Professional Front Office Management

Robert Woods Jack D. Ninemeier
David K. Hayes Michele A. Austin

First Edition

Pearson New International Edition

ALWAYS LEARNING™

PEARSON®

Pearson New International Edition

Professional Front Office Management
Robert Woods Jack D. Ninemeier
David K. Hayes Michele A. Austin
First Edition

PEARSON®

An accurate forecast of the number of occupied rooms will help staff provide guests with high-quality service.

Even though specific room types vary by hotel, some designations of room type are commonly used by most hotels. They are generally based on a specific room's bed type, location or other room feature. Figure 9 lists some of the most commonly used room types and their definitions.

Depending on the hotel's location and unique features, the hotel room types may be designated by a variety of special characteristics. The following characteristics commonly qualify for a separate room type: existence of designated business amenities, in-room high-speed Internet access **(HIA),** in-room refrigerators or safes, and desirable locations within the hotel itself (e.g., pool front and pool view).

FRONT OFFICE SEMANTICS

HIA (high-speed Internet access): Technology required to allow hotel guests to access the Internet at download speeds much higher than those that can be achieved with traditional telephone dial-up systems.

FOMs and their general managers create room types when they believe that different rooms have different perceived value to guests and that, as a result, some room types can be sold to guests at a higher ADR than others. In addition, a room type of higher perceived value may be used to **upgrade** special guests or guests who have experienced some difficulty with their hotel stay.

FRONT OFFICE SEMANTICS

Upgrade: To assign a guest to a more expensive (or desirable) room type than the room type to which the guest was originally assigned.

Room type	Definitions regarding bed type
Single (twin)	Room that contains a single-person (standard/twin) bed
Double	Room that contains one double bed
Double-double	Room that contains two double beds
Queen	Room that contains a queen-size bed
King	Room that contains a king-size bed
Sofa sleeper	Room that contains a sofa sleeper
	Definitions regarding location
Adjoining rooms	Rooms that are next to each other but do not have a connecting door
Connecting rooms	Rooms that have individual entrance door but also share a common interior door, which allows guests to enter each room from inside either room
Beach front	Room that allows direct access to the beach (or other desirable hotel location)
Beach view	Room that gives the occupants a direct view of the beach (or other desirable hotel location)
Restricted floor	Room that is located in a section of the hotel that is accessible only to specifically designated guests
	Definitions regarding features
Barrier free	Special room that is easily accessible to those with limited physical abilities (In the past, referred to as *handicapped*)
Smoking/nonsmoking	Rooms designating smoking status. Some hotels use the terms *smoking permitted* and *no smoking permitted* to identify these rooms.
Suite	Typically a large room with the sleeping area separated by a wall or partial wall. A whirlpool suite has an in-room whirlpool tub or hot-tub. A parlor suite has a large, separate living room (parlor) area suitable for entertaining.

FIGURE 9 Room types and standard definitions.

Joan Farre © Dorling Kindersley

FOMs and their staff must know all of the different room types the hotel property offers.

Different room types need not sell at different ADRs. For example, few hotels would sell rooms that allow smoking at a different price than rooms that do not allow smoking, even though most hotels in the United States offer these two different room types. Similarly, a hotel whose guestroom windows face east and west may or may not charge the same for rooms with sunrise views as for rooms with sunset views.

In all cases, the hotel's PMS must be programmed to identify the various room types offered for sale. Typically, this is done by a coding system unique to each PMS. For example, in one PMS, the code NDD may refer to a nonsmoking, double-double room. In a different PMS, the coding might identify the same room as DD, because in that system SM is used to designate a room where smoking *is* permitted. Therefore, it would code a smoking-permitted, double-double as SMDD.

FOMs must make sure that the room types and the codes used to define them make sense for their hotel, and the codes must be well understood by front office personnel who take reservations and make specific room assignments. Experienced FOMs will not allow new front desk agents to work alone at the desk until they have memorized (or at least have an easily accessible list of) all the hotel's codes for room type. If well-defined codes for room type are programmed into the PMS, front office personnel can more easily keep up-to-date on the status of their rooms and make better decisions about managing them.

Room Status

When the PMS has been programmed properly with hotel-specific codes for room type, FOMs will know about the long-term availability of the room types they can manage and sell. Short-term availability of room types, however, is affected by each room's status. As with room types, each PMS may have its own coding system to communicate room status. Figure 10 lists the hotel industry's most common terms for room status.

The importance of using the PMS to continually manage the room status in hotels cannot be overemphasized. Consider guest reaction to two of the many mistakes that can occur when room status is *not* managed properly:

- *Guest assigned to an uncleaned room.* Few errors are as embarrassing for professional FOMs or their staffs as having a guest return to the front desk for a new room assignment because the room originally assigned has not been cleaned. If the status of "cleaned and vacant" and "on-change" rooms is not properly managed, this mistake is easy to make.

Term	Meaning
Clean and vacant	Room is vacant, has been cleaned, and can be assigned to a guest
Occupied	Room is registered to a current guest
On-change	Room is vacant but not yet cleaned
Do not disturb	Room is occupied but has not been cleaned due to the guest's request not to be disturbed
Sleep-out (sleeper)	Room is reported as occupied, but the room was not used (bed not used, no personal belongings in room), and the guest is not present
Stayover	Guest will stay in the room at least one more night
Due out	Guest has indicated this is the last day the room will be used
Check-out	Guest has departed
Out of order	Room is unrentable and, therefore, unassignable at this time
Lock-out	Guest has items in the room but will be denied access until approved to reenter by management
Late check-out	Guest requested and was given an extension of the regular check-out time

FIGURE 10 Room status terminology.

- *Guest assigned to an occupied room.* This error is widely regarded as the most serious room assignment mistake that can be made by a front desk agent; yet, it can occur if room status is not properly maintained. When this mistake is made, the hotel staff appears incompetent and unprofessional. Think of the embarrassment of the new guest assigned to the occupied room (who now feels like a trespasser) and the anger and surprise of the guests initially assigned the room (who likely feel insecure). Every FOM wants to avoid this scene.

SECTION REVIEW AND DISCUSSION QUESTIONS

Section Objective: Review how a PMS maintains and reports information about room types sold and available, and about room status.

Section Summary: An effectively developed and maintained PMS system provides front office personnel who makes reservations with up-to-date and accurate information about the number of rooms of each room type that are available for sale. The PMS also provides current information about the status of rooms that are and should be available for sale in the hotel at any specific time.

Discussion Questions:

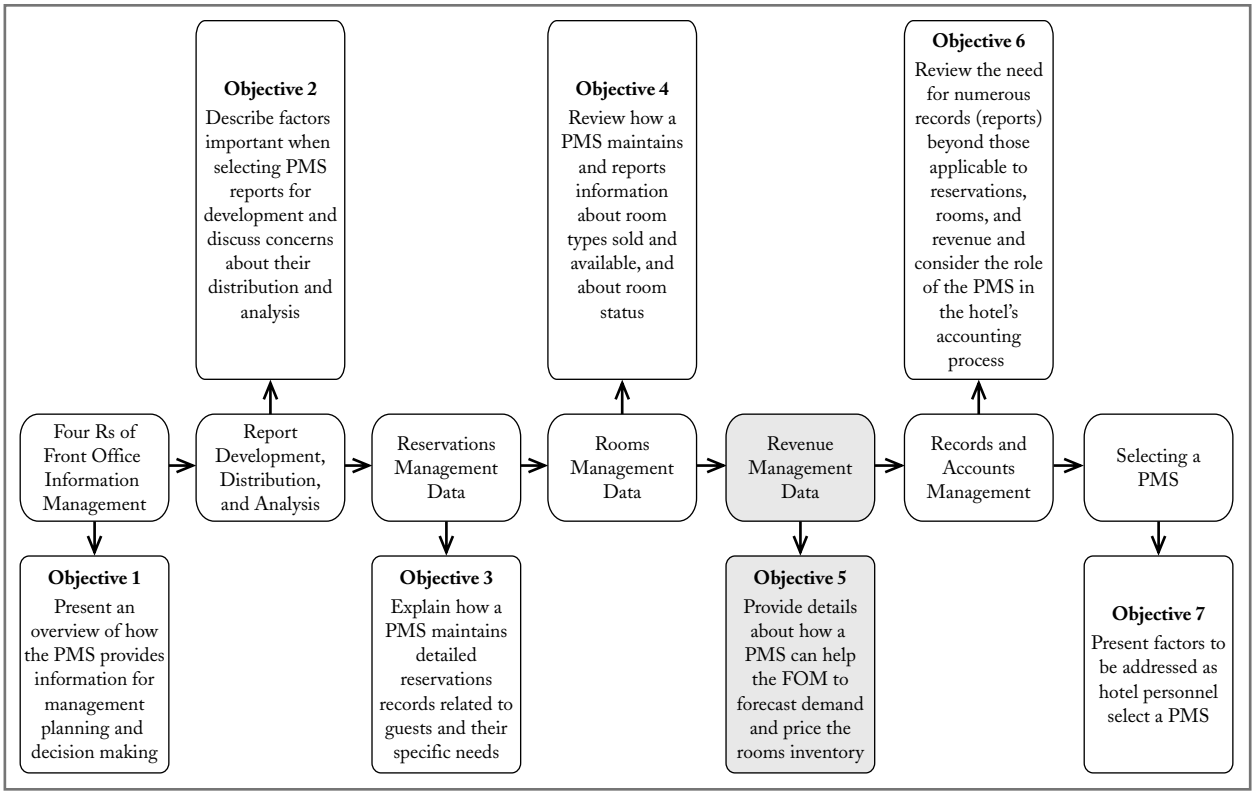
1. What are ways that a front desk agent can use information about room status to assign rooms to guests who have just reached the front desk to begin the registration process?
2. For a future, specific date, a guest is requesting a specific room type that the PMS system indicates will be unavailable. What, if anything, can a front desk agent do in this situation?

REVENUE MANAGEMENT DATA

Based on an understanding of reservations, the room types available to be sold, and the short-term readiness for sale of those rooms, FOMs can use the PMS to make revenue management decisions. Roadmap 5 indicates that the PMS helps FOMs forecast demand and price rooms inventory.

To see how data about the first three Rs (reservations, rooms, and revenue) in the front office information system interact to influence decision making, consider Allisha Miller, the FOM at a 300-room hotel. To simplify the example, let's assume that Allisha has only two room types in her rooms inventory: 150 of her available rooms are DD (double-double rooms) and 150 are K (king-size bed) rooms. Typically, both of these room types are offered for sale at $100 per weekend night. However, Allisha offers rate discounts when she feels it is in the hotel's best interest to do so. (Generally, an occupancy rate of 50 percent or less suggests a need for a discount tactic.) At noon on a specific day, the PMS occupancy report indicates there will be a 50 percent occupancy rate for the night (150 total rooms sold). Two different situations that could exist, however, when Allisha reviews an additional PMS report that shows the specific room types reserved (sold) for the day.

FRONT OFFICE PROPERTY MANAGEMENT SYSTEM



ROADMAP 5

Situation A

Room type	Total rooms available	Rooms sold
DD	150	140
K	150	10
	Total sold	150

Occupancy rate = 150 rooms ÷ 300 rooms = 50 percent

Situation B

Room type	Total rooms available	Rooms sold
DD	150	75
K	150	75
	Total sold	150

Occupancy rate = 150 rooms ÷ 300 rooms = 50 percent

In Situation A, discounting rooms with king-size beds may be an appropriate strategy to maximize RevPar. However, there is a strong demand for (and, therefore, no compelling reason for discounting) double-double rooms. With only 10 DD rooms remaining to sell, Allisha would likely instruct her reservations and sales staff not to discount them. In Situation B, however, Allisha may want to accept discounted rates for both room types, because demand on this day for both types is moderate and equal.

Effective FOMs depend on their PMS to provide critical reservation and room type information to help them forecast demand and properly price the hotel's inventory of rooms. When you consider that even a medium-size hotel can have dozens of room types with each selling at a different rate, you can recognize the benefits of detailed PMS record keeping and reports.

Forecasting Demand

If FOMs always knew when demand for their rooms would be strong, their decision making would be simplified. Although FOMs should stay informed about major seasons and events that will likely affect occupancy rates, they can best monitor demand by consulting PMS reports about reservation activity. Reports of this type typically evaluate demand for the coming 12-month period (or longer). From report data, FOMs can monitor **booking pace** and forecast demand.

FRONT OFFICE SEMANTICS

Booking pace: Term that refers to the amount of future demand for rooms (or for hotel services such as catering). Often shortened to *pace*.

FOMs monitor forecasts so that they can alert staff about the arrival of large groups.