

# [Strategic plan of shangri-la hotel](https://assignbuster.com/strategic-plan-of-shangri-la-hotel/)

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0Reference15 1. 0 Introduction Our group have chosen Shangri La as our topic of discussion for our report writing.

Shangri La is a cooperation that has a lot of hotels and resorts in the whole wide world. The name of ‘ Shangri La’ was actually from a novel published in 1933 named, ‘ Lost Horizon’ written by JamesHilton. In present days, the name ‘ Shangri La’ has become famous in the worldwide.

In 1971, Shangri La has its own deluxe hotel in Singapore. After that, Shangri La had grew into a huge cooperation which own 72 hotels and resorts in different countries, such as, Asia Pacific, North America, the Middle East, Europe and yet Shangri La is planning to develop more hotels in different countries.

Besides that, Shangri La has two Asia’s most prestigious recreational clubs, that is, the Aberdeen Marina Club in Hong Kong, and the Xili Golf and Country Club in Shenzhen. Furthermore, Shangri La’s always follow Asian Hospitality as their unique hospitality to treat their customer. In order to compete with other hotels and resorts, Shangri La had emphasized on hospitality towards their customer.

The main thing that makes Shangri La being successful and being different from the other hotels and resorts is offering high level of Asian standards of hospitality and caring for people.

Therefore, Shangri La hotels and resorts will care for each and every customer. They will make sure that every customer will satisfied with their services. Shangri La search for trendsetters and professionals to serve their customer and to achieve the goal, that is, to make sure every customer has great experience once they stay in the hotels and resorts. Strategic planning is critical to business success. Different from classic business planning, the strategic variety involves vision, mission and outside-of-the-box thinking.

Strategic planning describes where you want your company to go, not necessarily how you’re going to get there. However, like all other “ travel plans,” without knowing where you want to go, creating details on how to arrive are meaningless. Strategic planning defines the “ where” that your company is heading. In order for a business to be successful, there needs to be a roadmap for success. A strategic plan helps to provide direction and focus for all employees. It points to specific results that are to be achieved and establishes a course of action for achieving them.

A strategic plan also helps the various work units within an organization to align themselves with common goals. Building a strategic plan is not difficult. It will take some thought and some feedback from customers and others, but businesses should be routinely garnering feedback from appropriate constituent groups on an on-going basis. The process of developing a strategic plan should be rewarding for all involved and usually helps develop stronger communications between members of the planning team. Once developed, the key to making the plan work is a commitment to seeing it through and sound implementation.

Many businesses have developed strategic plans only to put them on a shelf to gather dust. Managers need a well-developed strategic plan in order to effectively establish expectations for their employees. Without a plan, expectations are developed in a void and there is little or no alignment with common goals. A good strategic plan looks out 2 to 5 years and describes clearly how the business will grow and prosper over that planning horizon. 2. 0 Strategic Plan 3.

0 Describe mission statement, strategic goals and corporate strategies for a hotel 4. Mission Statement In 2010, Shangri-La Hotels and Resorts had more than seventy hotels and 40, 000 employees, with a vision to double within five years, all while maintaining their unique culture of high quality caring and hospitality. In recent years, the hotel chain has won almost every global award, including Asia’s best hotel brand for business and vacation, best luxury hotel chain (Asia Money), best business hotel brand in Asia Pacific (Business Traveler) and top five best overseas hotel (Observer and Guardian) (Marquardt 2011).

Shangri-La has a powerful vision for its employees as well as its guests. Employee learning and development is an integral role in Shangri-La and is part of the company’s mission, which states that its aim includes “ enabling all employees to achieve their personal and professional growth.

” Eng Leong Tan, Director for HR notes, “ We seek to be the first choice employer among hospitality workers. We are committed to providing an environment in which employees can learn and grow.

It is not enough just to pay well and offer good benefits. Growth opportunities are equally important, especially to younger employees” (Marquardt 2011). Shangri-La’s hotel mission statement we envision a community of responsible and educated citizens who are environmentally conscious, practice social responsibility in their daily lives and inspire others to do the same.

We commit to operating in an economically, socially and environmentally responsible manner whilst balancing the interest of diverse stakeholders (Lincoln 2007).

We strive to be a leader in corporate citizenship and sustainable development, caring for our employees and customers, seeking to enrich the quality of life for the communities in which we do business and serving as good stewards of society and the environment (Shangri-La Asia Limited 2010). “ To delight our guests every time by creating engaging experiences straight from our hearts”. Again the same, they want to delight their quests, but as there is a low traffic of guests, it is self explanatory that they are not fulfilling the needs of their guests.

According to their mission they want to differentiate them with others by providing the guests a feeling of home and interacting but for that they need customers, without that they can’t do anything (Kumar Swain 2011). 4.

2 Strategic Goals Shangri-La Hotel is a facility of services which provide places to stay for customers around the world. It is known as a hotel or a resort for consumers to relax or even have a vacation at the hotel. Shangri-La Hotel is a much known hotel in Singapore because it was founded there itself. Shangri-La Hotel has provided a hotel for business traveler.

Therefore, it has made another target of business in its management. With these targets, the company has proven to be the world’s best finest hotel in management and services.

This hotel has also been situated in Malaysia itself, which have also become a finest hotel for business travelers and also travelers around the world and locally. Therefore, with these achievements, we have decided to make a research about the company itself and prove of its facility that satisfies us as a customer (Shangri-La International Hotel Management Ltd. 2012).

Great hotels are made by great employees, not by crystal chandeliers or expensive carpets. This strongly held belief at Shangri-La Hotels and Resorts translates to a firm commitment to employee development.

Such dedication will be increasingly important as the group’s workforce grows from 37, 000 to nearly 60, 000 by 2013 (Shangri-La International Hotel Management Ltd. 2012). The process begins with careful selection staff are “ hired for attitude, trained for skills” providing a fertile foundation for the Shangri-La philosophies to be embraced.

Shangri-La then invests heavily in training perhaps more than any other hotel group with intensive, ongoing coaching for all staff at 68 hotels and resorts. The group then retains its high caliber staff by creating an environment whereby employees may achieve their personal and career goals.

Shangri-La has one of the lowest staff turnover rate in the industry (Shangri-La International Hotel Management Ltd. 2012). 4. 3 Corporate Strategies Shangri-La Care the group’s defining feature is its exceptional and warm hospitality, as defined by its philosophy Shangri-La hospitality from caring people.

All staff undergoes the “ Shangri-La Care” training programme within six months of joining the group.

The programme is designed to develop a consistent Shangri-La style of service to deliver a superior guest experience and build brand loyalty. Respect, courtesy, sincerity, helpfulness and humility are all core values of the training. Under the umbrella theme “ Shangri-La Care the Shangri-La Way” the programme is divided into four modules: Shangri-La Care 1 – “ Shangri-La hospitality from caring people”, Shangri-La Care 2 – “ Delighting customers”, Shangri-La Care 3 – “ Recover to gain loyalty” and Shangri-La Care 4 – “ Taking ownership. The four modules of Shangri-La Care focus on the group’s mission: Delighting customers each and every time, part of Shangri-La’s guiding principles (Mohd Rizal 2007). Shangri-La Care is a living culture within the group, strongly supported by top management and continuously cascaded through the organization.

All hotels are required to allocate a specific budget for people training and development and the hotels’ general managers are responsible for ensuring the all the allocated funds are spent year after year.

Below is Shangri-La Care Modules that line out what service personnel do and how to serve their customers should best (Shangri-La International Hotel Management Ltd. 2012). 4. 4. 1 Shangri-La Care 1: Shangri-La Hospitality from Caring People First of all, addresses how to make the guests feel special and important by focusing on the five core values of Shangri-La Hospitality: Respect, Humility, Courtesy, Helpfulness and Sincerity.

It also imbues the value of ‘ Pride without Arrogance’ as the service hallmark (Mohd Rizal 2007). . 4. 2 Shangri-La Care 2: Delighting Customers Focuses on the importance of guest loyalty and how it can only be achieved by delighting the guests not just the first time but every single time. Employees must be guest obsessed, doing more for guests by ‘ going the extra mile’, being flexible and never saying no, anticipating and responding quickly, and recognizing the guest’s individual needs (Mohd Rizal 2007). 4.

4. 3 Shangri-La Care 3: Recover to Gain Loyalty High lights the importance of recovery when a mistake is made.

When recovery is done well, it may be an opportunity to gain further commitment and loyalty but if there is no or poor recovery the lifetime value of the guest is lost in addition to at least 25 others who may hear of the incident through word of mouth. The module teaches the five steps to recovery – Listen, Apologize, Fix the Problem, Delight – the Extra Mile and Follow Up (Mohd Rizal 2007). 4. 4.

4 Shangri-La Care 4: Take Ownership Finally, addresses the importance of our employees taking ownership to show care for the customers, colleagues and company.

The driver of ownership is “ SELF”, which means S (Show commitment), E (Eager to take initiative), L (Lead ourselves) and F (Filled with passion). This module attempts to create in the employee’s the mind-set to live in an environment that is filled with Care for guests, Compassion for colleagues and Pride in the company (Mohd Rizal 2007). 4. 0 SWOT chart for the Shangri-La Hotel Strengths| Weaknesses| 1) Shangri-La Hotel is regarded as one of the world’s best management hotel.

It includes Shangri-La Hotel and Traders Hotels. 2) Shangri-La Hotel manages to train well employees who are able to provide better quality services to customers. 3) Shangri-La owns strong capital and service that helps it earn good reputation and consumer loyalty. 4) Shangri-La Hotel the uniqueness of interior design of the hotel rooms, lobby, dining cafe and state of the art facilities has been able to attract customer’s intention. It also has been on the luxury of facilities, which can make customers feel comfortable. ) Improved the existing electronic Best Practice process to ensure company-wide benchmarking where ideas with potential for global implementation are highlighted.

The most valuable Best Practice recognition was created and is awarded on an annual basis. | 1) Senior executives approaching retirement with no clear recognizable successor. 2) Problems in recruiting employees to work at the resorts. 3) Shangri-La is very famous in Asia but not in the other continents. So it is hard to attract those customers. ) Losing market share to rivals and higher overall unit costs relative to rivals 5) Unattractive compensation packages.

Thus, failure to understand culture differences. | Opportunities| Threats| 1) Relatively safe and peaceful business environment. No natural disaster around the Hotel location, no riots, no terrorist attack, without violent protest or demonstration. 2) The resort hotel is located in a unique island with beautiful beaches and clear water ideal for snorkeling and living activities. 3) Shangri-La has opportunities to attract more ustomers.

And then it can improve its fame all around the world. 4) The income of residents continued to rise, according to Maslow’s theory of the level demand, when the people’s living standards up to a certain extent, they hope to meet spiritual needs. Hotel facilities will attract customers’ so the hotel consumption of the people will continue to increase. 5) Increase presences in Asia and also relaxed travel restrictions. | 1) Aggressive fishing activities have been carried out nearby the island lately and it has caused unduly pollution as a result. ) There are many existing and newly built island resorts in the Asia-Pacific region.

3) The competitors are strong. There are lots kinds of hotels, so Shangri-La does not have tremendous competitiveness. 4) Restrictions on travel. 5) Increase in the cost of labor and current economic situation. | SWOT analysis can be defined as “ a critical assessment of the strengths and weaknesses, opportunities and treats in relation to the internal and environment factors affecting an entity in order to establish its condition prior to the preparation of the long term plan.

In addition, strengths and weaknesses analysis involves looking at the particular strengths and weaknesses of the organization itself and itself and its products/services range. It is an internal appraisal. An analysis of opportunities and threats is concerned with profit making opportunities in the business environment and with identified threats such as falling demand, government legislation and new competition etc. Therefore it is an external appraisal. 5. 0 Reference ) Online Business Advisor, 2006, (Why is Strategic Planning important), viewed 23 February 2012, Available from: http://www.

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