day to day in the same hotel.

Reservations departments that are operating on a computer system will usually find that the system will record the relationship between reservations and actual arrivals, and even the likelihood of different classes of booking not arriving. Obviously this is a great boon to the hotel, and should ensure that serious overbooking never occurs

Accidental overbooking can result due to overstays, inaccurate assessment of room availability or errors made during the reservation systems.

Overbooking does not always have a positive impact on the hotel. Unless it is well planned, it can have a negative impact on the hotel, the staff and the guest. It cause undue stress on staff, dissatisfaction in guests and affects hotel reputation.

Chapter 7

Front Office accounting

7.1 Introduction to front office accounting and its fundamentals (Accounts, folios, vouchers, ledger etc)

I- Front Office Accounting System

The front office accounting system is responsible for:

- a. Creating and maintaining an accurate accounting record for each guest or non-guest in the hotel
- b. Tracking all financial transactions throughout the guest cycle
- c. Ensuring internal control over cash and non-cash transactions
- d. Recording settlement for all goods & services provided

The front office accounting system shall be customized and tailored to track each hotel's needs. Therefore, no two hotels have exactly the same front office accounting systems.

II- General Concepts of Front Office Accounting:

Below is a brief description of some accounting terminologies used frequently in the front office department:

1- Accounts

An account is a form on which financial data are accumulated, summarized and brought to its ending balance. Moreover, all accounts shall have two entries referred to as Debit (dr) (or charges) versus Credit (cr) (or payments).

- The most widely used representation of accounts is the T-Account, which summarizes debit entries on the left-hand side and credit entries on the right-hand side.
- Hotels operating under the manual system get use of journal forms to account for different front office accounting transactions.
- As far as front office accounting is concerned, there are two major types of accounts widely used:
 - a. Guest accounts describe all charges and payments of guests who are already registered at the hotel.
 - b. Non-guest (house or city) accounts: describe all charges and payments of non-guests. To illustrate, a potential guest sending a certain deposit to guarantee a reservation is a non-guest. Moreover, charges and payments of guests who checkout with any method of

payment other than cash, shall be opened a non-guest account. Lastly, visitors and employees with charge privileges shall be opened non-guest accounts.

2. Folios

- A folio is a statement of all transactions (i.e. debits & credits) affecting the balance of a single account. At Checkout, any guest folio should be balanced to 0 through full cash payment, credit card transfer, personal check transfer, special program transfer, and direct billing transfer...
- The correct way of maintaining folios starts with proper posting, which is the process of recording transactions on a folio (i.e. proper folio, proper location and proper amount)
- Under the manual, semi automated and fully automated systems, folios are called hand-written folios, machine-posted folios, and computer-based electronic folios respectively. Moreover, all folios shall have a unique serial number for internal control and storing purposes.
- In the front office department, there are four common types of folios used:
 - a. Guest folios: accounts assigned to individual persons or guestrooms
 - b. Master Folios: accounts assigned to more than one person or guest room; usually reserved for guest groups
 - c. Non-Guest (or semi-permanent) folios: accounts assigned to non-guest businesses or agencies.
 - d. Employee Folios: accounts assigned to employees.

Grand Hotel and Convention			
Bahir dar , Ethiopia			
Automated Guest Folio			
<u>Guest Name:</u>		Room Number:	

Arrival Date:		Payment Method:	Billing		
Departure:		Reservation Status:			
Date:	Room/Acct .	Reference	<u>Credit</u>	<u>Debit</u>	Employee
			Balance Due:		

Posting

3. Vouchers

- Vouchers depict the details of the transaction information gathered at the source of transaction and is, hence, a supporting documents used only for internal control purposes.

Below are some of the commonly used vouchers in the hospitality industry

- a) Cash vouchers
- b) Credit card vouchers

- c) Charge vouchers
- d) Transfer vouchers
- e) Correction vouchers
- f) Allowance vouchers

When posting charges, the following items shall be considered:

- a) Amount of the charge
- b) Name of the point of sales outlet
- c) Room number & name of the guest
- d) Brief description of the charge
- e) Guest signature & employee identification.

III- Tracking Transactions

Under the manual and semi-automated systems, tracking transactions is ensured through an intensive use of vouchers. On the other hand, under fully automated systems, tracking transactions is ensured through on-line electronic transfer of transactional information from remote points of sale to the front office main frame terminal.

IV- Internal Control

- In the hotel industry, the main purpose of internal control is to track transaction documentation, verify account entries and account balances, and to identify vulnerabilities in the accounting system. The keyword to internal control is auditing, which is the process of verifying front office accounting records for accuracy and completeness.
- Below are some forms that are of extreme importance to internally control, one of the most vital assets in the hotel (i.e. cash)

1. Front office cash sheet

The front office cash sheet lists each cash receipt or disbursement in order to reconcile cash on hand at the end of a cashier's shift with the documented transaction that occurred during the same shift.

2. Cash, house banks or petty cash

Petty cash is the amount of cash assigned to a cashier so that he/she can handle the various transactions that occur in a particular work shift.

At the beginning of each shift, all cashiers must sign their cash banks and at the end of the shift, shall deposit all cash, checks, and other negotiable instruments in the general cashier's safe deposit box. Moreover, at the end of each shift, cashiers should watch out for cash discrepancies (i.e. any difference between front office cash sheet and the actual amounts in their cash

drawers). Cash discrepancies might have the form of cash overages, shortages, or due backs. Lastly, cashiers might come up with the net cash receipt.

3. Audit control

Hotels might employ internal control auditors, at least once in a year (especially for hotels traded in the stock market) to get use of external certified public accountants responsible for approving hotel's accounts.

V. Settlement of Accounts

One of the responsibilities of front office clerks is to settle guest accounts, which means the eventual collection of payment for outstanding account balances (i.e.: bringing account balances to 0]. This is usually ensured either by full cash payment, transfer to an approved credit card, personal check, special program, or direct billing account...

an advance payment, or simply an advance, is the part of a contractually due sum that is paid in advance for goods or services, while the balance included in the invoice will only follow the delivery. It is called a prepaid expense in accrual accounting

Types of Accounting Systems

There are a number of factors in deciding the type of accounting system in a hotel and it is not confined only to the size of the operation. The capabilities of the staff, the budget and type of guests have to be considered as well.

Tabular Ledger

For many years this method of recording charges in hotels was the only one in existence. Even after the introduction of electronic accounting and computerization, it continued to be the most common method in use. The advantage of using this system is that the hotels can head up the columns according to their needs and no extra costs are incurred should they change over a period of time.

Although still used by many smaller hotels, in many units it has been replaced by computers as computer programmers are now available to suit all types and sizes of hotels.

Some hotels that operate a tab ledger produce two guest accounts. One is a three-day account for short-stay guests, and the other is an eight-day account for guests who stay for a longer time. The accounts are exactly the same, apart from the greater number of columns on the eight-day account. In principle, the most common account is calculated on a five-day period, since this reflects the main volume of business in most hotels

Sleepers: _____ Date: <u>1 August 2007</u>							
ROOM NR.	112	114	118	121	123		
NAME	Jones	Smith	McDonald	Scott	Holmes		
	H. Mr.	S. Mrs.	P. Mr.	B. Mr.	A. Mrs.		
RATE	EP	CP	CP	CP	EP		
	£80 (2)	£90 (1)	£90 (1)	£90 (2)	£70 (1)		DAILY TOTAL
Brought forward	120-	90-	150-				360-
Accommodation	80-	80-	80-	80-	70-		390-
Breakfast		10-	10-	10-			30-
Luncheons					5-		5-
Dinners	20-	15-	12-	15-	12-		74-
Beverages					7-		7-
Alcoholic Beverages	10-						10-
Other Beverages		5-		5-			10-
Telephones	3-		2-				5-
V.P.O.					10-		10-
Newspapers	1 50						1 50
Laundry							
TOTAL	234 50	200-	254-	110-	104-		902 50
Cash	100-						100-
Allowances	Post 1 50						1 50
Ledger							-
BALANCE c/f							801-

Computer Billing

Many people believe that only large hotel will benefit from the use of a computer, but billing this way can be cost-effective even for the smallest hotel. Many systems can be linked to other areas such as the switchboard and other departments. It will also save any unnecessary miscommunication between the front office staff and other different departments.

The main benefits with billing of this type are:

- Programs can be personalized, so that each hotel will be able to review its needs and thus install a system based upon them.
- There are many systems available and some are able to perform any task that might be

required by the hotel.

It is crucial that a hotel be selective in choosing the system, as it is no use to an establishment to buy a system that will not be use to the full. The choice of choosing the best system is limitless, but many hotels feel secure in using a system that is tried and tested.

The operation of a system follows no standard pattern as it varies according to the system.

However, it is possible to make one or two generalizations which are:

- Room charges will be processed automatically
- VAT will be calculated at the appropriate rate, excluding items that are zero-rated
- A wrong charge will not be accepted onto a account if the error is user-induced
- A variety of reports will be compiled as charges are made.

Chapter 8**Sundry guest services****8.1 Introduction**

Guests may ask front office staff to arrange for different types of service available such as special delivery of out-going incoming mail; messenger services etc. and receptionists will need to be familiar with the requirements, such as speed delivery, keep security and minimize cost.

A large hotel will potentially have a high volume of incoming and outgoing mail to be sorted and processed. In such a case, there will probably be a dedicated back-office mail room, where all the various operations can be handled discreetly and efficiently.

8.2 Mail and information**8.2.1 Handling incoming mail and messages**

Incoming mail will be sorted and divided into three basic categories:

1. **Hotel mail** (which needs to be distributed to the relevant departments or individuals direct from the mail desk or mail room);
2. **Staff mail** (which may distributed via departments or staffroom mail racks);
and
3. **Guest mail** (Which needs to be processed for distribution to guests).

All incoming mail should be **date/time stamped** on arrival and sorting, so that there is no possibility of dispute about when mail arrived (e.g.. in the case of a reservation or cancellation notice), or how long it took the hotel to pass mail on to a guest, in case of problems resulting from any delay.

The next step is to **distribute** mail and messages to the target recipient.

- If mail arrives for guests whose names are not on the current guest index, the mail handler check the arrivals list and/or the reservation records.
- If the guest is expected, but has not yet arrived, the mail can be held at Front Office, a 'mail advice' slip or message added to the guests reservation file, to alert front desk that ma awaiting the guest when (s)he checks in.

- If the guest has already left the hotel, mail can be forwarded to the guests address (as found on the registration card). If a departing guest expects mail, (s)he may be asked to fill out a 'mail forwarding' form, with a forwarding address, a request to forward mail for a specified period, and perhaps an authorization for the hotel to charge any costs incurred. A log should be kept of all mail forwarded to guests, in case of subsequent queries and disputes.

8.2.2 Handling outgoing mail

Front desk may have the responsibility of collecting all mail being sent out from the various departments of the hotel, arranging for delivery to the post office, and recording postage charges. This may involve:

- Mail sorting
- Weighing (since postage is calculated by weight)
- Affixing stamps or using a '**franking**' machine [illustrated] to stamp envelopes as 'postage paid' (by
 - prior arrangement with the post office)
 - Delivering mail to the post office (or arranging for its collection)
 - Recording the quantity and cost of mail sent out

8.3 Telephones

One of the most important duties of Front Office is to answer the phone on behalf of the hotel, and either deal with the enquiries or issues raised by the caller (e.g.. give Information or take a reservation); or transfer the call to the person or extension requested (whether a staff member or a guest); or transfer the call to the most appropriate person or department to help the caller; or take messages if required.

In a larger hotel, there will usually be a separate switchboard operator or telephonist to perform all these tasks. In smaller hotels, the receptionist may answer the phone alongside her other duties - and particular care will have to be taken to avoid sounding irritated or confused by the interruption! As with guests calling in person at the front desk, every telephone caller will expect to be greeted courteously and professionally, and given the telephonist's full and undivided attention for the duration of the call.

Telephone services

- ✓ Incoming calls for guests

- ✓ Taking guest messages
- ✓ Outgoing calls by guests

8.4 Guest request met by porters

- ✓ They are responsible for general guest or visitor enquiries and direction:
- ✓ They assist guests by making restaurant reservations, arranging for transportation, getting tickets for theater, sporting etc
- ✓ Handling baggage
- ✓ Providing storage for guest luggage
- ✓ Process room change
- ✓ making restaurant reservations

Chapter 9**Front Office Computer System****9.1 Introduction to hotel front office computer**

A *computer* is an electronic device used to store and process information. It plays a major role in our lives. You also use them for receiving and sending messages to guests, making presentations, maintaining personal and financial records, making sales forecasts, and for various other business and recreation activities. By using computers, you save a lot of time, effort, and money.

Computer Reservations System (CRS) is a **computerized** system used to store and retrieve information and conduct transactions related to guests

9.2 Computer applications trend in hospitality industry

The intense competition in today's business environment means that tourism and hospitality businesses have to work hard to maintain and develop their competitiveness. The success of a business, to certain extent, depends on its ability to acquire and utilize updated information to assist its management and marketing processes. Hence, Information Technology

(IT) assists organization to manage information dynamically and influences business competitiveness through assisting decision makers to make appropriate investments and decisions.

Hotels have widely adopted information technology [IT] to reduce costs, enhance operational efficiency, and most importantly to improve service quality and customer experience.

9.3 Hotel front office computer system

Hotels use a variety of computer systems to manage the operations of their front office. Called a property management system (PMS), these computer systems manage a variety of tasks. A hotel PMS manages a guest's check-in and checkout, cash transactions at the front desk, outlet/ancillary transactions, reservations, housekeeping, night audit and other tasks. The PMS impacts the rooms division before, during and after the arrival chronology.

The main function of **front office computer system**

- ✓ Collect, process, store, and distribute information to support decision making and control in an organization

- ✓ **Electronic market** is an information system that links together buyers and sellers to exchange information, products, services, and payments.
- ✓ increases the use of business-to-business transactions

Hospitality Information Processing

- ✓ Data
- ✓ Information
- ✓ Information sharing
- ✓ Electronic data exchange

9.4 The role of technology on hotel operations and Management

Technology paves the way in which a firm competes in the marketplace. Examples of these strategies include (a) low cost, (b) quality, (c) speed of delivery, and (d) customization.

Hotel firms invest heavily in information systems (technology) to achieve six strategic business objectives:

1. Operational excellence:

- ✓ Improvement of efficiency of operation to attain higher profitability
- ✓ Information technology tool to achieving greater efficiency and productivity

2. New products, services, and business models

- ✓ Business model: describes how company produces, delivers, and sells product or service to create wealth
- ✓ Information systems and technology a major enabling tool for new products, services, business models

3. Customer and supplier intimacy:

- ✓ Serving customers well leads to customers returning, which raises revenues and profits e.g. High-end hotels that use computers to track customer preferences and use to monitor and customize environment
- ✓ Intimacy with suppliers allows them to provide vital inputs, which lowers costs

4. Improved decision making:

- ✓ Without accurate information:
 - Leads to:
 - Overproduction, underproduction of goods and services
 - Miscellaneous of resources
 - Poor response times
 - Poor outcomes raise costs, lose customers
 - Managers must use forecasts, best guesses, luck
- ✓ IS provide real-time data for making decisions

5. Competitive advantage:

- ✓ Achieve higher sales and profit through using IS by:
 - Doing things better
 - Charging less for superior products
 - real time Responding
 - Using the internet is competitive advantage

6. Survival:

- ✓ Information technologies are necessity of doing business

9.5 Processing reservations

Computerized Reservation System: any of several proprietary computer systems allowing real-time access to room rate and availability of service and offering the capability of booking reservations

- Room allocation
- Check-in procedures
- Guest checkout

Chapter 10

Front Office Communication

10.1 Introduction to Front Office Communication

Because of the importance of communications within the front office, different methods are used to ensure all areas have accurate information.

One of the key skills for a hotel receptionist is that of communication. It is a part of the job that underpins all other tasks and duties. In some form or another, this simple skill plays a part in every aspect of the work.

Communication between people can be made in a variety of ways:

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> Verbal | <input type="checkbox"/> Written |
| <input type="checkbox"/> Non-verbal | <input type="checkbox"/> Telecommunications |

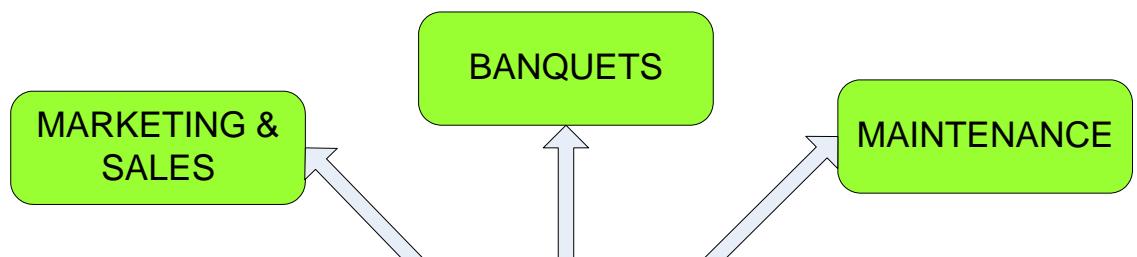
These can be broken down again in a number of different ways. For example, verbal communication can be face to face, or by telephone. Each has its place and its advantages and disadvantages, but a good receptionist will be equally at home with the use of any of them.

The receptionist is a bit like a hub in the centre of a wheel. All the departments need to lock into the centre piece in order for the system to operate.

The system will not work effectively once one of the spokes is broken. This is why it is crucial that all departments communicate with each other. The role of the receptionist is centered on the need to communicate.

Virtually all the information that is received in a hotel comes in via reception. What reception must do is act as a filter, and sends out the information that is useful to other departments. Not all departments will need the same information; in fact some information is confidential, and should not be circulated widely.

Communication is a vital part of the role of the reception, and of the smooth running of hotel. Everyone is aware of the important of communication between a few key areas such as reception and housekeeping and kitchen and restaurants.

10.2 Interdepartmental Communication

Front Office Interaction with Other Departments in the Hotel

1. Marketing and Sales:

- Provide data on guest histories to marketing and sales - details concerning each guest's visit – to be used for marketing for marketing campaigns, develop promotions, prepare mailing labels, and select appropriate advertising media
- Process requests for reservations for sleeping rooms from marketing and sale
- Offer good first impression to the public
- Relay messages to marketing and sales

- Meet information requests of guests for meetings, seminars, and banquets.

2. Housekeeping:

- Receive housekeeping room status from each other
- Report potential house count (a report of the number of guests registered in the hotel) to each other
- Relay guest requests for amenities and supplies to housekeeping
- Report room sales projections
- Relay accurate housekeeping status
- Relay security concerns to front office

3. Food and Beverage:

- Relaying messages to food and beverage
- Record accurate information on vouchers and subsequent postings
- Reporting predicted house counts to food and beverage so that F&B can schedule employees and predict sales
- Processing requests for paid-outs from food and beverage personnel
- Inter-face with point-of-sale terminals

4. Banquets:

- Relay information to guests about scheduled events for banquet department
- Process payment of guest charges for scheduled events for banquet department
- Prepare daily announcement board and marquee for banquet department

5. .Controller:

- Provide a daily summary of financial transactions through a well-prepared night audit for the controller

Front office management**2020**

- Provide information for billing and maintenance of credit card ledgers via the PMS to each other
- Verbally communicates between the front office and controller departments as they share a common concern of guest hospitality and when there are finances concerned.

6. Maintenance

- Provide room status to maintenance
- Relay information on requests for guest room maintenance

7. Security

- Maintain guest security – fire safety, emergency communication systems, and routine investigation of guest security
- Alert for people who don't belong in the lobby and impel front office staff to report inconsistencies with the security department.

8. Human Resource Management

- Rely upon front office staff to do initial screening of candidates
- Distribute application forms
- Directions to personnel office