

# Characteristic of business performance check management essay

[Business](#), [Management](#)



## **Business Performance Check**

The Business performance check means it is strategic performance check which determines the focus and scope of an organisation, towards achieving primary and secondary objectives of an organisation. According to (www.dspace.lib.cranfield.ac.uk) In other words the business performance check, determine goal of an organisation, measure the process or procedure of the goal and redefine to improve future performance to achieve set goal by an organisation.

## **Characteristic of business Performance check**

### **Performance measures :**

The business performance check includes features such as efficiency and effectiveness of strategy, lagging or gaps, multidimensional etc. of a company. It shows how well a company is able to meet the determined targets.

### **Goals or objectives :**

It refers to identifying goals or objectives of an strategy to achieve company's main goal. E. g. target setting, decision making process, evaluation of performance etc.

### **It supports Infrastructure of a company :**

The business performance check is also an information system which creates structural communication throughout the organisation and also gives information about the people, process, product, departments etc. Thus, it supports management process to achieve primary and secondary goals of a company.

## **Introduction of The grange Holborn hotel:**

The grange holborn hotel is a part of The grange Hotel Pvt. Ltd which leading private company in the London. The grange Holborn hotel is a five star deluxe hotel, Graded by AA. It is located near the holborn station the famous land mark of UK. Hotel consists of 201 Modern style rooms. In the Food and Beverage it has Four Outlets: Hermes Bar, Constellations Restaurant and Koto Modern Japanese Restaurant. Leisure activity: Health and fitness centre which consist of 25 meter indoor swimming pool and all SPA facilities.

Hallmark of Grange Hotel: interesting architecture, exquisite furnishings and warm, personal and professional five star services. (www. thegrangehotel. com )

Quality Management Quality management is very important from the wider aspect of guest, suppliers and management. Quality management is an approach on the path to recovery the competitiveness, effectiveness and flexibility of a entire organisation. It is of the essential way of planning, organizing and understanding each activity, and it depends on each individual at different level. Management feels it important to realize the ' meeting the customer requirements'. There is a consistency throughout the service for delighting the customers. We have the capability to meet the customer requirements, time and time again, which has created the reputation of the maze grill for " excellence". Customer satisfaction develops the customer loyalty. Management thinks that focus on developing the customer loyalty provides the advantages such as Retaining the customer cost less than acquiring the new one. Longer the relationship with the customer, higher will be the profitability. More than a half of new customers come through the word of mouth by existing customers which indirectly

reduces the acquisition cost. Understanding the customer needs and meeting the needs plays an important role. Understanding the guest can be carried out by listening to the guest and taking the action accordingly. Listening to the guest is done through feedback forms, satisfaction surveys etc. The quality management movement brought the concept of internal customers and external customers. External customers are the guest and internal customers are our employees and suppliers. Management focus on external customers but at the same they provide more attention on the internal customers. They know that improving the relationship with the employees and suppliers helps to deliver the better service to the external customers, through reduced lead times, increased in quality standards and better communication." Service- profit chain" model developed by the Harvard university explains the circular relationship between employees, customers and shareholders. Under staffed, under-trained employees will not be able to deliver the quality customer service thus driving the customer away. For this purpose equal efforts must be made in motivating and retaining the employees as is made for customers which in turn deliver the shareholder returns. Better shareholder returns indicate that more money is available to invest in employees and so on the circle continues. Management at the maze grill follows the above example, they think that every customer contact is a chance to shine. They have bestowed the employees with the power to resolve the complaint quickly thus enhancing the customer's perception of the company. Giving the feedback to the information allows us to take the corrective action thus stopping the further occurrences of the error. Employee keeps informing the customers about the new products and

services and makes the valuable sale, turning the cost into a profit centre. A targeted sales pitch will have an excellent chance of success, as the customer is pre-sold on the company's reputation. [http://www. mftrou. com/quality-customer-service. html](http://www.mftrou.com/quality-customer-service.html)At the same time, management maintains the relationship with the suppliers since the internal and external customers are the core of total quality management. These are the " quality chains", and tend to be broken at any point of time by anyone, this leads to the barrier or failure in service. Thus to achieve the quality throughout the organisation every individual is trained. As per the guru " Armand V Feigenbaum" total quality management approach include everyone including suppliers. In order to have the consistency in product quality and service, our management make sure that we stick to the minimum suppliers and try not to change the supplier every time. Tools of TQM: Total quality management tools help the organisation to identify, analyze and assess qualitative and quantitative aspects that are related to the business. These tools have the potential to identify procedures, statistics, ideas, cause and effect concerns and other issues relevant to the organisation. Each of which can be examined and used to develop the effectiveness, efficiency, standardization and on the whole quality of procedures, Products or work environment. Some of the tool which comes in various forms is brainstorming, focus group, checklist, charts, graphs and diagrams etc. It is a best practice guideline for management and staff. It illustrates information such as market analysis, assessment of customer needs, business structure, brainstorming ideas, various statistics. Every tool is used in conjunction with other tool in a specific manner to identify the specific information. [http://www. slais. ubc.](http://www.slais.ubc)

ca/people/students/resumes/C\_Payne/media\_pdf/TQMTools. pdf Some of the tools that Grange uses to identify and communicate standards are flow charts which tell the employees about the comparative information gathered by the market research such as likes and dislikes of the customer, trend in business pattern, business strategy and targeting the potential customers and future group market. All the above factors are generated in the mind of employees by carrying out the intense staff training program which not only gives the picture about the strategy of the organisation but they are also taught about the SOP'S followed by the organisation and gives the instruction about the listening skills and communication skills.

Management also go through the checklist which prompts and aids the SOP'S and they also make sure that it has been followed accordingly . It is very important from the quality point of view to follow the SOP'S in every service, thus this par excel the quality standards in turn results in delighting the guest. On the other hand, staff training program also provides the intense instruction on listening and communication skills which is critical for the high performance in the front of the house to gather the information about the needs, expectations and satisfaction. It is also important from the kitchen point of view in order to communicate and provide the accurate information to the kitchen brigade, So that all the food is been sent out without committing any mistakes. Measure Delivery and Service Recovery: Other tools to follow up with the guest on our product and service quality are drop-in survey, mail survey, websites i. e reviews by the customers on top table. com and last minute. com. Grange has an assessment team that analyses the customer and market data to identify more effective ways to provide

customer access, to determine customer satisfaction and to build customer relationships. We have a team at the head office that is responsible for booking the reservation, going through the critics and reviews etc. Getting back to the guest complaint, writing up the apologize letter. In order to compensate for the poor or bad service sometimes reservation team arrange for complimentary lunch or dinner depending on the clientele. We also have the complaint log books which help us for the service recovery. Complaint log gives us the idea about the things which went wrong so that we can improve on it and make sure that the same mistake is not been repeated. Every member of the Management at grange follows the PDCA and checklist. First step is planning where manager defines the problem, identifies the causes of problem and pinpoint the root causes. Accordingly they prepare the solution and come to the action plan. Second stage is implementing the plan. In the next stage manager monitors the effectiveness of the implemented plan and if it gives the standardized result, then it is applied on the other aspect of the business. Thus these tools help the organisation to meet the standards and go beyond the expectation of the customer in order to retain the customers and attract the new customers.

### **Need For Business Check Performance: gaps**

By referring Guest Feedback, it has been found that Hotel is not fulfilling its USP in terms of service. Following are the problem Realized by the General Manager Mr. RonnyIn the Food and Beverage department specifically in room service there is Delay in Food delivery and due to which the Food delivered to guest is not served at right temperature. Also restaurant service is not

that efficient and guest are not satisfied by the quality of service received. In The kitchen food quality need to improve specially presentation of food. There is lack of co-ordination between housekeeping and front office department ( many guest complained about they have to wait for check in as their rooms are not ready)The grange holborn hotel is at growing stage in the market. Here quality is determined by fulfilling guest needs in present and in future, but it is more focus on cost rather than quality standard. Which indicate that its quality level will be falling down in long run.

### **Key performance indicator:**

#### **Score between:**

0-55 = need to improve

#### **RED**

55-70= Satisfactory but need to act.

#### **ORANGE**

70-80= Good

#### **BLUE**

80= 100= Excellency in performance

#### **GREEN**

### **Business performance check according to Appendix –A**

Food and beverage : Current status REDAccording to Business performance check of food and beverage department, it has been found out that over all department in special attention for improvement as it is showing Red which



means in need improvement. Training and development should include product knowledge, technical skills, interpersonal skills etc. It also focuses that staff is less motivated and company need strategy to boost the motivation of the staff. Kitchen : Current status ORANGE Kitchen majorly score in good management leadership which indicate that this department and promotion of staff. But promotion of staff is also due to many are leaving the company and so there is low retention rate of staff. Kitchen also needs to focus on training and development and need to redefine standard recipes used in the hotel. Front Office : Current status BLUE Among all other department, Front office is only department which is going towards aching GREEN STATUS, but currently its performance is at BLUE which is good. Training and development and motivation are still lacking. So Hotel should implement major steps to improve quality training of staff and product and also need to boost their motivation. Housekeeping: Current status RED Front office and housekeeping should go Hand in hand to run smooth operation in hotel, but unlike Front office Housekeeping department status is RED, which indicate it need real improving to establish Quality standard. Communication is major concern in this department, as due this hotel already received complaints regarding rooms are not ready. The housekeeping department need to have good training and if possible need to change the system or channel of communication, according to achieve five star quality standard of service.

## **Outcome of Business Performance Check:**

The Business Performance check give vital information about where a hotel's current position in achieve primary and secondary goals. It makes aware the management that where and why there is need of improvement needed. It is also manager's important tools to carry out hotel operation smoothly. It motivates that staff and also improves internal communication in organization. Features like communication skills, management leadership, promotion, motivation plays a major role in satisfying guests, if it is improve according to standard to organization it will result in more retention of regular guest. So it improves revenue and it will also help in reducing cost or wastage in the business. Improve quality standard to checking quality standard determine that how a company positioned itself in the market and status against its competitors. Is Better quality is achieve by the grange city hotel than it will improve better social image and better market image. It will also create good competitive edge against competitors. Implementation of proper action plan allows achieving lacking quality standard and it also allow management to make and implement strategies which suits organization to achieve its goal. By continuous improvement action plan hotel and minimize complains and improve experience of guest, which will help to be more customer oriented hotel in the market.

## **Action plan: service recovery**

According to [www. businessdictionary. com](http://www.businessdictionary.com) , action plan means steps taken for better performance for creating successful strategy. Three Major

elements involve in action plan are: Specific or precise objective  
 Time : when it will be done  
 Resource: specific things for specific purpose.

### **Action Plan for Grange Holborn Hotel :**

Specific: Minimizing Guest complaints in terms of service.

Measurable: can be measure by analyzing guest experiences feedback, employee progress report, sales report, and rate of demand in market.

Achievable: (practice makes man perfect) intensive training and developing staff, enriched working condition, team spirit.

Relevant: it can be applicable by proper time management (All departments need to take time for training and development form busy schedule)  
 Time: 6 months

### **Gaps in service quality and recommendation on how to overcome them**

#### **Improving communication skill :**

Communication is very vital in the hospitality industry because it is used at every stage in the operation such as inter personal, inter department , communication with guests etc.

#### **Steps:**

Training should be given to all staff for improving communication skills  
 It is also important that there should be code of speaking is common language ( example English) of business location not a native language  
 Creating awareness of phrases generally used for the guest e. g on phone " Thank you for calling Grange city hotel, This is ABC how may I Help you" Inter

department communication is important to carry out service smoothly e. g. front office should give detail of vacant rooms to housekeeping department and housekeeping department should give approximate time when it can get ready. So front office can allocate the rooms to guest.

### **Responsible:**

All the department heads are responsible for improving communication among the department. It is also the duty of human resource to improve communication to create a good culture throughout the hotel.

**Motivation :**  
Motivation is very important for the staff, if staff is happy and content then it will automatically make customer or guest happy. It will also create job satisfaction among them, which results in a positive attitude among them.

### **Steps:**

All the departmental heads as well as senior people should appreciate their team if they work hard or achieve some target. Management should conduct a meeting together to listen to the employee problem and try to solve them. Staff should be rewarded monetarily or with perks if they achieve certain objectives.

### **Responsible:**

Human resource management should play a major role in it. Upper level management should take incentives to boost the morale of employees.

### **Promotion:**

It is necessary for an employee that he/she grows in the company with the growth of the company.

**Steps:**

A company should identify employees which can suit as future manager or supervisor should motivate. Some Responsibility given in the team, so he/she can learn to handle people. Potential staff should involve in decision making and their opinion should be heard.

**Responsible:**

Again human recourse management should check or study to identify future prospect for the company. Manager is also being responsible for promotion of staff.

**The Americans who went to Japan:**

W Edwards Deming placed great importance and responsibility on management, at both the individual and company level, believing management to be responsible for 94% of quality problems. His fourteen point plan is a complete philosophy of management that can be applied to small or large organisations in the public, private or service sectors: Create constancy of purpose towards improvement of product and service Adopt the new philosophy. We can no longer live with commonly accepted levels of delay, mistakes and defective workmanship Cease dependence on mass inspection. Instead, require statistical evidence that quality is built in End the practice of awarding business on the basis of price Find problems. It is management's job to work continually on the system Institute modern methods of training on the job Institute modern methods of supervision of production workers. The responsibility of foremen must be changed from numbers to quality Drive out fear, so that everyone may work effectively for

the company  
Break down barriers between departments  
Eliminate numerical goals, posters and slogans for the workforce asking for new levels of productivity without providing methods  
Eliminate work standards that prescribe numerical quotas  
Remove barriers that stand between the hourly worker and their right to pride of workmanship  
Institute a vigorous programme of education and retraining  
Create a structure in top management that will push on the above points every day

### **(According to [www. dti. gov. uk/quality/gurus](http://www.dti.gov.uk/quality/gurus))**

He believed that adoption of, and action on, the fourteen points was a signal that management intended to stay in business. Deming also encouraged a systematic approach to problem solving and promoted the widely known Plan, Do, Check, Act (PDCA) cycle. The PDCA cycle is also known as the Deming cycle, although it was developed by a colleague of Deming, Dr Shewhart. It is a universal improvement methodology, the idea being to constantly improve, and thereby reduce the difference between the requirements of the customers and the performance of the process. The cycle is about learning and ongoing improvement, learning what works and what does not in a systematic way; and the cycle repeats; after one cycle is complete, another is started (Source: [www. dti. gov. uk/quality/gurus](http://www.dti.gov.uk/quality/gurus))

### **Applying them to aspects of the business.**

According to Hutchins David, 1992, *Achieve Total Quality*: Total quality means everything that an organisation or society does, it determines its reputation on a comparative basis with best alternatives. Example: A Marriott hotel group is compared with the Hilton group. Important element of Total

quality: SystemProcess controlManagementPeopleAccording to case study of a Japanese hotel, that is kanzanji hotel, implemented total quality through following steps. Source: Hutchins David, 1992, Achive Total QualityRecording current situation ( method : questionnaires and cctv )Identifying key process in department eg. In front office – level of communication, attitude of staff, location of reception etc. From these studies quality control circle were implemented. From the above steps of Kanzanji hotel, i would recommend the grange holborn hotel should implement the Deming wheel PDCA – plan-do-Check-Action. deming-cycle-plan-do-check-actBy this hotel quality will improve and it will be continuous process.

## **Appendix – A**

### **Business performance check:**

Are ofBusiness Performance checkF&B ServiceKitchenFront-officeHousekeepingK. P. I TotalK. P. I statusCommunication skill6067804060ORANGESOP5060754558ORANGETraining and development4055603045REDManagement leadership5570806067ORANGEPromotion of staff6065754060ORANGEMotivation4055624046REDTotal Department score53657542Department Performance statusREDORANGEBLUERED

### **Key performance indicator:**

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