

Hotel organisational analysis



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The Organisations Status and Size in Relation to the Irish Economy

Dooley's Hotel is a privately owned 3 star hotel and has been run by the Darrer family for nearly 70 years. They are a member of the Select Hotels of Ireland and have won a Certificate of Excellence from Tripadvisor in 2012. They operate in the private sector as a private limited company.

Dooley's Hotel offers 113 well-appointed ensuite guestrooms all offering the essentials for a comfortable stay. It is one of six AA 3 star rated hotels in Waterford city with a further 8 located throughout the county. There are a further 10 hotels with various star ratings located in Waterford giving a total of 1, 430 rooms. 3 star rooms have the biggest share at 983 and therefore this is the most competitive area.

In contrast Kilkenny the next nearest city has only five 3 star hotels with a total of 267 rooms. Nationally there are 341 3 star hotels with a total of 23, 115 rooms available.

Labour costs account for 30-40% of annual turnover for most hotels – higher again for 4/5 star hotels. The implication is that an expanding hotel sector is good for job creation, but significant increases in labour costs are bad for the hotel sector. Dooley's employ staff who have different levels of education, for instance in management staff must have obtained a degree whereas housekeeping staff may only have a junior or leaving certificate level of education.

The Irish hotel industry is looking forward to a period of renewed growth after a number of difficult years, according to research which has been <https://assignbuster.com/hotel-organisational-analysis/>

commissioned by AIB, in association with the Irish Hotels Federation and carried out by Amárach Research. Hotels are large employers in the communities in which they operate. Therefore their economic performance has very real, very local consequences for employees throughout Ireland. The research found that over 50% of hoteliers have seen an increase in their turnover in the past 12 months, while 26% have seen a decrease.

The Organisations Structure, Main Aims and Overall Objectives

Dooley's Hotel is a privately owned 3 star hotel and has been run by the Darrer Family for nearly 70 years. They provide 113 ensuite guestrooms, a bar and restaurant, conference and wedding venue. They aim their service at guests on a mid-range budget. The organisational chart below shows the structure of the organisation.

The main aim and overall objectives of the hotel are to generate profit; they achieve this through the sale of room nights and the food and beverage department which includes wedding and corporate sales.

Between 80% and 90% of total revenues are contributed by rooms and food and beverage departments. These two are the major revenue as well as profit contributors of the hotel operation and they tend to complement each other. The Rooms department is really the dominant revenue centre of the hotel. By itself it can account for anything between 60% and 80% of the hotels revenue. In comparison, the Food and Beverage department contributes between 10% and 20% of total revenues.

The Rooms operation has a limited number of products (113 rooms) compared to Food & Beverage, which boasts a varied number of offerings. The two major ingredients contributing to revenues both in Rooms as well as Food & Beverage departments are quantity and price. Quantity represents business volume, which in the case of rooms is occupancy and in the case of Food & Beverage is covers served. Price represents the rate, which is the Average Daily Rate in Rooms and Average Bill in Food & Beverage. The food and beverage department has to serve a higher volume of covers in order to generate revenues comparable with the rooms department. Selling one room is about equal to selling five to eight covers in the food and beverage operation.

So to meet their objectives Dooley's aim to have as high a room occupancy rate as possible and to sell as many covers in the restaurant as possible.

The Organisations Culture and Values

Rita Nolan bought the hotel in the 1940's and, as the owner, was the main power source which enabled her to assume the personal direction of the business. The person /support culture evidenced itself though her where she looked after her employees and their problems where possible. There were bonds of mutual solidarity for one another. The stronger individuals often supported the weaker being very much like a family.

When Mrs. Nolan's daughter entered the business in 1962 she brought about a cultural shift with role orientation becoming part of the organisation. After Mrs Nolan's Death in the early '90's her daughter Mrs Darrer contacted the state training agency CERT to provide guidelines on organisational structure

and linking responsibility to accountability. This coupled with retirements weeded out the dysfunctional elements of the existing culture.

The growth of the business also pushed it towards a role culture with job descriptions developed and performance reviewed regularly. There is a young staff at Dooley's who are willing to take on responsibility and work long hours in support of a common task. Each employee is aware that they must contribute to the future success of the business.

Staff are encouraged to feel as valued members of the Darrer team. The Darrer family offer an open door policy for all staff from kitchen porter to reservations manager to speak with them about any aspect of their employment at Dooley's.

Dooley's today has a combination of three different cultures; power, role and task/achievement.

The power element will always present itself where family are involved in business. The role element emerged due to the growth of the business and the change in people's needs. More recently the business is adapting parts of the task/ achievement culture where employees have a sense of commitment to their work. By developing a strategy to focus on their customers, Dooley's hope to harness this sense of task/ achievement aligning the commitment of staff to customers' needs

The Impact of Globalisation, Technology and Science.

Ireland is the world's second most globalised nation according to EY's Globalisation and the Changing World of Business report. In 2011 there were

38, 855 non Irish nationals working in the accommodation and food services. This may have implications for the hotel regarding the arrangement of working visas, communication with staff and cultural differences to overcome. It would have a positive impact on communication with guests as a greater number of languages would be spoken by staff.

According to the CSO the number of nights spent in Ireland by overseas travellers increased by 13. 4% in Quarter 2, 2014 compared with the same period of the previous year, up from 13. 3 million to 15. 1 million. This increases the hotels potential to attract both business travellers and holiday makers.

A recent Fáilte Ireland study (2012) into the use of new technology by tourists in Ireland has found that close to 55% of tourists who own smartphones use their device while travelling in Ireland and 31% booked an element of their trip using their mobile devices.

In order to attract these guests the hotel must have an attractive, user friendly website and booking system. They must also have a presence on review sites as according to Travel Daily News (2012), Tripadvisor has become so intrinsic in travellers' planning processes that 53% of people surveyed claimed that they would not book a hotel if it had no reviews on the site.

It is also important for the hotel to keep up with guest's demands for high speed internet access particularly for business guests. The hotel needs to have good Wi-Fi connections to attract business, this means they may also

need to employ a person or outside business to install and maintain their computer network.

With large science based multinational companies such as Genzyme and Teva based in Waterford this brings opportunities for the hotel to attract lucrative corporate clients.

The Impact of Government Policy

According to the Irish Hotels Federation tourism is “ Ireland’s largest indigenous industry and a critical component of the export economy, accounting for €5. 7 billion in spending in 2013 and represents 4% of Ireland’s GNP”. Approximately 65 cent in every euro goes back to the government by way of some form of tax or levy. Tourism provides an estimated 205, 000 jobs, equivalent to 11 per cent of total employment in the country.

Through targeted measures supporting tourism, the Government has recognised the role the industry has to play in contributing to the economic recovery in Ireland. The government’s decision to reduce the rate of VAT to 9% for tourism products has provided a much needed boost for the sector by allowing hotels and guesthouses retain and create jobs in an otherwise turbulent environment.

The Valuation Act 2001 was intended to review the excessive charges being demanded by local authorities, Ireland’s 900 hotels pay approximately €90 million a year in local authority rates which equates to an average of €1, 500 per bedroom regardless of recent trading circumstances. In 2014 Waterford county council reviewed their rates and with assistance from the minister

through the local government fund Waterford city rate payers received a reduction of 20%.

Social Issues Affecting the Organisation

Lifestyle opportunities are varied and extensive in Waterford City with many other amenities in the surrounding area. The importance of education is recognised in the City with third level (WIT) and numerous further education facilities available. There is plenty of choice for both primary and secondary education with 21 Primary Schools and nine secondary schools. The regional hospital for the South-East of Ireland is based in Waterford City and there are over 20 GP Practices. The availability of a well-educated, highly skilled, young workforce represents an important competitive advantage for Waterford City. With such excellent resources available to families Waterford's population is booming providing many customers and potential customers for the hotel.

Waterford had a 30% share of all crimes in Ireland in 2013 compared with a rate of 27.3% in Kilkenny the next nearest city. These crime statistics could have a very negative affect on the tourism trade in Waterford thus affecting the hotel trade. The Irish Tourist Assistance Service said 433 cases were referred to its office in 2012, involving more than 700 tourists. The comparable figure for 2011 was 396 cases.

Co Waterford has a much higher rate of rape and sexual offences than other counties which may put female tourists off coming to the city. The most common offence, theft, which accounts for more than a third of all reported crime in Ireland, has risen and reached its highest level in a decade in 2013

with almost 79, 000 reports of stolen property. Tourists are perceived as carrying a large amount of cash and can be seen as easy targets. This could be seen as both a positive and a negative for the hotel, it is a negative in that it puts off potential guests from visiting but a positive in that guests may choose to remain in the hotel in the evenings. This could mean an increase in revenue for the hotel bar and restaurant

The Impact of Economic and Population Shifts on the Organisation

Waterford City is often referred to as the capital of the South East. With good quality transport and other economic infrastructure, three Third level Education Institutes, a young and highly educated labour force, a network of Industrial and Technology Parks available region wide, the South East is an attractive region for investment. With investment comes economic growth for the city increasing the number of potential guests for the hotel. The opportunity to attract corporate clients is increased raising the hotels profits.

Waterford City's population has been growing over the past ten years and it's a young population with over half under the age of 35. This growth in population provides opportunities for the hotel to increase its profits. The hotel is located on the quay making the restaurant and bar very convenient for those working or shopping in the city and they also offer attractive packages for weddings, christenings and other family occasions which is perfect for a young population.

Health, Safety and Welfare at Work

The main legislation regarding the health and safety of people in the workplace are the Safety, Health and Welfare at Work Acts 2005 and 2010. These acts apply to all employers, employees (including fixed-term and temporary employees) and self-employed people in the workplace. The Acts set out the rights and obligations of both employers and employees and provides for substantial fines and penalties for breaches of the health and safety legislation.

In order to prevent workplace injuries and ill health Dooley's Hotel is required, among other things, to:

- Provide and maintain a safe workplace which uses safe plant and equipment
- Prevent risks from use of any article or substance and from exposure to physical agents, noise and vibration
- Prevent any improper conduct or behaviour likely to put the safety, health and welfare of employees at risk
- Provide instruction and training to employees on health and safety
- Provide protective clothing and equipment to employees
- Appointing a competent person as the organisation's Safety Officer

In order to adhere to this act the hotel must among other things, ensure that staff in the kitchen wear safety shoes, staff handling any chemical cleaning agents have appropriate training and protective equipment. Office staff must be provided with appropriate, well maintained and safe office equipment.

Employment

Under the Terms of Employment Act 1994 your employer should inform you of the conditions of the job in writing within two months of your employment or within one month if you are under 18 and, in this case, should also give you a copy of the official summary of the Protection of Young Persons (Employment) Act 1996.

This should include:

- Job title or nature of the work
- The date the job is to start
- The rate of pay
- Whether you will be paid weekly or monthly
- Hours of work and overtime
- Holidays
- Sick pay arrangements
- Periods of notice or, if the contract of employment is for a fixed time, the date when the contract expires

Under the Organisation of Working Time Act 1997 the maximum average working week is 48 hours. The average is usually calculated over four months but for some employees it may be calculated over a six month or even a 12 month period.

In the case of young people under 18, the maximum hours you can be asked to work are fixed by the Protection of Young Persons (Employment) Act 1996.

Dooley's ask staff to sign contracts of employment which includes all of this information which complies with this law.

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Equality

The Equal Status Acts 2000-2008 prohibit discrimination on the following nine grounds:

- The gender ground: A man, a woman or a transsexual person;
- The marital status ground: Single, married, separated, divorced or widowed;
- The family status ground: Pregnant, a parent of a person under 18 years or the resident primary carer or parent of a person with a disability; - The sexual orientation ground: Gay, lesbian, bisexual or heterosexual;
- The religion ground: Different religious belief, background, outlook or none;
- The age ground: This only applies to people over 18 except for the provision of car insurance to licensed drivers under that age;
- The race ground: A particular race, skin colour, nationality or ethnic origin; 6 Your Equal Rights Explained
- The Traveller community ground: People who are commonly called Travellers, who are identified both by Travellers and others as people with a shared history, culture and traditions, identified historically as a nomadic way of life on the island of Ireland;
- The disability ground: This is broadly defined including people with physical, intellectual, learning, cognitive or emotional disabilities and a range of medical conditions.

To comply with this law Dooley's cannot refuse to employ a person on any of these grounds nor can they refuse to serve a customer on any of these grounds. They must employ people on the basis of their ability to do the job.

Data Protection Legislation

If you, as an individual or an organisation, collect, store or process any data about living people on any type of computer or in a structured filing system, then you are a data controller. As Dooley's collect information about their guests they are considered a data controller.

This means they have key responsibilities in relation to the information which they process. These may be summarised in terms of eight fundamental rules which they must follow.

The Eight Rules of Data Protection are:

1. Obtain and process information fairly
2. Keep it only for one or more specified, explicit and lawful purposes
3. Use and disclose it only in ways compatible with these purposes
4. Keep it safe and secure
5. Keep it accurate, complete and up-to-date
6. Ensure that it is adequate, relevant and not excessive
7. Retain it for no longer than is necessary for the purpose or purposes
8. Give a copy of his/her personal data to an individual, on request

Dooley's must ensure that staff are trained in data protection and regularly review and audit the data that they hold and the manner in which it is processed.

They must have appropriate security measures in place both internally and externally to ensure all access to data is appropriate.

To comply with this law Dooley's hotel use the hotel software HOTSOFIT which among other functions, gives different staff different levels of access. This means that the housekeeping staff can access the records which show which guests are checking in/out but not their billing records or any other personal information. Any sensitive printed information is shredded when no longer needed.

Internal Policies for Front Office

It is hotel policy for front office staff to ensure all guests receive a warm, friendly, courteous welcome on arrival and throughout their stay at Dooley's.

Front office staff must maintain high standards in their personal appearance at all times. Uniform and name tag must be worn at all times.

Front office staff must deal with all guest enquiries in a friendly and efficient manner and ensure hotel guests are informed of hotel facilities.

Receptionists are expected to handle and resolve customer complaints, following through to ensure the highest level of guest satisfaction at all times. In order to do this effectively receptionists are required to adhere to the following policy:

Steps for Handling Complaints

Stop and break away from whatever you are doing and face the guest.

Listen to the guest's complaint thoroughly; do not interrupt. By listening to the guest, you are enabling him to express his feelings. It does not matter if the guest is wrong in blaming you, the cook, the service or the Hotel. It is important to gain the trust of the guest, to assure him/her that you will correct the problem.

Address the “ real” problem. Often, the guest will communicate a combination of facts and emotions. The real problem may be unclear. Before taking any action, you must find the root cause. To get the facts, ask factual questions: what, who, when and where. Once you understand the problem completely, react immediately. Nothing reassures an angry or disappointed guest more than an employee's immediate response to a problem. It is important the guest actually sees you trying to solve his/her problem. This is also a good time to thank the guest for bringing the problem to your attention and apologise for the inconvenience.

When problems are beyond your control or authority, do not hesitate to contact someone who can immediately assist the guest. Never make a promise you cannot keep.

Make sure the guest is satisfied. Follow-up with the guest to be sure the problem is resolved/corrected.

For any guest problem the receptionist must complete a Guest Incident Action Form (GIA).

Internal Policies Affecting All Staff

If a staff member is unable to report for their scheduled shift, they must report their absence to the manager well in advance allowing sufficient time to provide alternate staffing. Repeated absences will result in disciplinary action. Absence for 2 consecutive days without contacting the manager is considered job abandonment, you will be removed from the payroll and your position may be filled.

We encourage employees to identify and participate in correcting any condition that interferes with the way work gets completed or customers get satisfied. The Internal Defect Report is a form to allow employees these defects.

When completing this form, employees report the problem, including a possible cause and solution. The form is then turned in to the Operations Manager to be handled in the appropriate manner.

Orientation Period

The first sixty (60) calendar days of employment are referred to as the Orientation Period. During this time,

Staff are oriented to *Dooley's*, their job and the Hotel. Your manager provides technical training about *Dooley's* standards of performance.

During your Orientation Period, your job performance, safety record, attendance, disciplinary record and job skills are evaluated. Your manager will carefully evaluate your performance to determine whether your qualifications are best suited to your work assignments and whether or not

you and the Hotel meet each other's expectations regarding employment. All employees receive a written Performance Review based on job skills, knowledge of work, attendance and disciplinary actions at the end of the 60-Day Orientation Period.

After successful completion of your Orientation Period, you become a full-time or part-time employee and are eligible for various employee benefits. The successful completion of the Orientation Period does not, however, imply the promise of continued employment after the Orientation Period.

Should you separate from employment and are subsequently rehired; your Orientation Period begins with your new date of hire. Of course, your performance is continually evaluated following the Orientation Period and throughout your employment.

Probation

Initially, your employment will be on a probationary basis for a period of 6 months. The probationary period may be extended by an additional 6 month in certain circumstances. The Hotel reserves the sole right to terminate your employment at any stage during the probationary period.

External Policies

These are the general hotel policies for Dooley's Hotel.

Cancellation and prepayment policies vary by room type. Guests must check the room conditions when booking their room.

Cancellation Policy: If cancelled up to 2 days before date of arrival, no fee will be charged. If cancelled later or in case of no-show, the total price of the reservation will be charged.

Children and Extra Bed Policy: All children are welcome.

All children under 4 years stay free of charge when using existing bedding.

All children under 2 years stay free of charge for cots. All children from 0 to 4 years stay free of charge for extra beds. All children from 5 to 10 years are charged EUR 25.00 per night and person for extra beds. All older children or adults are charged 100 % of the room stay per night and person for extra beds. Maximum capacity of extra beds/baby cots in a room is 1.

Deposit Policy: No deposit will be charged.

Service charge is not applicable.

Pets: Pets are not allowed with the exception of guide dogs.

A credit card must be given in order to hold a room. The hotel reserves the right to pre-authorise credit cards prior to arrival.

As a receptionist I must be aware of these policies and ensure that they are adhered to.