CHAPTER IV

CONCEPTUAL DESIGN AND IMPLEMENTATION

4.1 Applying Operations Management in Design Concept for Hotel's Reservation System

In order to propose the conceptual design for ABC hotel's reservation system, firstly, the author would like to describe the difference between products and the concept of designing operating system in manufacturing and services to narrow the scope of work. Secondly, the application of technology in service industry is briefly illustrated in this stage of the conceptual design. Finally, the most important part of this conceptual design is the implementation of shop-floor control system (MRP elements) in the ABC hotel's reservation system.

4.1.1 Understanding Products and Services

Understanding products and services is important in order to design the most appropriate system and manage it effectively. According to Flaherty (1996), a product is a physical good that the customer can see, touch, or possibly consume. Examples of products include fruit, meats, electronics, furniture, paper, personal computers, coal, lumber, industrial machines. A durable product is a product that typically lasts at least three years. Vehicles, washing machines, and furniture are some examples of durable products. A non-durable good is perishable and generally lasts for less than three years. Examples are toothpaste, software, shoes, and fruit. A service is any primary or complementary activity that does not directly produce a physical product. Services represent the non-goods part of a transaction between a buyer (consumer) and seller (supplier) (Collier, 1994). Common examples of service businesses are hotels, legal and financial firms, airlines, health care organisations, museums, and consulting firms.

Table 4.1: Manufacturing and Service Characteristic

Manufacturing	Service
The product is tangible	The service is intangible
Ownership is transferred at the time of purchase	Ownership is generally not transferred
The product can be resold	No resale is possible
The product can be demonstrated before purchase	The service does not exist before purchase
The product can be stored in inventory	The service cannot be stored
Product precedes consumption	Production and consumption are simultaneous
The seller produces	The buyer can perform part of the production
The product can be transported	The service cannot be transported (though producers can be) *

*Exceptions are electricity and communications services

Source: The Service/Quality Solution – Using Service Management to Gain Competitive Advantage (Collier, 1994)

- **Similarities and Differences between Products and Services**

Products and services share many similarities. These provide value satisfaction to customers who purchase and use them. They can be standardised for the mass market or customised to individual needs. Both of them are created and provided to customers by some type of process involving people and technology. Services that do not involve significant interaction with customers can be managed much the same way as products in factory, using proven principles of operations management that have been refined over the years.

However, some very significant differences exist between products and services that make the management of service-providing organisations (hotels, airlines) different from managing goods-producing organisations (manufacturing plants) and create different demands on the operations function (Fitzsimmons and Sullivan, 1982):

- Products are tangible whereas services are intangible.
- Customers participate in many service processes, activities, and transactions.
- The demand for services is more difficult to predict than the demand for products.
- Services cannot be stored as physical inventory.
- Service management skills are paramount to a successful service encounter.
- Service facilities typically need to be in close proximity to the customer.
- Patents do not protect services.

These differences between goods and services have important implications for **all** areas of an organisation, especially for operations. These are summarised in Table 4.2. Some are obvious, others are more subtle. By understanding them, the ABC hotel can better select the appropriate mix of products and services to meet customer needs and create the most effective reservation system to deliver those products and services.

Table 4.2: How Products and Services Affect Operations Management Activities

Operations Management Activity	Products	Services
Forecasting	Forecasts involve longer-term time horizons. Manufacturers can use physical inventory as a buffer to mitigate forecast errors. Forecasts can be aggregated over larger time frames.	Forecast horizons generally are shorter, and forecasts are more variable and time-dependent. Forecasting must often be done on a daily or hourly basis, or sometimes even more frequently.
Facility Location	Manufacturing facilities can be located close to raw materials, suppliers, labour, customers or markets.	Service facilities must be located close to customers or markets for convenience and speed of service.
Facility Layout and Design	Factories and warehouses can be designed for efficiency because few, if any, customers are present.	The facility must be designed for customer interaction.
Technology	Manufacturing facilities use various types of automation to produce goods.	Service facilities tend to rely more on information-based hardware and software.
Quality	Manufacturers can define clear, physical, and measurable quality standards and capture measurements using various physical devices.	Quality measurements must account for customer's perception of service quality and often must be gathered through surveys or personal contact.
Inventory/Capacity	Manufacturers use physical inventory as a buffer for fluctuations in demand.	Service capacity is the substitute for inventory.
Process Design	Because customers have no participation or involvement in manufacturing processes, the processes can be more mechanistic.	Customers usually participate extensively in service creation and delivery, requiring more flexibility and adaptation to special circumstances.
Job/Service Encounter Design	Manufacturing employees require strong technical skills.	Service employees need more behavioural and service management skills.
Scheduling	Scheduling revolves around movement and location of materials, parts, and subassemblies and can be accomplished at the discretion and for the benefit of the manufacturer.	Scheduling revolves around capacity, availability, and customer needs, often leaving little discretion for the service provider.

Source: Where Does the Customer Fit in a Service Operation? (Chase, 1978)

Nevertheless, Chase and Prentis (1987) explained that it is becoming more difficult to differentiate between services and manufacturing, consequently, in stead of looking at operations from two perspectives (manufacturing and services), today's approach suggests that the vast majority of products consists of both goods component and a service component, as suggested in Figure 4.1, and that both elements needs to be addressed as a whole in order for a firm to be successful.
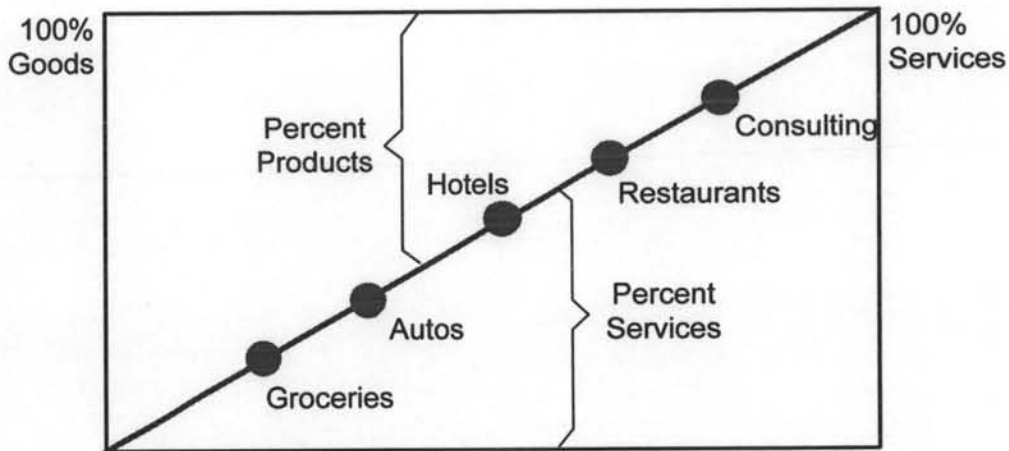
Figure 4.1: Most Products Are a Bundle of Goods and Services

Source: Operations Management – A Field Rediscovered (Chase and Prentis, 1987)

4.1.2 Understanding Employees and Service

The key to service profitability has been linked to focusing on customers and employees as paramount in importance. Managements should focus in particular on front-line employees who deliver the service, technology that supports them, training, and customer satisfaction, by linking and improving these factors, profits will be improved according to the service-profit chain, as described by Heskett and colleagues (1997). The service-profit chain in Figure 4.2 shows that customer loyalty is the key to revenue growth and profitability. Although focusing on market share has been repeatedly touted as the key to profitability, recent evidence is turning toward customer royalty as an additional factor of equal or greater importance. The life time value of a loyal customer can be tremendous. The customer loyalty is also driven by satisfied customers. Naturally, if customers are satisfied they will not only provide repeat business but also tell others about their positive experiences. It is important to move beyond barely satisfied customers; customers should feel that service is so exceptional that it is worth telling others. Customers who report very high levels of satisfaction impact profitability much more so than customers who are merely satisfied.
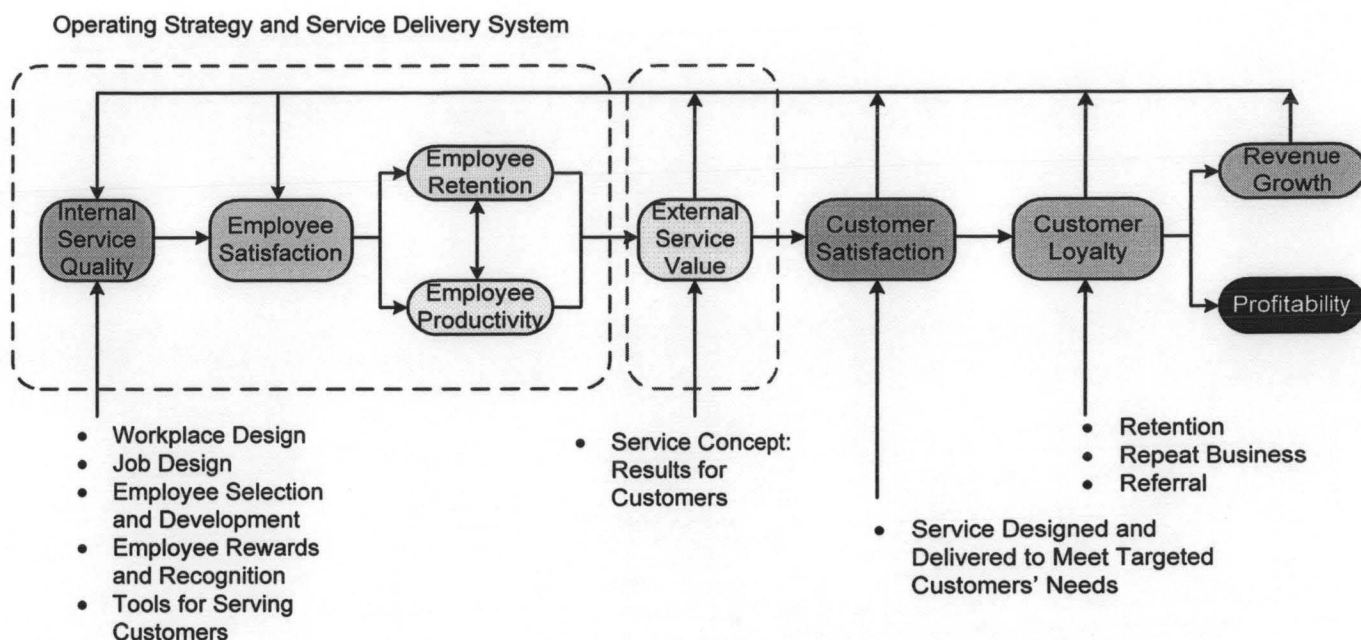
Operating Strategy and Service Delivery System

Figure 4.2: The Links in the Service-Profit Chain
Source: The Service Profit Chain: How Leading Companies Link Profit and Growth
to Loyalty, Satisfaction, and Value (Heskett *et al.*, 1997)

The service-profit chain also includes external service value, which leads directly to satisfied customers. External service value is the benefit customers receive less the cost incurred in obtaining the service, which includes not only the price but the costs of finding the service, travelling to the service location, waiting for the service, and correcting any service problems encountered.

The employee part of the service-profit chain, productive employees are essential in delivering value to the customer. Productive employees lower the costs of operations and ensure satisfied customers when supported by management and appropriate technology and systems. Employee retention and low employee turnover help to drive productivity and customer value. Traditional studies of the cost of employee turnover consider only the cost of recruiting, hiring, and training replacements. In reality, the greatest cost of turnover is the lost productivity and decreased customer satisfaction associate with new employees.

According to the service-profit chain, employee retention and productivity can be assured by satisfied employees. Satisfied employees are the result of what Heskett and

his associates (1997) call internal service quality. This includes the employee selection process, workplace design, job design reward systems, and the technology used to support service employees. A study of successful hotels in Thailand found that focusing management's attention on improving internal service quality systems to provide support for employees in conducting their work was significantly linked with employee satisfaction, higher productivity, and lower turnover. Employees will be satisfied with their jobs when they feel that they can act on behalf of customers. This will lead to both employee and customer satisfaction. This is achieved, in part, by giving front-line employees latitude to use resources to immediately meet customer needs.

The service-profit chain illustrates the central role of employees in delivering services to customers. This differentiates services from manufacturing, since manufacturing employee's effect on customer satisfaction is through the product that the customer may receive days, weeks, or months later. On the other hand, the morale, attitude, and satisfaction of service employees are directly and immediately related to customer satisfaction and loyalty. There is no buffer zone between service employees and customers in high or medium contact services. Product design should reflect this direct contact between service employees and customers. This can be done by providing real-time (during the service and delivery) tools as computer access to customer information to help service employees perform their jobs. Services can also be improved through so-called smile training, where service employees are trained to be nice to customers and to seek their satisfaction even in pressure situations. Service employees should also be rewarded for both productivity and customer satisfaction, the service-profit chain shows that these two measurements are not in conflict rather productivity can actually drive customer satisfaction, as illustrated above. Both satisfaction and productivity can be achieved not by trying harder but by improving the use of people, technology, and service process flows (Heskett *et al.*, 1997).

4.1.3 The Marriage of Operations Management and Information Technology

Today, information technology plays a critical role in the design and management of production processes. Business Process Reengineering (BPR), Supply Chain Management (SCM), and sophisticated tools for systems integration such as SAP, the

leading ERP software firm, require integrated solutions that marry OM and IT. To illustrate, a survey of consulting practice areas showed that 31 per cent of the services offered by the 40 largest consulting firms were in the process/operations management area, which implies the blending of OM and IT (Bushko, 2004). Thus, while information technology has always been a key factor in the management of factory operations, its application throughout the firm to other functional areas such as marketing and finance suggests a major evolutionary step in the development of the field.

- **Integration of Manufacturing and Services**

More recently, managers have recognised the importance of both manufacturing and services, and the need to integrate the two. A primary objective of this text is to emphasise this integration. Companies that want to succeed as world-class operations therefore must devote resources to both areas. In addition, production and service must be compatible with each other and strategically aligned with the firm's overall goals.

- **Technology in Service Industries**

Technology has profound effects on how services of various types are managed and delivered. Table 4.3 shows how technology has impacted services ranging from medical care to education to telecommunications. In a classic article, Levitt (1972) described what he calls the production-line approach to service. With this approach, service facility itself is designed to minimise mistakes or deviations from the standards. Service delivery is automated as much as possible so that costs are reduced and standardisation is achieved. Typically, the service is provider routed with low customisation.

Table 4.3: Impact of Technology on Service Operations

Service	Technology
Hotels	Computerised reservation system, TV checkout, key card security, heating/ventilation controls, guest computer, Internet access
Medicine	Intensive care units, MRI scanners, medical records, automated diagnostic testing, pacemakers
Telecommunications	Cellular phones, TV, video conferencing, satellite communications, e-mail, Internet
Retail	Point-of-sale scanners, bar-code readers, inventory control computers
Education	Computerised libraries, Internet, interactive learning
Legal	Computerised searches, databases for evidence, word processing
Airlines	Air traffic control system, electronic cockpits, reservation systems

Source: The Production-Line Approach to Service (Levitt, 1972)

A contrasting view comes from Schlesinger and Heskett (1991), who argue that managers should view employees, not technology, as the centre of the service delivery system. They suggest that a new model of industrialisation is emerging in which service companies:

- Use technology to support front-line employees, not just to monitor or replace them.
- Make recruitment and training as important for front-line employees as for managers and staff employees.
- Value investments in employees as much as or more than those in technology.
- Link compensation to performance for employees at every level, not just those at the top.

4.1.4 Information Technology in Designing Operating Systems

An organisation's processes cannot provide good customer service or efficient value chain performance without operating systems that integrate key processes and systems within the organisation and share timely information with other players in the value chain.

An Integrated Operating System (IOS) has four major characteristics (Collier, 1986):

1) An IOS focus is on the main problem structure and processes of a specific industry, such as home insurance, airlines, hotels, family practice medical doctors, or automobile manufacturers. For example Revenue Management System (RMS) for airlines and hotels focus on how to price perishable service capacity.

2) An IOS addresses key decisions that need to be made to serve the customer in the best possible way. For example, Customer Relationship Management (CRM) systems focus on building long-term relationships with loyal customers to increase satisfaction and profits.

3) An IOS involves the collection, storage, analysis, and dissemination of data and information via information technology to improve decision-making within the organisation. Data warehouses and data mining typically are integral parts of an IOS.

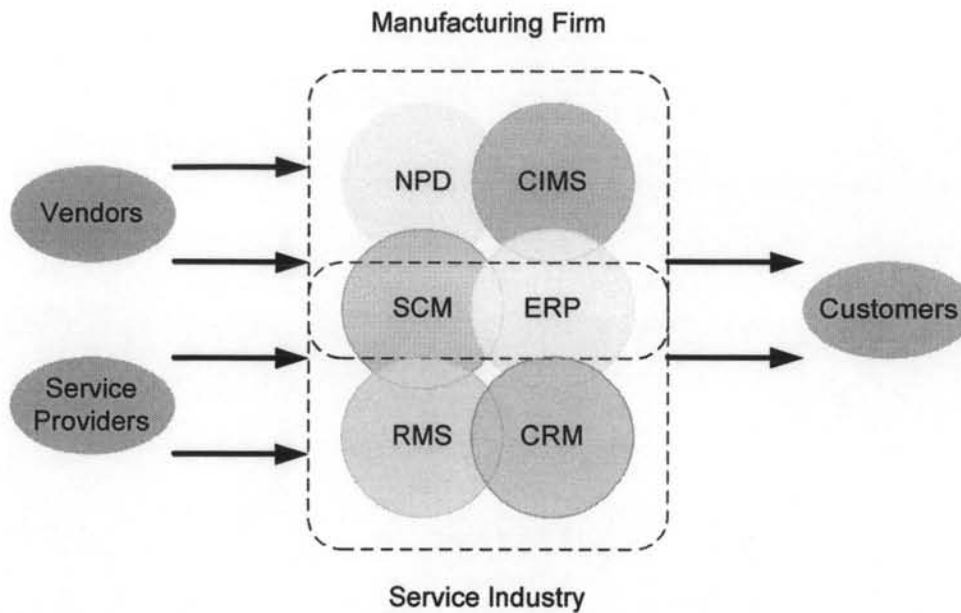4) An IOS is capable of making key decisions in a synchronous and timely way anywhere along the value chain.

Manufacturing Firm

Service Industry

Figure 4.3: Major Categories of Software Systems in Manufacturing and Services
Source: Adapted from Service Management – The Automation of Services (Collier, 1986)

In the past, implementing an Integrated Operating System was a strategic option that senior managers debated and often slowly implemented in pieces. Today, implementing an Integrated Operating System is a strategic priority and the key to competitive advantage and long-term survival. IOSs are changing the world of global business by providing faster, better, and more customised goods and services at lower prices. There are six major types of Integrated Operating Systems; Supply Chain Management (SCM) systems; New Product Development (NPD) System; Computer Integrated Manufacturing Systems (CIMS); Enterprise Resource Planning (ERP) systems; Customer Relationship Management (CRM) systems; and Revenue Management Systems (RMS), all of which rely heavily on technology to create and deliver goods and services (Collier, 1986). Nearly every manager will rely on at least one of these in their daily work.

- **Training in New Technology**

The integration of new technologies into an organisation requires a significant amount of training and support in order for both employees and customers to reap the full benefits. The lack of proper training and support, in many instances, will not only fail

to yield the expected improvements in performance and/or productivity, but could also prove disastrous financially as frustrated employees quit and unhappy customers take their business elsewhere.

As new technologies become available, there are often barriers that prevent customers from using them, and managers need to be aware of this. Such barriers can significantly hinder the growth of the organisation. One barrier is the "fear of the unknown" that is often associated with new technologies (Roach, 1991), a good example being the first time one purchase goods and services over the Internet. Here, because there are no tangibles associated with the firm, customers are concerned about misuse of their credit cards and whether or not they will actually get delivery of the goods or services they have purchased. Another barrier is lack of knowledge of the customer in using the service. This is especially true for self-service operations as well as for those services that use new technologies.

Significant amounts of up-front training must be built into the overall new technology process. This training is often required of both employees and customers. Failure to provide proper training will lead to inefficient operations and frustration. In addition, both employees and customers must have the necessary technical support when questions arise and/or equipment malfunctions occur.

Employee Training – Employees often are required to develop additional skills when a new technology is introduced into the operation. These new skills can be developed through training classes that not only describe the use of the technology but also simulate its use. This allows employees to become familiar with the new equipment and to "debug the process" prior to actually using it online in the presence of a customer (Quinn and Bailey, 1994). It is important for managers to recognise that employee training is an ongoing process. Many leading-edge firms, in fact, require their employees to spend a specific number of days each year in training.

Customer Training – Customers also frequently are required to undergo some degree of training when a new technology interacts directly with them. Depending on the type of technology and the level of sophistication required to use it, customer training can vary from a simple pamphlet describing how to use the new technology to

attending classes that carefully document the proper use of the technology (Quinn and Bailey, 1994).

This employee-focused approach offers an alternative to the production-line approach to service by emphasising both people and technology in service systems.

4.1.5 Adopting Shop-Floor Control System in Design Process for Service Industries

As we mentioned earlier in Chapter 2 about shop-floor control, the purpose of the shop-floor control subsystem is to release orders to the shop floor and to manage the orders on their way through the factory to make sure that they are completed on time. According to Anderson *et al.* (1981) the shop-floor control system helps management adjust to all the day-to-day things that go wrong in manufacturing: absenteeism among employees, machine breakdowns, loss of materials, and so on. When these unplanned complications arise, decisions must be made about what to do next. Good decisions require information on job priorities from the shop-floor control system, also called a Manufacturing Execution System (MES).

Job priorities are frequently calculated by types of dispatching rules. In practice several types of priority rules are used. For services it is common to use the First Come, First Served (FCFS) rule. This has to do with fairness since people are waiting in line. In a manufacturing plant, however, FCFS is not used because it performs poorly in meeting due dates, minimising makespan, or making money. For manufacturing, two types of rules are commonly used: Critical Ratio (CR), Minimum Processing Time (MINPRT). Dispatching rules are used to determine the priority of a job during scheduling and in real time during processing. The priority of a job can be changed dynamically as it is processed through the shop. Lead time is a function of both priority and capacity (Nagendra and Das, 2001). When these rules are used as part of the shop-floor control system, it is possible to adjust to changing conditions and still get the work out on time. Through the use of dispatching rules, a job's production lead time can be drastically cut or increased as it goes through the shop. This is possible because a job normally spends as much as 90 per cent of its time waiting in queues. If a job is behind schedule, its priority can be increased until it gets

back on schedule. Similarly, a job can be slowed down if it is ahead of schedule. It is the function of the shop-floor control system to provide information to managers so they can manage production lead time dynamically (Slipper and Buflin, 1998).

The old notion of an accurate or good lead time must be discarded. Lead times can be managed by expanding or contracting them on the basis of priority. This concept has been popularised by the old saw, "lead time is what you say it is" (Nagendra and Das, 2001). This is a very difficult concept to accept when managers are used to thinking in terms of fixed lead time or lead times as random variables.

Regarding from Vollman *et al.* (1997) it is possible through a shop-floor control system to de-expedite orders – that is, to slow them down. This is not done in normal manufacturing, where orders are expedited but never de-expedited. Orders should be slowed down when the master schedule is changed or when other parts will not be available on time. This results in the minimum inventory consistent with MRP timing requirements.

To do its job properly, a shop-floor control system requires feedback reports on all jobs as they are completed. This may be done through a computer terminal on the shop floor or by information submitted to a central office. The computer system then produces a dispatching list for each supervisor each day (Smith, 1992). The list shows the priority of each job in work centre, and if possible, the supervisor works on the highest-priority job. If materials, labour, or machines are not available for the highest-priority job, the job that is next highest in priority is done, and so on down the list.

A shop-floor control system requires valid due dates on orders. If the master schedule is inflated and the shop is overloaded, no shop-floor control system will get the work out on time. The shop-floor control system is highly dependent on proper priority and capacity planning (Melnyk and Carter, 1987).

When a company is using JIT for repetitive manufacturing, the shop-floor control system is replaced by a Kanban pull system. The Kanban system relies on visual control of materials and physical signals instead of computerised information (Raymond, 2005). As a result, the shop-floor control system is greatly simplified and

less costly. But JIT systems work well only for repetitive manufacturing plants; MRP shop-floor control systems are still useful for batch-oriented plants, job shops, non-repetitive mass production, and service operations like lodging/hotel industries.

After studying the similarity of product and service, as well as, the difference between the manufacturing firm and the service industry; the shop-floor control system can be applied to the hotel reservation system perfectly. The details of function and tool of each system are shown in Table 4.4.

Table 4.4: Similarities and Differences between Shop-Floor Control System and Hotel Reservation System

	Shop-Floor Control System (Manufacturing)	Reservation System (Services)
Function	Assigning priority to each shop order.	Assigning routine precedence to each reservationist.
	Maintaining Work-in-Process (WIP) quantity information.	Monitoring the reservation process in the system.
	Conveying shop-order status information to the office.	Amending reservation records and dispatch to reservation manager.
	Providing actual output data for capacity control purposes.	Providing confirming reservation reports for managing capacity purposes.
	Providing quantity by location by shop order for WIP inventory and accounting purposes.	Compiling details of reservation, cancellation, "no-show" to the sales and marketing department to forecast a suitable strategic plan for the next period.
	Providing measures of efficiency, utilisation, and productivity of labour and machines.	Evaluating the staff performance in the reservation department every month.
Tools	Daily dispatch list	Job descriptions and standards of procedures
	Exception reports – Anticipated delay report – Scrap reports – Rework reports – Performance summary reports	Reservation reports – Guest complaint lists – Cancellation reports – Reservation reports – No-show reports
	Input/output control report	Room revenue report and availability board

Source: Adapted from Shop Floor Control Principles and Practices and Case Studies – Case Studies of Successful Shop Floor Control Implementation (Melnyk and Carter, 1987)

4.2 Implementing the New Hotel's Reservation System

In this section, the collected data and gathered information will be provided in order to analyse the problems of the hotel reservations system in ABC hotel, as well as, to help developing and creating more effectiveness and accuracy in this system. To obtain this strategy, the primary and secondary sources are considered. The primary sources include the observation of the current hotel reservations system, the interview of some hotel executive boards to see the possibilities of solving this hotel reservations system, and the exploration of some successful hotels, particularly in their style of management. The secondary sources embrace some theories and ideologies appeared in many book references and some articles in journals. As implications shown, all of these sources lead to the conclusion that it is time to improve the booking reservations system of the ABC hotel in both administrative hotel management level and the hotel reservation's procedures itself. In addition, it would a great opportunity to create a new channel and bring closer approach to access directly and professionally through hotel customers.

4.2.1 Developing Reservations Model in the System

ABC hotel adopt the new systems and documents for receiving reservations. The procedures that need to be followed in each of activities described in Figure 4.4 will be explained.
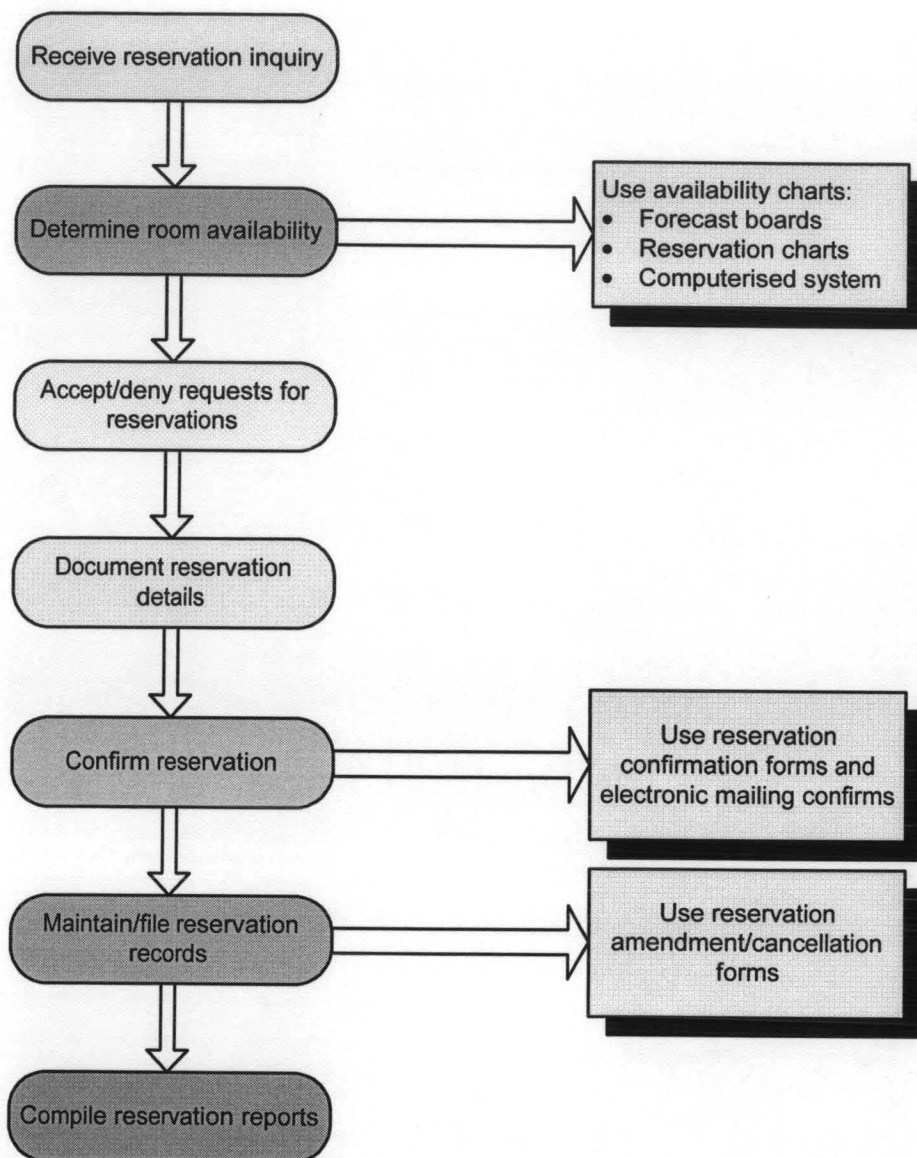
```
┌─────────────────────────┐
│ Receive reservation inquiry │
└─────────────────────────┘
              ↓
┌─────────────────────────┐        ┌──────────────────────────┐
│ Determine room availability │────→│ Use availability charts:   │
└─────────────────────────┘        │  • Forecast boards         │
                                    │  • Reservation charts      │
                                    │  • Computerised system     │
                                    └──────────────────────────┘
              ↓
┌─────────────────────────┐
│ Accept/deny requests for  │
│ reservations              │
└─────────────────────────┘
              ↓
┌─────────────────────────┐
│ Document reservation      │
│ details                   │
└─────────────────────────┘
              ↓
┌─────────────────────────┐        ┌──────────────────────────┐
│ Confirm reservation       │────→ │ Use reservation            │
└─────────────────────────┘        │ confirmation forms and     │
                                    │ electronic mailing confirms │
                                    └──────────────────────────┘
              ↓
┌─────────────────────────┐        ┌──────────────────────────┐
│ Maintain/file reservation │────→ │ Use reservation            │
│ records                   │        │ amendment/cancellation     │
└─────────────────────────┘        │ forms                      │
                                    └──────────────────────────┘
              ↓
┌─────────────────────────┐
│ Compile reservation reports │
└─────────────────────────┘
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Figure 4.4: The New Reservation Model in the System

- **Receiving Reservation Inquiries**

As previously stated, a reservation request can be received through a variety of methods. The first step in the reservation process is to obtain information about a guest's proposed stay, to check whether a room is available.

The information a reservations clerk needs to obtain from the guest in order to give a speedy response, whether yes or no, is as follows:

- date of arrival
- length of proposed stay
- type and number of room(s) required
- number of persons

- **Determining Room Availability**

After obtaining the information about the proposed stay from the customer, the next step in the reservation process is to check whether the type of accommodation asked for is available for the requested date(s). In any reservation system, it is essential to keep a close check on the number of reservations taken so as to avoid excessive overbooking.

Overbooking occurs when a hotel accepts more bookings than the number of rooms which are available. By overbooking, the hotel may find that major problems and loss of goodwill occur if a guest who has made a booking arrives at the hotel only to find that the hotel has no accommodation for them.

However, it is common in many hotels for the reservations department to overbook intentionally in order to ensure that a full house, i.e. 100 per cent occupancy, will be achieved. For example, when ABC hotel expects a lot of XYZ bookings, which normally operate on a long lead time (the time between making the booking and actually arriving), there may be a large number of cancellations prior to arrival. The practice of overbooking helps to reduce the loss in revenue due to no-shows and late cancellations.

- **Accepting or Denying Requests for Reservations**

Having checked that a room is available, the reservations clerk will either accept or deny the booking.

If the room is available, the request will normally be accepted. The reservations clerk will then record the details onto a reservation form or a computer terminal. The reservations department may choose not to accept a booking (this is called denying the booking).

Denying the booking happens when:
- A hotel is fully booked.
- A hotel may not have the specified accommodation available on the requested date(s).
- A guest is known to be on the blacklist (A blacklist is a record authorised by the hotel management of the names of persons not welcome in the hotel for various reasons.)

When denying a specific reservation request, the reservation clerk should always be polite and helpful, and should follow the stated procedures above.

- **Documenting Reservation Details**

If the request for a reservation is accepted, the reservations clerk will then complete a reservation form and input that into the computerised system, recording all the necessary details concerning the guest and their stay. It must be remembered that in many cases the enquiry may not come from the potential guest, but from a third party.

The reservation form is the only document which contains all the relevant information about the prospective guest and their accommodation request. It is therefore important that the form is fully and accurately completed. The reservation form can generate important information which is essential to other sections or departments of the hotel.

When obtaining the reservation details from the guest, the reservations clerk should also explain the importance of guaranteed booking. Once a guest decides to guarantee their booking, the reservations clerk has then to obtain information concerning the method of guarantee (e.g. credit card, prepayment or deposit).

Once a request has been accepted and the details of the reservation installed, the system will automatically update the room availability record. This ensures that the room availability record is accurate and thereby helps to avoid overbooking or omissions.

- **Recording the Reservation Details**

After launch the Fidelio programme (see more information in Appendix F) into the ABC hotel database, this process will be done automatically. The details recorded in the system are placed in order under date of arrival; this helps in the preparation of an arrivals list.

The hotel reservation system is including:
- guest' name
- type of accommodation requested
- length of stay
- rate and terms quoted
- how and when booked
- contact telephone number
- reservations clerk's code
- remarks

If confirmation is given or received then this too will be entered into the hotel record. A major advantage of the hotel record is that it acts as a backup for the information on guests who are due to arrive; especially should the original reservation form become misplaced.

- **Confirming Reservations**

Confirmation of a reservation is a written acknowledgement sent either by the hotel to the guest or vice versa, according to the new ABC's policies of the room reservation details. It confirms that a request for a room or rooms has been made with the hotel, and is written evidence that a contract has been made between a hotel and a perspective guest. Examples of confirmations will be shown in Figure 4.5 describes the manual confirmation letter which can be sent to the guest, and while Figure 4.19 shows the computerised booking confirmation form,

As a part of the confirmation process, the reservation clerk, or the reservation department, will assign a reservation confirmation code to each booking; again, this will be done using a computerised system. This assures the guest that a booking has been made. This reservation confirmation code should subsequently be quoted in the cases of cancellation of or amendment to the original booking.

Because the size of ABC hotel very often have a large number of transient guests whose bookings are on short lead times, they do not attempt to confirm any bookings, except in the cases of a guaranteed reservation from a local company or travel agent.

THE ABC HOTEL
BANGKOK

TO:	Self Called	**FAX:**	
FROM:	Reservations Department	**DATE:**	07/10/07

We are pleased to confirm / amend the following reservation/s:-

GUEST INFORMATION

Guest Name	MR. John Doe		
Arrival Date	October 13, 2007	Flight:	ETA:
Departure Date	October 14, 2007	Flight:	ETD:
Number of Rooms	1		
Room Rate	US$ 110.00 plus 10% service charge and 7% government tax per room per night.		
Requested Room Type	Superior Single Room on Club Floor		
Confirmation Number #	1234567		

TRANSPORTATION

Airport pick up service: for your information flight no.   will be landing at terminal no. 1 / 2 please turn left / right after passing through custom to meet our airport representative who show the board that identify the name and logo of our hotel.

A no-show or cancellation charge will be applied for change made within 12 hours prior to arrival.

Non-guaranteed reservations will be released at 16:00 hours on day of arrival.
Cancellation policy: 24 hours before guest arrival to avoid one night room charge.
Check-in time: 14:00 hours and Check-out time: 12:00 noon.

Credit Card Guaranteed Required: Expiry: /

BILLING METHOD

With Best Regards,

Landmark Bangkok Hotel

138 Sukhumvit Road, Bangkok 10110, Telephone 66 (0) 2254-0404 Facsimile 66 (0) 2253-4259
E-mail Address: reservations@landmarkbangkok.com

Figure 4.5: The Manual Confirmation Letter

Courtesy of: Reservation Department of the ABC Hotel, 2006

- **Maintaining Reservation Records**

The maintenance of reservation records consists of two main types of activity: the filling of the original booking, and the modification of the bookings because of changes to reservation details.

- **Filling Bookings**

After recording the reservation onto the reservation form or into the computer and updating the room availability chart, it is necessary to have an efficient method of filling the booking details so that the documents relating to each particular booking are easily retrieved when needed.

Such a system of filling is useful to the reservation department because it is provides easy access to important information, essential to subsequent operations. Each category in the filling system has its own purpose in the process of reservation. For example, the today's arrivals correspondence can be transferred from the reservations department to the front desk on particular day. This allows the front office staff to have all the relevant details about the guests prior to their arrival. Similarly, all past correspondence is filled after the guest has checked out and can be referred to easily.

Letters, memos, reservation forms or tour operators' lists (which relate to reservations) must also be filled appropriately for quick access. If a booking needs amending, the reservations clerk must be able to access the correct record quickly.

- **Modifying Bookings**

Occasionally, a change to or cancellation of a booking is requested. In these cases, an amendment or cancellation form is completed by the reservations clerk an attached to the original reservation form and correspondence. At the same time, the room availability chart will be amended accordingly.

In the case of a booking cancellation, various details are recorded to ensure that the correct booking is cancelled. It is also necessary to show who is responsible for cancelling the booking, i.e. who in the hotel received the cancellation and who on behalf of the guest made the cancellation. If any discrepancies should occur, the reservations clerk will be able to spot the error right away.

The cancellation details are including:
- date of original booking
- guest's name
- date when the booking is cancelled
- name of person who cancelled the booking
- cancellation code
- name of reservation clerk who received the cancellation

- **Compiling Reservation Reports**

The final step in the reservation process is the compilation of reservation reports. Information from these reports can help ABC hotel to maximise its room sales by the accurate control of room availability and the forecasting of potential room sales. Other departments may also make use of this information to assist in the planning of their budgets or forecasts.

Management reports available through a reservation system can vary depending on the needs of the hotel and the capability of the reservation system. Reservation reports are just one kind of report which will be prepared and distributed to the management, as well as to other departments of ABC hotel. Some types of report are prepared daily (e.g. the arrivals and departure list, which is essential for the smooth operation of the front desk and the housekeeping department), while others are prepared on a weekly or monthly basis (e.g. reports on the number of guests, number of rooms occupied, number of reservations from different sources/channels, no-shows, or walk-ins).

These reports give management data and information to enable them to forecast better the occupancy, future revenue potential and market mix of the hotel. The task of gathering and collating all of this information has been greatly reduced, while at the

same time speeded up, by the highly efficient computer systems which are extensively used in ABC hotel.

4.2.2 The Improvement of the Administrative Management

According to the information study, the ineffectiveness of hotel reservations system mainly comes from the lack of experiences among the ABC Hotel's personnel in utilising helpfully the hotel information system software dubbed 'Fidelio' (see more information in Appendix F). Also, the training programme of this system is limited at some level. Consequently, their unfamiliarity has created the misuse of the system and caused some unproductive results especially among reservation clerks. Besides, the widespread of using this system properly appears solely in the reservation supervisors' level which is a small size compared to the first groups. As a result, the initiative of ABC's Way has been launched to improve its hotel reservations system. By doing so, the training and development programme has been set up. There are two main objectives contained in this strategy. Firstly, it would help to remove the performance deficiency in both the current defection and the anticipated result from the employees' inability to perform their capability at the desired level. Another objective of ABC's Way is to make the current workforce more flexible and adaptable to each situation. The hotel would find this more useful, especially for its employees who have to deal with the rapid incorporating new technologies.

- **Training and Development Programme**

To enhance and upgrade its employees' working capability, the starting point should be focused on how to make them well-equipped. Generally, the hotel usually requires and recruits its employees in the consideration of appropriate skills, strong ability and broad experiences. Fundamentally, such qualities can not only gloom inside the organisation, but also be brought from outside through the method of the recruitment, the consultancy and subcontracting, and also the training and developing the existing employees.

Figure 4.6: Training and Development Concept

The concept of ABC's Way is crucial. Its inputs are divided into three categories which are new employees, unskilled employees, and potential manager. After these three groups have been trained and completed the programme, the three expected significant outputs will be achieved which are motivated and committed employees, skilled employees and competent managers.

- **Purpose and Importance of ABC's Way**

The major purpose of training and development is to remove performance deficiency, whether current or anticipate that is the result of the employee's inability to perform at the desired level. Training programme is considered to be essential for service industry because it often incorporates with new technologies and consequently helps gradually increasing the likelihood of employees' obsolescence. Another purpose of training and development, especially relevant to the hotel that is rapidly incorporating new technologies, is to make the current workforce more flexible and adaptable. The more hotel increases its own adaptability, the more enhancement it will gain. The most important outcome is the hotel business' survival and profitability. In addition, such training and development programme can gradually augment the level of employees' commitment attached to the hotel. Also, it may create the positive perceptions among its employees to the hotel somehow by having thought that this hotel is an excellent place and has nice atmosphere to work. The more commitment they have, the less turnover and absenteeism of them is seen. All in all, there is a belief that the development of the workforce in the hotel reservations system, in general, can increase an organisation's productivity more or less.

Training and development programme is significant in the achievement of organisational objectives because it is an attempt to improve the current and future employees' performance by developing their attitudes and enhancing their skills and knowledge. As such, training can be considered as an investment in human resources which will provide enormous benefits and valuable returns to the hotel. The mentioned-above objectives of the hotel's training and development programme are to maintain and improve the performance of individuals. In so doing, employees should have the required skills in order to implement the hotel's strategy and ensure the success of the organisation. Therefore, the initiative of ABC's Way is aimed to serve the organisation by providing a number of important functions, which are improving performance, updating employee skills, promoting job competency, solving problems, preparing for promotion, and orienting new employees.

- **The ABC's Way Training Manual**

THE ABC HOTEL
BANGKOK

THE ABC'S WAY

HOW TO DO'S

How To Do's Explained

How To Do's are the specific ways for completing tasks in a department.

All guests will receive this level of job performance, regardless of:
i.   what the guest asks for,
ii. When the guest asks for it,
iii. Any personnel or personal problems. (i.e. being short staffed etc.)

All employees need to understand that:

- The *How To Do's* are non-negotiable;
- The only person who can change the *How To Do's* (during service) is the guest – **not** the manager or the employee;
- The *How To Do's* are based on the goals of the department, the hotel and the company;
- The *How To Do's* must be achieved all the time, every time.

How To Do's are written to ensure that we meet the **Guest's** needs consistently.

The only way in which *How To Do's* can be changed is by proposing the change to your manager, and after approval this change will be communicated to the entire team.

Training Day # 1

Answer Telephone

Standard: Telephones need to be answered before the fourth ring and person on the phone will sound calm and organised giving the caller an unhurried impression.

1. The telephone must be answered before the fourth ring.
2. All calls will be answered the following *"Good morning/afternoon/evening, Reservations department, this is (your name) speaking. How may I assist you?"*
3. If you put a caller on hold, you must ask permission to do so and wait for their response. A person can be put on hold for a maximum of 15 seconds. In case of longer holds, a call back will be offered and provided in less than 3 minutes.

For example:

When it is necessary to ask a guest to hold:
"May I ask you to hold please?"

Then, wait for response. Ensure the hold does not last more than 15 seconds.
"I'm sorry to keep you holding, Would you like to continue holding or shall I take a message and have your call returned?"

4. If a workstation for any reason is to be left unattended, it is the responsibility of the staff member at their workstation to ensure that their phone is forwarded to an extension which is attended.
5. At all times staff are to display a helpful attitude:
   "I'll find out for you" rather than *"I don't know"* will give the impression to the caller that you care about his/her requests.
6. Use name as soon as you found out caller's name.

Training Day # 2

Key in Reservation into Fidelio

Standard: Reservation clerk should input all reservation details correctly.

1. Reservation clerk should input a reservation directly into Fidelio when he/she receiving reservation via telephone.

2. When there is any change, he/she, after making changes, should print screen the reservation and attached to the old file for booking history back up.

3. Key in reservation into Fidelio
   - highlight reservation menu
   - enter agent reservation
   - enter company/agent name
   - enter guest last name if he or she is a new guest press *N* to create a new profile

4. The mandatory information need to be inputted into each reservation are:
   - guest name & surname
   - arrival and departure date
   - arrival flight or arrival time
   - number of rooms
   - number of persons
   - type of room requested
   - rate code
   - market segment
   - contact person and phone number
   - method of payment or cc number
   - special request (if required)
   - billing instruction

Training Day # 3

Receiving Reservation

Standard: Reservation clerk should only offer the available room category and asking for mandatory information.

1. When receiving a reservation via telephone the reservation clerk should only offer an available room category and based on the rate matrix.
2. The mandatory information that should be questioned are as follow:
   - arrival and departure date
   - type of rooms (e.g. king size, deluxe suite, etc.)
   - company the guest work with
   - guest name & spelling
   - number of persons
   - arrival and departure flight details
   - offer assistance with transportation
   - explain how to meet the guest at the airport
   - offer to make a reservation for other activity (e.g. restaurant, spa, etc.)
   - special information (smoking, non-smoking, prefer foam pillow, etc.)
   - offer to send confirmation by fax/e-mail
   - if children accompany guest find out child name & age
   - offer to take reservation at another alliances
3. Check if guest stayed before; describe room in colourful way so guest can picture themselves in the room.
4. Do not forget to always up-sell on every reservation.
5. To close each reservation request, reservation clerk should repeat all reservation details to guest and reconfirm including the rate.
6. Mention cancellation policy.

Training Day # 4

Selling by Room Category

Standard: Reservation clerk should only offer the available room category by using the rate matrix based on the status set by revenue management manager or director of sales and marketing.

1. Reservation clerk before accepting each reservation should always checks the room type availability and the status set valid for the period requested.

2. Reservation clerk should only offer an available room category from *CTRL+F2* then input the period requested. He/she will then quote a rate based the rate matrix on that available room type. The status of that mention period can be checked through *F5* key then select the *Rate Availability Grid.*

Training Day # 5

Contract Rate Quoting

Standard: To ensure all staffs are familiar with the procedure for loading and quoting all contracted company & travel agent rates.

1. Upon receiving a contract rate from sales & marketing department, reservation staffs must do as follows:

   - Acknowledge received the contract rate by stamping the date on the correspondence.

   - Check in the computer. If it is a new contract, a new company or travel agent without profile in the system, please return to sale & marketing and ask them to create the profile first, ensuring all rate information is displayed in the remarks field of the profile. If a profile already exists, then the new information must be updated in the remarks field of the profile also.

   - Ensure that the rate code is attached to the profile, so that rate quoting for that particular company/agent can be made through the rate query.

   - After updated, file the correspondence in the contract rate cabinet in the reservation office.

2. In the rate query, the company or travel agent's name is to be attached. At the completion of the rate query, Fidelio will display a list of company or travel agent's name that are either the same or similar.

Training Day # 6

Previous Day No-Show

Standard: Reservations that have been guaranteed by payment will be held to arrival until the close of the hotel day at 1am the no-show will be charged for one night.

1. Print out no-show report
   - highlight report menu
   - select in house
   - enter no-show
   - print

2. Read no-show list
   - guest's name
   - sate
   - company/agent

3. Contract the person who made reservation and inform that the guest did not show up on the reserved date.
   - ask why there was no-show on that date
   - if it is a guaranteed reservation, there is no-show change for one night

4. Have a message bring document to front cashier
   - letter and voucher specify no-show guaranteed
   - note from the reservation

Training Day # 7

Checking Availability

Standard: All reservation clerks will be able to check availability to ensure the accuracy of information.

1. Ascertain dates and type of accommodation required.
2. Select Room Availability, by "*F5*" or "*CTRL+F2*".
   - type in date (e.g. 25/09/07)
   - leave date out and the system will display availability from current date onwards, for 7 days
3. Ascertain room type you require for this period is available and sell accordingly.
4. Confirm the date available or offer alternative dates if unavailable.
5. Confirm the room type available or offer alternative room type – using "up-selling" technique and always with a professional attitude.
6. Record the reservation details accurately.

Training Day # 8

Changing/Amending a Reservation

Standard: All reservation clerks will be able to accurately amend a reservation.

1. Retrieve guest reservation and listen attentively to the caller, recording the amendment as given. Repeat the details back to the caller.

2. Obtain all relevant details of the amendment:
   - original arrival and departure date
   - amended arrival and departure date
   - guest name
   - name and telephone/e-mail address
   - company name
   - any other comments regarding the amendment

3. Reconfirm the details of the amendment either by telephone, by letter or by fax.

4. Change the relevant details on the original reservation.

5. Ensure there are no flags or traces, if so amend there a date to guest's new arrival details.

6. Obtain the original reservation correspondence.

7. Attached the reservation amendment form to the existing correspondence and the original booking. Ensure the amended correspondence is attached on top of the original, so that the most up-to-date information is visible.

8. File the reservation in the respective correspondence file.

Training Day # 9

To Cancel a Reservation

Standard: All reservation clerk personnel will be able to accurately & properly cancel the reservation.

1. Listen attentively to the caller and correctly record the required information:
   - arrival/departure dates
   - guest's full name
   - company or travel agent if applicable
   - caller's name and telephone number
2. Retrieve reservation from the reservation menu.
3. Enter the 3 letters of the guest's name to "*QuickFind*" the reservation.
4. Select cancel and obtain, name of caller and reason for cancellation, ensuring this information is placed in the reservation.
5. Ensure guest is quoted cancellation number, which is automatically generated when booking is cancelled.
6. Retrieve original correspondence and place a line through, writing cancel, along with details of who cancelled booking, on what date and at what time.
7. File correspondence back in the cancellation file, for reference rate if needed.

Training Day # 10

Reservations – Same Day Arrivals & Cancellations

Standard: All reservation clerks must familiar with processing of same day arrivals and cancellations.

1. Once the booking is entered in the system, reception is to be informed and given copy of the correspondence.
2. If limousine pickup is required, reservations are to inform the limousine & concierge.
3. If guest is a VIP, then reservation has to inform guest relations.

Same day Cancellations

1. Once the booking is cancelled in the system, reception is to be informed and given copy of the cancellation correspondence.
2. If limousine pickup has been booked, then reservation has to cancel the transfer directly with the limousine & concierge.
3. If guest is a VIP, then reservation has to inform guest relations.

Training Day # 11

Limousine Reservations

Standard: To ensure all limousine transfers are handled correctly to provide the guest with a lasting "first impression".

1. Reservations are to ascertain flight arrival and departure times at the time of booking and place these details into the guest reservation.

2. The limousine must also be placed in the remarks field of the guest reservation to identify that an airport transfer is required.

3. At close of day, reservations are to print an arrival limousine report for the next day and transfer this information into a limousine transfer log.

4. The log is then passed onto one of the limousine drivers, who deliver this to the airport representative at the airport. This will ensure that all transfers for the next day arrive at the airport well in advance.

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Training Day # 12

Standard Reservation Confirmations

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Standard: All staffs will send out the same standard of confirmation letter, to maintain professionalism and uniformity.

All reservation confirmations must be sent out as per the standard confirmation letter on ABC hotel letter head paper.

- Retrieve guest name
- Press correction then cursor to confirmation
- Select confirmation letter text

Training Day # 13

Reservation Filling & Daily Correspondence

Standard: Part of having a good and effective administration is to have an effective filling system and procedure.

1. All reservations require paper correspondence.

2. One file is to be opened for each day and kept in a filling cabinet in the reservations office.

3. At close of day, the file of the next day's arrivals is to be given to front desk, so that they may attach all correspondence to the registration cards of the guest.

4. Any amendments or cancellations to reservation are to be attached on top of the original correspondence, so that the most recent document is visible first.

Training Day # 14

Allotments

Standard: To ensure all reservation clerks are familiar with the procedure for loading and booking the allotment.

1. An allotment is a special contract between the hotel and travel agency, which grant a travel agency a daily room block, with an allocated cut-off date.

2. On receipt of the allotment from the sale department, reservations will create the allotment in Fidelio and allocate the cut-off days as per the contract, so that Fidelio will automatically release these rooms block back to the inventory after the cut-off day has expired.

3. Reservation made of allotment must be attached to the allotment in Fidelio, so accurate control can be maintained.

4. During high season or periods of peak occupancy, reservation staffs must only accept booking inside allotment, rooms requested above allotment, can only be approved by either revenue management manager or director of sales or marketing and front office manager.

Training Day # 15

Suggestive Selling

Standard: Suggestive selling is to be used by reservation and front desk with the end objective of maximising room rate and occupancy.

"Suggestive selling" is a term used to define a way of selling a guest on a higher prices room by means of questioning; which will hopefully implant a suggestion into the guests mind to book upgraded accommodation.

To effective use "suggestive selling" all receptionists and reservationists must have a thorough knowledge of the hotel's room types and their corresponding rate. Question yourself as to what makes one room favourable over another. What are its selling points? The hotel has many suites. We want our Suites to be sold out every night. Your next step should be a concentrated effort to understand the reason of reasons for each guests visit. A guest may be here a business meeting the next morning, but he or she may have old friends in the area which they would like to entertain. If you carefully and politely question the guest, just in conversation, as to the nature of their visit they may volunteer this information to you. At this point you can suggest that the guest book a room which has extra sitting space for entertaining, pointing out its advantages. Always make sure that you point out the difference in price at this time also. You do not want to make the guest feel as if they are being taken in. Make sure the guest understands that along with the extra spacious room comes a higher price. It is imperative that you do this before there is an agreement to accept the room.

If the guest declines your offer upgraded accommodations you still need to make them feel comfortable about their decision. At this point you can offer them the next room type category, which will be more economical the guest.

If the guest accepts your offer of upgraded accommodation it is imperative that you reinforce their decision. *"I'm sure that you'll be happy with your selection, Mr. John"*, would be an appropriate comment. You need to let a guest know that we are delighted that they chose upgraded accommodations and that we are sure they will find it well worth their money.

4.2.3 The Understanding Job Descriptions and Changing Procedures in Hotel Reservation Booking System

This aim is to correct the system more clearly and upgrade significantly the quality of the hotel's personnel. At the present, there has been a lack of good communication among its employees and this can, subsequently, obstruct the information flow by misinterpreting the message and creating the misunderstanding among its colleagues. As a result, it is necessary to set the working standard more clearly by making sure that its employees know their own job description well and correctly. This can prevent their working overlap and job repetition. In the long run, it will provide a constructive procedure and be a useful set of standard for the hotel regulations.

- **Job Analysis and Job Description Manual**

A job analysis, a detailed listing of the tasks performed in a reservation manager's job, provides the basis for a sound job description. A job description is a listing of required duties to be performed by an employee in a particular position. Although almost nothing is 'typical' in the lodging industry, certain daily/routine tasks must be performed. A job analysis is useful in that it allows the person preparing the job description to determine certain daily/routine procedures. These procedures, along with typical responsibilities and interdepartmental relationships involved in a job, form the basis for the job description.

This management tool is very helpful in preparing orientation and training programmes for employees. It also helps the human resource department ensure that each new hire is given every opportunity to succeed, by laying a foundation for a job specification. These manual below allow the ABC hotel to apply management principles in the development of an effective reservation department. They also challenge the person in the job to use prior experience and theoretical knowledge to accomplish the tasks at hand.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Staff levelling: Level F

Report to: Reservation Manager/ Assistant Reservation Manager/ Reservation Supervisor

Position summary:

To handle all reservation jobs as the designed task list.

Responsibility & authority:

- To prepare and update all reservation data in systems.
- To answer correspondences pertaining reservations and setup follow-up systems.
- To prepare, maintain and update reservation filling system.
- Ensuring all reservations chronologically and alphabetically.
- Replying all correspondences, and all deposit/ prepayments received are processed immediately.
- Checks that the correspondences against with arrival lists ahead are accurate.

JOB TITLE:	Reservation Supervisor
DEPARTMENT:	Reservation

Staff levelling: Level E

Report to: Reservation Manager/ Assistant Reservation Manager

Position summary:

To assist both the reservation manager and assistant reservation manager in all assignments also perform all task of reservation clerk.

Responsibility & authority:

- To prepare and update all reservation data in systems.
- To answer correspondences pertaining reservations and setup follow-up systems.
- To train/ coach/ consult all staffs to develop their knowledge, skill and attitude towards works.
- To prepare, maintain and update reservation filling system.
- Ensuring all reservations chronologically and alphabetically.
- Replying all correspondences, and all deposit/ prepayments received are processed immediately.
- Checks that the correspondences against with arrival lists ahead are accurate.
- Ensures that the staff practice safety procedures and work methods in accordance with hotel objectives and that staff adhere to hotel rules/ regulations.
- Maintains a courteous relationship with companies, travel agents.
- Ensure that departmental expenditure is minimised to essential items.
- Performs other duties appropriate to status from time to time.

JOB TITLE:	**Assistant Reservation Manager**
DEPARTMENT:	**Reservation**

Staff levelling: Level D

Report to: Reservation Manager

Position summary:

To assist both the reservation manager in overall management of the department, and to take complete charge of department in his/her absence.

Responsibility & authority:

- To assist the reservation manager in the effective control and maintenance of accurate room status at all time.
- Reviewing and consulting the reservation manager on open/ close dates.
- Ensuring that the availability forecast is updated constantly with all reservationists and department concerned.
- Supervising the recording and updating of corporate accounts/ special rates/ contract rates/ tour rates.
- Ensuring all reservations chronologically and alphabetically.
- Replying all correspondences, and all deposit/ prepayments received are processed immediately.
- Checks that the correspondences against with arrival lists ahead are accurate.
- Ensures that the staff practice safety procedures and work methods in accordance with hotel objectives and that staff adhere to hotel rules/ regulations.
- To train/ coach/ consult all staffs to develop their knowledge, skill and attitude towards works.
- Maintains a courteous relationship with companies, travel agents.
- Ensure that departmental expenditure is minimised to essential items.
- To attend meeting.
- Performs other duties appropriate to status from time to time.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Staff levelling: Level C

Report to: Front office manager/ Assistant front office manager

Position summary:

To responsible for the overall management of the reservation department.

Responsibility & authority:

- To supervises, controls and coordinates the activities of reservation and personnel.
- To maintain effective communication within the department as well as other departments, through meetings as well as other forms of formal/ informal methods.
- To prepare/ distribute weekly and monthly forecasts for various departments concerned for information.
- To check and ensure the distributions of weekly VIP arrival, to all departments concerned.
- To prepare and update all reservation data in systems.
- To answer correspondences pertaining reservations and setup follow-up systems.
- To coordinates/ follow-up with sale department for accurate room requirement.
- To update/ inform front office manager and other department concerned on room situation or any fully booked period.
- To train/ coach/ consult all staffs to develop their knowledge, skill and attitude towards works.
- To prepare, maintain and update reservation filling system.
- To attend meeting.
- To performs other duties appropriate to status from time to time.

- **Reservation Standards of Procedures**

JOB TITLE:	**Reservation Clerk**
DEPARTMENT:	**Reservation**

Task 1:   Receives and answers fax/e-mail reservation inquires.

Standard: To ensure that all reservation inquires by fax and e-mail are efficiently responded to.

Procedure:

1. Identify date of stay, room type, number of rooms required, and number of pax.
2. Check occupancy forecast of dates mentioned and the room availability.
3. Determine whether the guest can be accommodated, if not suggest alternatives (i.e. other room categories).
4. Reply to the guest according to set standard format, using the same mode of communication the guest used. Include the following for:

   Reservation proposal (if rooms are available):
   a) Inform guest of room rate, room category.
   b) Reconfirm dates of stay, number of rooms required.
   c) Ask guest to forward acceptance with arrival and guarantee details.
   d) Up-sell room categories and ask if airport transfer is needed.
   e) Do not input tentative reservation in system and file under pending.
   f) Follow up acceptance from the guest.

   Regrets (no rooms available):
   a) Inform guest that no available required room category for dates mentioned.
   b) Inform guest of dates where rooms are available, or offer open room categories with tariff.
   c) File in pending file, by date.
   d) Follow up acceptance with the guest.
5. Use the same mode of communication as guest.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 2: Confirms FIT room reservations via fax and e-mail.

Standard: To ensure a clear confirmation status for proposed reservation after FIT accepts proposals.

Procedure:

1. Upon receiving FIT reservation acceptance, reply using hotel standard confirmation in the same mode of correspondence used by the guest.
2. Make sure details of stay (e.g. date, room category, room rate, number of pax, transfers, ETA/guarantee) are all mentioned in the confirmation reply.
3. If no ETA/guarantee details are mentioned, inform guests of the 6pm hold policy. (Rooms will only be reserved for them until 6pm, after which the hotel can sell the room to other guests).
4. If ETA is mentioned, inform guest that room will be kept for 2 hours after his ETA.
5. File confirmation with updated reservation particulars by arrival date.
6. Update system for additional details given (e.g. flight details, transfer requirements, etc.)

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 3: Answers/handles telephone calls.

Standard: All incoming calls will be answered in a polite and pleasant manner within 4 rings.

Procedure:

1. Answers all incoming calls with the phrase "*Good (time of day), Reservation department, (name) speaking, How may I assist you?*"
2. Listen to the caller and repeat the details to ensure accuracy.
3. Close the conversation by saying "*Thank you for calling, Mr./Mrs. (name)*" and allow the caller to hang up first.
4. If you must transfer a call, ensure that you are routing it to the right department/person immediately.
5. Monitor the call until the connection is established.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 4: Confirms FIT reservations via telephone.

Standard: All FIT reservation confirmations will be done in a clear and precise manner.

Procedure:

1. Find out guest name and details of stay.
2. Retrieve reservation from system. If not yet inputted, retrieve from pending file.
3. Relay all details of reservation to guest and verify if all is in order.
4. If no ETA/guarantee, inform the guest that reservation will be held until 6pm on the arrival date.
5. If guest gives arrival details offer airport transfer.
6. Identify yourself and thank the guest for calling.
7. Input any additional details/amendments in the system and note on the correspondence. Re-file in the reservation file by arrival date.

| JOB TITLE: | Reservation Clerk |
| DEPARTMENT: | Reservation |

Task 5:   Replies to all guest queries regarding hotel information.

Standard: All reservations staff will be familiar with the hotel services, facilities, special promotions, and events so as to accurately answer guest queries.

Procedure:

1. Listen to the query carefully.
2. Check the information/whiteboard and see if the query can be answered based on any information there.
3. If not, refer the caller to the concierge or reception desk as a last resort.

JOB TITLE:	**Reservation Clerk**
DEPARTMENT:	**Reservation**

Task 6: Documents guest reservation particulars into appropriate reservation forms.

Standard: All guest reservation particulars are documented into appropriate reservation forms to ensure precise inputting system.

Procedure:

1. Ask guest all information from reservation form.
2. Note all info down immediately and accurately.
3. Write legibly to facilitate transcribing and inputting.
4. Input into the system, if the reservation is confirmed.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 7:   Documents reservation amendments.

Standard: All reservation amendments will be documented to ensure that reservation information is updated.

Procedure:

1. Obtain the name of the guest and check if the reservation has been inputted in system.
2. Obtain new date of reservation and all related information, as well as the name of the contact person. Record new details on a fresh reservation form, and tick the amendment box.
3. Input any adjustments into the system and re-file the reservation correspondence if necessary.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 8:   Documents reservation cancellations.

Standard: All reservation cancellations will be documented to ensure that reservations are cancelled and occupancy forecast readjusted.

Procedure:

1. Obtain name of guest and check if reservation has been inputted in system.
2. Obtain name of contact person and reason for cancellation.
3. Note all details down, cancel in the system.
4. Retrieve the correspondence, and stamp over the word CANCELLED.
5. File under cancellations, by date.
6. If the cancellation is caused by reservation duplication follow the front office policy on duplicate reservations.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 9: Handling of guest history reservations.

Standard: All return guests history files will be updated prior to guest arrival to ensure accurate information.

Procedure:

1. Upon receipt of a booking, check if guest has a guest history file.
2. If he/she does, note down the guest history number on the reservations form with all the details.
3. Inform guest of previous stay's details. (e.g. room type, room rate)
4. Ask guest if he/she wants similar arrangement as previous stay. Note down all requirements.
5. Input into system, using guest history reservation.
6. File according to date of arrival.
7. Trace number of visits so we may implement a special gift for repeat guests' procedure.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 10: Checks guest history records regularly for duplications.

Standard: Guest history records will be checked on a daily basis for any possible duplication.

Procedure:

1. Check all next day guest history arrival lists.
2. Double check each guest name by entering name into the system.
3. If a guest has 2 files in the system, merge both files and delete the vacant file.
4. All duplicated guest history files are deleted by EDP manager completely from system when a guest history re-order is done.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 11:   Checks the arrival list daily to review reservation particulars.

Standard: All daily arrivals will be reviewed for reservation particulars based on arrival list to ensure all rooms are correctly inputted in the system.

Procedure:

1. 3 days prior to arrival, all correspondence is checked against the arrival list and the system.
2. The following details should be checked:
   - arrival and departure details
   - guest name
   - room category
   - room rate
   - flight details
   - booking source
   - special requests (e.g. transport)
3. Upon verification, correspondence is re-filed according to arrival date.

JOB TITLE:	Reservation Clerk
DEPARTMENT:	Reservation

Task 12: Files all reservation correspondences and miscellaneous documents properly.

Standard: All reservation correspondence and miscellaneous documents are filed properly to ensure efficient retrieval of reservation documents when needed.

Procedure:

For FITs:

1. All correspondence are files by month, according to dates.
2. Regrets and cancellation correspondence are filed together by month.

For Groups:

1. Group arrivals are filed according to arrival date under groups.
2. Group regrets and cancellation correspondence are filed together by month.

(Note: all accepted reservation proposals are filed in pending file, by month until confirmed.)

JOB TITLE:	Reservation Supervisor
DEPARTMENT:	Reservation

Task 1:   Conducts training of new reservation staff.

Standard: All newly hired reservation staffs are to be trained in order for the hotel and section's standards and procedures to be learned.

Procedure:

1. A training programme is to be prepared by the reservation supervisor which will conclude knowledge and skills training in: mission statement, job description, task list, standards and procedures, basic etiquette, office decorum, handling guests, etc.
2. A cross training programme will be arranged with other departments.
3. Assistant reservation manager will implement the training programme.
4. Assistant reservation manager is to assess progress of new hires and gives recommendations.

JOB TITLE:	Reservation Supervisor
DEPARTMENT:	Reservation

Task 2:   Up-sells to booking parties.

Standard: To ensure that hotel revenue is maximised through selling of higher yield room categories, etc.

Procedure:

1. Always offer the executive suites, junior suites, deluxe rooms, and inform guests of its special facilities and amenities.
2. Always offer airport transfers.

JOB TITLE: Reservation Supervisor **DEPARTMENT:**   Reservation

Task 3:   Keeps work area clean and organised at all times.

Standard: The reservations department must be kept clean and orderly at all times.

Procedure:

1. Regularly check the office for any dirt, mess or any other matter needing cleaning.
2. Ensure that it is clear of old newspapers, magazines, and all other items for disposal.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 1: Monitors room and bed status and availability during high occupancy.

Standard: A tight control of the room and bed status in the hotel during a high occupancy is done to ensure maximum revenue production and to minimise chances of overbooking.

Procedure:

1. Identify high occupancy days at least 14 days in advance, if possible.
2. Upon reaching 85%, inform the FOM immediately.
3. Double check all reservations on hand for these days.
4. Identify potential no-shows and cancellations, and all bookings without guarantees (i.e. ETA, unconfirmed or tentative bookings).
5. Follow up on all such bookings to establish guaranteed/confirmed status by securing ETA and other relevant details.
6. Inform the FOM of unconfirmed margin. FOM to advise on closed out status possibility.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 2: Conducts training of new reservation staffs.

Standard: All newly hired reservation staffs are to be trained in order for the hotel and section's standards and procedures to be learned.

Procedure:

1. A training programme is to be prepared by the reservation supervisor which will conclude knowledge and skills training in: mission statement, job description, task list, standards and procedures, basic etiquette, office decorum, handling guests, etc.
2. A cross training programme will be arranged with other departments.
3. Assistant reservation manager will implement the training programme.
4. Assistant reservation manager is to assess progress of new hires and gives recommendations.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 3: Monitors allotments and cut-off dates.

Standard: To ensure a strict control over allotments, the reservations will pay close attention to allotment chart and stipulated cut-off dates.

Procedure:

1. Upon receipt of group allotment from agent, verify any allotment sheet has been previously opened.
   a) If reservation is within TA allotment, stamp "Inside Allotment" on reservation form.
   b) If reservation is outside TA allotment but approved by reservation manager with "Outside Allotment".
2. If not, open one. If one has been opened already, deduct the room allotment each time a reservation has been made from agent concerned.
3. If an agent requests for a booking less than 14 days before arrival, matter is referred to FOM for handling as outside allotment. (Note: Booking from should at least be 14 days before arrival, if not, booking request is not accepted as cut-off date has been implemented or room allotment has expired.)
4. Do not input room allotments into system, unless upon instructions of FOM.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 4: Up sells to booking parties.

Standard: To ensure that revenue is maximised through selling of higher yield room categories, etc.

Procedure:

1. Always offers the executive suites, junior suites, deluxe rooms, and inform guests of its specials facilities and amenities.
2. Always offer airport transfers.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 5: Keeps work area clean and organised at all times.

Standard: The reservations department must be kept clean and orderly at all times.

Procedure:

1. Regularly check the office for any dirt, mess or any other matter needing cleaning.
2. Ensure that it is clear of old newspapers, magazines, and all other items for disposal.

| JOB TITLE: | Assistant Reservation Manager |
| DEPARTMENT: | Reservation |

Task 6:   Liases with sales department for group bookings.

Standard: To ensure a good working communication with the sales department the reservation department wills liase with sales on a regular basis.

Procedure:

1. Upon receipt of the group reservation by the sales department, a copy of the reservation form will be forwarded to reservations noting the number of rooms, number of pax., dates of stay and room rate (if not contracted rate).
2. Input reservation in system, and file under group file by date and month.
3. A month prior to group arrival, sales furnishes the group rooming list and group instruction form to reservation.
4. Enter rooming list into system and file with previous group file reservation form.
5. Verify if details given by sales is correct in system.
6. Check for all group reservations 3 days prior to arrival.
7. On the day before arrival sort out all group reservations fro collection by the reception.

JOB TITLE:	Assistant Reservation Manager
DEPARTMENT:	Reservation

Task 7:   Reviews following day's VIP arrival list.

Standard: Following day's VIP list will be reviewed a day before to ensure an efficient reception upon VIP arrival at hotel, and that all details and room amenities are prepared.

Procedure:

1. Identify following day's VIP arrivals through VIP arrival list.
2. Sort out correspondence and check details are correctly inputted in system and stamped with "VIP".
3. Inform all concerned departments of any special requests (concierge for transfer, housekeeping for extra bed, reception, etc.)
4. Pass all correspondence to FOM.
5. After the FOM has checked VIP correspondence, prepare for collection by the reception.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Task 1:   Monitors the hotel's closed out dates.

Standard: To ensure that all relevant sales agents/reservations systems and any other booking sources are informed of closed out dates to avoid receiving additional bookings on these dates.

Procedure:

1. Monitor daily occupancy forecast, as per Task 2.
2. Decision on closed out dates are finalised by FOM, RDM, and RM
3. Pass the information to reception.
4. Any additional reservations should be passed to FOM for immediate handling.
5. If closed out dates are amended, inform all concerned sections of amendment as per FOM's advice.

JOB TITLE:	**Reservation Manager**
DEPARTMENT:	**Reservation**

Task 2:   Monitors room and bed status and availability during high occupancy.

Standard: A tight control of the room and bed status in the hotel during a high occupancy is done to ensure maximum revenue production and to minimise chances of overbooking.

Procedure:

1. Identify high occupancy days at least 14 days in advance, if possible.
2. Upon reaching 85%, inform the FOM immediately.
3. Double check all reservations on hand for these days.
4. Identify potential no-shows and cancellations, and all bookings without guarantees (i.e. ETA, unconfirmed or tentative bookings).
5. Follow up on all such bookings to establish guaranteed/confirmed status by securing ETA and other relevant details.
6. Inform the FOM of unconfirmed margin. FOM to advise on closed out status possibility (refer to closed out Task 1).

| JOB TITLE: | Reservation Manager |
| DEPARTMENT: | Reservation |

Task 3:   Conducts training of new reservation staffs.

Standard: All newly hired reservation staffs are to be trained in order for the hotel and section's standards and procedures to be learned.

Procedure:

1. A training programme is to be prepared by the reservation supervisor which will conclude knowledge and skills training in: mission statement, job description, task list, standards and procedures, basic etiquette, office decorum, handling guests, etc.
2. A cross training programme will be arranged with other departments.
3. Assistant reservation manager will implement the training programme.
4. Assistant reservation manager is to assess progress of new hires and gives recommendations.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Task 4:   Monitors allotments and cut-off dates.

Standard: To ensure a strict control over allotments, the reservations will pay close attention to allotment chart and stipulated cut-off dates.

Procedure:

1. Upon receipt of group allotment from agent, verify any allotment sheet has been previously opened.

   a) If reservation is within TA allotment, stamp "Inside Allotment" on reservation form.

   b) If reservation is outside TA allotment but approved by reservation manager with "Outside Allotment".

2. If not, open one. If one has been opened already, deduct the room allotment each time a reservation has been made from agent concerned.

3. If an agent requests for a booking less than 14 days before arrival, matter is referred to FOM for handling as outside allotment. (Note: Booking from should at least be 14 days before arrival, if not, booking request is not accepted as cut-off date has been implemented or room allotment has expired.)

4. Do not input room allotments into system, unless upon instructions of FOM.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Task 5:   Keeps work area clean and organised at all times.

Standard: The reservations department must be kept clean and orderly at all times.

Procedure:

1. Regularly check the office for any dirt, mess or any other matter needing cleaning.
2. Ensure that it is clear of old newspapers, magazines, and all other items for disposal.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Task 6:   Liases with sales department for group bookings.

Standard: To ensure a good working communication with the sales department the reservation department wills liase with sales on a regular basis.

Procedure:

1. Upon receipt of the group reservation by the sales department, a copy of the reservation form will be forwarded to reservations noting the number of rooms, number of pax, dates of stay and room rate (if not contracted rate).
2. Input reservation in system, and file under group file by date and month.
3. A month prior to group arrival, sales furnishes the group rooming list and group instruction form to reservation.
4. Enter rooming list into system and file with previous group file reservation form.
5. Verify if details given by sales is correct in system.
6. Check for all group reservations 3 days prior to arrival.
7. On the day before arrival sort out all group reservations fro collection by the reception.

JOB TITLE:	Reservation Manager
DEPARTMENT:	Reservation

Task 7:   Reviews following day's VIP arrival list.

Standard: Following day's VIP list will be reviewed a day before to ensure an efficient reception upon VIP arrival at hotel, and that all details and room amenities are prepared.

Procedure:

1. Identify following day's VIP arrivals through VIP arrival list.
2. Sort out correspondence and check details are correctly inputted in system and stamped with "VIP".
3. Inform all concerned departments of any special requests (concierge for transfer, housekeeping for extra bed, reception, etc.)
4. Pass all correspondence to FOM.
5. After the FOM has checked VIP correspondence, prepare for collection by the reception.

4.2.4 The Necessity of the Development in the Current Hotel Reservations System

In order to gather the clients' information, the hotel reservations system in the past used the collecting method in the batch spreadsheet format appeared in the computer or in the form of paper-based format. This collecting system posed some difficulties, for example, it is hard to estimate the actual number of rooms' demand from the clients or what we called 'overbooking', as well as, it is not easy to well respond to schedule the reserved room for every clients. So, there has been an effort in the ABC hotel to develop the database system to collect the customers' profiles and also their preferences. Moreover, to solve the overbooking problem that directly comes from the misuse of the forecast method, the hotel has invested more in the Fidelio software system enhancement.

Furthermore, to develop the system's quality and its effectiveness more and more, the hotel offers two forms of reservation to the clients. The clients can either make a phone call or walk-in by using the form of customer preferences to access to the clients' demand. Also, the hotel personnel often revise the check list for the accuracy's reason. The hotel not only improves the check in procedure but also the check out practice. The way to check out is more convenient and prompt by filling in the credit information form in order not to waste client's time waiting to check-out at the front desk. All in all, these combined initiative procedures should increase customer satisfaction to the hotel more or less. There are some examples of mentioned forms shown below.

- **Express Check-Out**

Many international hotel chains have what is called an express check-out procedure to avoid congestion at the front office during the peak morning check-out times. In this case, the guest calls the front desk the night before departure to request that the bill be prepared. The bill is then either slipped under the guest's door early on the date of departure, the guest picks it up quickly at the front desk, or it is mailed to the guest's home address. The room key is either left in the room, handed in at the front desk, or left in a special box. The guest then departs without waiting in line to pay his/her bill.

When the cashier is informed of an express departure, he/she pulls the guest's folio from the bucket in a manual, or calls it up on the computer screen in a computerised system. The cashier then verified that all vouchers have been posted to the folio, checks for any late charges, and posts these to the folio. Then the cashier transfers the balance in the folio to the credit card slip, and enters a credit for an amount equal to the folio balance on the guest folio, thus zeroing out the account exactly as it was done for the in-person check-out. To assure that the credit card company is billed for this charge, the cashier also debits the city ledger folio of the credit card company or informs the accounting office to make such a debit through the use of a transfer journal (see also Figure 4.7).

THE ABC HOTEL
BANGKOK

Express Check – Out
The Landmark Bangkok Hotel provides a special
EXPRESS CHECK – OUT SERVICE
For Credit Card holders

Please complete this card and hand it in at the Front Desk, no later than 6 hours prior to your departure.

Your hotel will be automatically processed, your credit card debits, and details sent to your address.

THERE IS NO NEED FOR YOU TO CHECK – OUT AT THE FRONT DESK.

Name...Room Number.................
Departure Date............................Flight Details..............Time...................
Alternative Billing Address..
....
....

Credit Card ☐ AMEX ☐ Dinners ☐ VISA ☐ Master
Card Number...Expiry Date......................
Signature..Clerk...........................

Figure 4.7: ABC Hotel's Special Check-Out Service

- **The Late Check-Out**

A special problem may be posed by guests who check out later than the posted check-out time on the day they are scheduled to leave. The check-out time is usually set to allow the departing guest the maximum amount of time in the room on the day of departure, while still allowing the hotel enough of time to clean the room so that it can be sold again that evening. The housekeeping staff ends its afternoon shift at 4pm to 6pm, so that there is little time between then and the usual check-out time of 12pm to 2pm to clean vacated rooms when there are many to be cleaned. If there is not enough time for housekeeping to clean and prepare the room for sale that evening and the hotel is full, it may mean a day's lost revenue on the room. This must be explained to guests who check out late and are required to pay for the additional day's use of the room. This is a reason why ABC hotel has to post the designated checked-out time prominently at the front desk and on the back of guest room doors.

In this case, the ABC hotel has to charge an additional half day if the guest leaves after the designated check-out time but before 6pm.

- **Reservation Record Form**

A property receives reservation inquiries in a variety of ways. Reservation requests may be made in person, over the telephone, in the mail, via facsimile or telex, through a central reservation system, or through an inter-sell agency. Regardless of the source, the reservations clerk will collect the following information about the guest's stay through a process known as a reservation inquiry. The reservations clerk should collect such information as the guest's name, address, and telephone number; company or travel agency name (if applicable); date of arrival and date of departure; and the type and number of rooms requested.

Most of the information gathered during the reservation inquiry will be used to create the reservation record. The reservations clerk enters the gathered information onto a reservation form or into a computerised system according to clearly defined procedures. The Figure 4.8 contains an existing reservation form that used before

implementation; while the Figure 4.9 shows a proposed reservation form which has some extra features such as method of payment and guarantee, any special requests, customer preferences, and check list box.

THE ABC HOTEL
BANGKOK

RESERVATION FORM

ARR : _____ FLT: _____ TIME: _____
DEP : _____ FLT: _____ TIME: _____

NAME	TITLE	VIP	HISTORY

ROOMS	SGL	DBL	TRP	RATE
SUPERIOR				
DELUXE				
STUDIO				
JR.SUITE				
EXEC.SUITE				
CLUB FL / SUP.				
CLUB FL / DLX.				
CLUB FL / JR.				
CLUB FL / EXEC.				
LIFESTYLE FL / SUP.				
LIFESTYLE FL / DLX.				
LIFESTYLE FL / JR.				
LIFESTYLE FL / EXEC.				

☐PAXA/C   ☐BILL TO CO.ALL EXPENSES

☐BILL TO CO.RM ONLY   ☐BILL TO CO.RM & ☐ABF   ☐LUNCH   ☐DINNER

☐COL.VCH   ☐CASH/ARR/DEPT

REMARK: _____
_____
_____

MADE BY: _____   COMPANY NAME: _____
TEL: _____ FAX: _____
CONFIRMATION NO: _____
TAKEN BY: _____ DATE: _____

Figure 4.8: Existing Reservation Form

Courtesy of: Reservation Department of the ABC Hotel, 2006

THE ABC HOTEL
BANGKOK

RESERVATION FORM

☐ New Reservation	☐ Complimentary	☐ House Use	☐ Cancelled	
Arrival:		**Flight:**	**Time:**	
Departure:		**Flight:**	**Time:**	

Check in time 14:00 / ***Check out time 12:00*** / ***Approx. Arrival time***	
Transportation request: ☐ YES (Attached Booking Detail) ☐ NO	
After clearing custom please meet our airport representative who show sign "Landmark Bangkok" at the barrier	
REASON OF VISIT: Business or Leisure	
Room Description: We have a very nice room with nice view of Bangkok	
In room have comfortable bed, sofa, coffee table and broadband high speed Internet access	
Bathroom has glass wall separate rain drop shower and free standing bathtub / LCD, Ipod, DVD Player	
Hotel Location: The hotel is in the heart of Bangkok's business and embassy district	

FIRST NAME (Spelling)	SURNAME (Spelling)	Conf. No.
1.		
2.		
3.		

CHILDREN'S NAME AND AGE IS ASKED (if applicable)

UPSELLING TO EXECUTVE FLOOR ROOM & BENEFITS

Room Type	No. of Rooms	Adult	Child	Room Rate	King	Twin	Preferences	
Superior							☐ Smoking	☐ Non-Smoking
Deluxe							☐ Smoking	☐ Non-Smoking
Deluxe Corner							☐ Smoking	☐ Non-Smoking
Deluxe Suit							☐ Smoking	☐ Non-Smoking
Other							☐ Smoking	☐ Non-Smoking

Booking Status:	Guaranteed:	Guaranteed by:	
☐ Confirmed	☐ YES ☐ NO	☐ Credit Card	☐ Visa ☐ Master ☐ Amex
☐ Wait Listed	☐ 4 p.m.	☐ Other Type_____	
	☐ 6 p.m.	Card No:_____	exp:_____

CANCELLATION POLICY 4 PM ON THE ARRIVAL DAY	
***Any Special Request to make you more comfortable stay	
***Are you **ALLERGIES** to anything that we should note into your booking!	
Spa / Restaurant reservations	
Billing Instruction:	

REPEAT BOOKING DETAILS		
GIVEN CONFIRMATION NUMBER & OFFER CONFIRMATION FAX / EMAIL		
Company/Agent:		
Contact Person:	Tel:	
Email:	Fax:	
Booking made by:	Date:	Received by:	Date:
THANK YOU REQUEST		

Figure 4.9: Proposed Reservation Form

- **Penalty Policies for Reservation**

One of major problems is the high rate of room's cancellation. This is because of no penalty charge in the ABC hotel for both no-show clients and the last minute cancellation of the clients. It creates the massive benefit lost since the hotel can not provide the rooms for other clients who want to use its services. Therefore, the new hotel policy which is the money guaranteed methods is applied to prevent this kind of problem.

THE ABC HOTEL
BANGKOK

CANCELLATION POLICY

DEPARTMENT: Front Office and Reservation

SUBJECT: Cancellation Policy

DISTRIBUTION: Reservation Manager, Assistant Reservation Manager, Reservation Supervisor, Front Office Manager, Assistant Front Office Manager

STANDARD:

It is a standard to protect our room situation from last minute cancellation and to minimise vacant rooms. Usually, when making a room reservation during the high season or peak period if cancelled less than 48 hours prior to the arrival date, a cancellation charge is to be imposed unless the cancellation was due to a natural disaster or waived by Management.

For FIT: The charge is equal to one night's accommodation for the type of room reserved within 72 hours.

For No-Show: The charge is equal to one night's accommodation for the type of room reserved.

For Groups: When the cancellation in whole is made, the charge is equal to one night's accommodation for the total number and type of rooms reserved. When partial cancellation is made, the charge is equal to one night's accommodation of the total number and type of rooms cancelled.

When the actual number of materialised rooms are less than the total number of rooms reserved, these rooms are treated as rooms cancelled when insufficient notice has been given to the hotel.

Attached the cancellation report with a copy of correspondence and confirmation letter then send to the credit manager to follow up for billing.

REMARKS:

The above has to adapt to hotel credit policies made by the Financial Controller or as per contract agreement made by Sales, on a case by case basis or Management approval.

THE ABC HOTEL
BANGKOK

'NO-SHOW' POLICY

DEPARTMENT: Front Office and Reservation

SUBJECT: 'No-Show' Policy

DISTRIBUTION: Reservation Manager, Assistant Reservation Manager, Reservation Supervisor, Front Office Manager, Assistant Front Office Manager

STANDARD:

It is a standard that in the event that a guaranteed reservation either FIT, individual or group no-shows, the following steps should undertaken by the Reservation:

1. Check the correspondence again to see if the reservation is a 'Guaranteed' reservation.
2. Check against the Property Management System (PMS) to make sure that the guest is not in the hotel.
3. Send out no-show letter to the guest asking for authorisation to process with the charge from guest and ensure by carbon copy (cc) to credit manager for his/her information.
4. Attach the 'no-show' report with a copy of correspondence and confirmation letter sent to guest and then send it to the Credit Department to follow up for billing.
5. The charge is equal to one night's accommodation for the type of room reserved.
6. The Front Office Manager or Assistant Front Office Manager should be informed of the no-show charge before it is administered.

NOTE:

Every possible effort should be made to ensure that the guest is not in the hotel before processing a 'no-show' charge.

REMARKS:

The above has to adapt to hotel credit policies made by the Financial Controller or as per contract agreement made by Sales, on a case by case basis or Management approval.

THE ABC HOTEL
BANGKOK

ROOM COMPLIMENTARY & DISCOUNT POLICY

DEPARTMENT: Front Office and Reservation

SUBJECT: Room Complimentary and Discount Policy

DISTRIBUTION: General Manager, Executive Assistant Manager, Room Division Manager, Director of Sales and Marketing, Sales Manager, Front Office Manager, Reservation Manager, Assistant Front Office Manager, Duty Manager

PURPOSE:

To set the standard for respective department heads to be able to request complimentary room for their clients and also to be consistence in offering room discount to our customers.

Below is the standard set up for department heads to be able to grant complimentary and discount from published rates only as follows:

Description	Authorised Position
Complimentary Room	General Manager ONLY
Up to 50% Discount Off Rack Rates	General Manager ONLY
Up to 30% Discount Off Rack Rates	Executive Assistant Manager, Room Division Manager, Director of Sales and Marketing, Sales Manager, Front Office Manager, Reservation Manager, Duty Manager

RAMARKS:

All department heads are authorised to request complimentary room for the business purpose and complimentary form must be signed by the General Manager prior to arrival date and it is subjected to GM's discretion.

- **Overbooking Problem Solving**

To avoid overbooking (accepting more reservations than the hotel can fill), the reservations department keep a document known as an available board. While in some cases the availability board is in the form of an actual wall-size board, more typically it is automated and easily updated with each entry made by reservationists. The reservations manager is responsible for maintaining the availability board. With the automation of the reservation function, the availability board is now a computer screen in the reservation system that, while monitored by the reservation manager, is automatically updated with new events, reservations that are booked, and circumstances that require the available number of rooms to change.

Typically, the ABC hotel processes reservations through a reservation module included in the Property Management System (PMS). The reservation module can generate a forecast report that projects reservation data for the next day or the next year and can even break this down by room category.

Whether manual override or automated, the availability board is a convenient visual guide for controlling overbookings. The board reflects a true picture of the room availability status for a six-month period. When space becomes critical for a particular day, the reservations manager restricts the sale of all or certain types of rooms for that day.

4.2.5 The New Success Approach in Respond to the Clients' Demand

In order to implement this approach, a prototype will be introduced. This proposed research study will implement the prototype which will be used by the hotel's customers and clients. It will provide the information related to their interests and preferences. This prototype, the Web page, will be used by customers who visit a hotel Web page and it will keep the information about customers, for example, their name, contact number, e-mail address, and country. Also, this page will alternatively ask for other general information such as their hobbies and their special interests from customers in the same time. All gathered information will be stored in a database and when the customer visits the hotel Web page or make a reservation next time. The

page can recall the collected information of the visitors and store it for further utilisation in the future.

- **System Architecture**

The function of hotel database, hotel reservation software called Fidelio (see more information in Appendix F), is to provide information of the hotel to customers upon their requirements. The hotel database is considered as a powerful tool to illustrate the search results of customer needs, for example, the general information of hotel; the general detail of suitable rooms; and the result of suitable rooms. On the other hand, it still supplies the hotel guest information to the hotel administrator. However, the hotel administrator has to manage this customer information by adding, updating, and deleting data all the times in order to keep the hotel database in effective and in accurate manner. This database will keep the information about customers, for example, guest names, contact info, e-mail address, and country. Also, alternative information such as customer special interests or preferences can be added in the database as stored records to recall the collected information of the frequent guests for further utilisation in the prospect (see Figure 4.10).
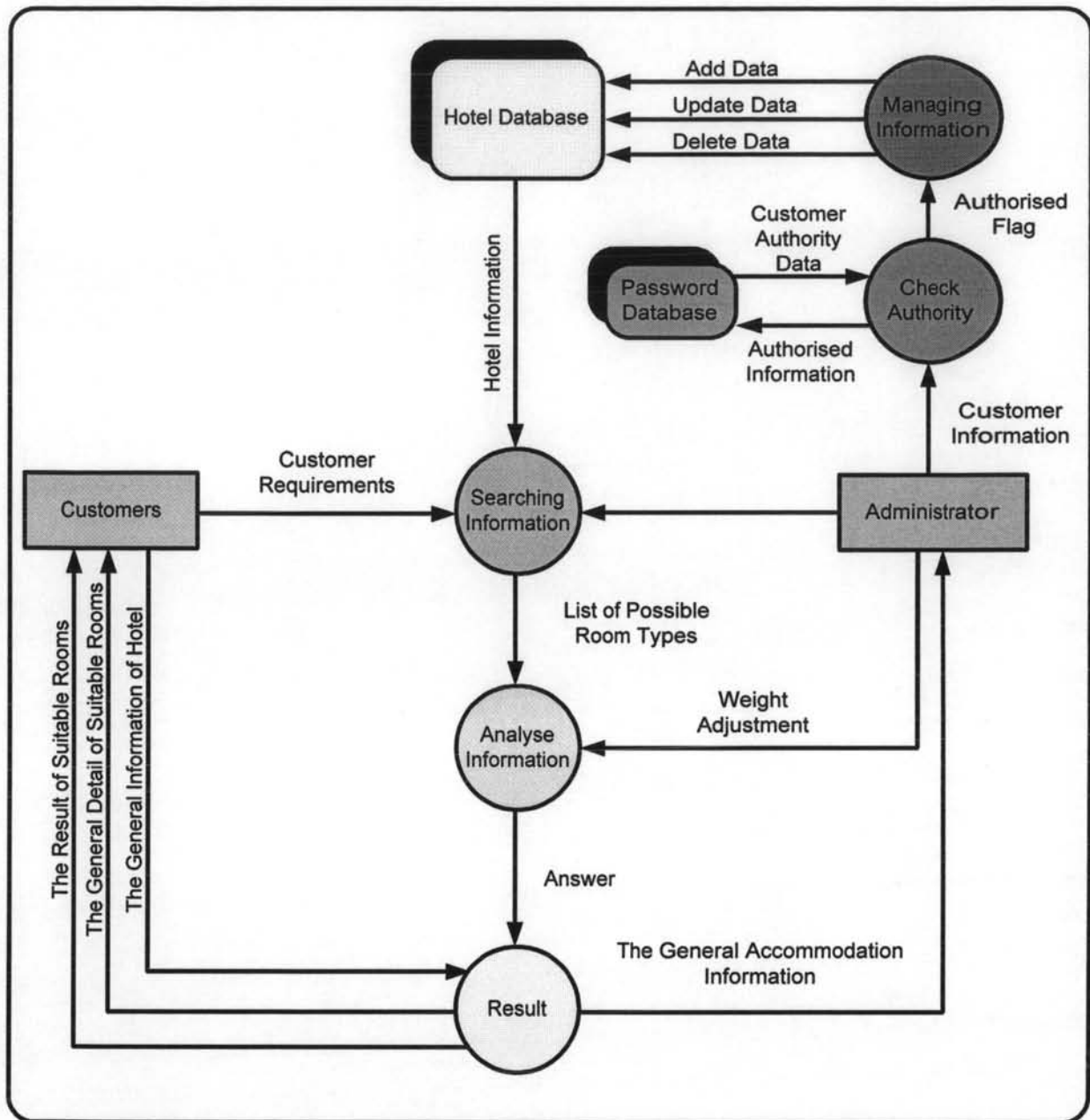
Figure 4.10: Decision Making Diagram of the Automated Reservation System

Courtesy of: Reservation Department of the ABC Hotel, 2006

The hotel online system comprises two major components, which are the Web browser and the Web server. The Web browser can be Internet Explorer 7.0 or higher, while the Web browser is employed by the Microsoft Internet Information Server 6.0 (IIS). IIS produces documents available by Web browser from corporate intranet. All the information provided by the user is collected by the ASP pages, and saved and

manipulated in the database. In Figure 4.11, System Architecture Concept demonstrates the interaction between customers and the hotel system via Internet passing through firewall. A firewall, system designed to prevent unauthorised access to or from a private network, is applied to protect private information by examined incoming and outgoing messages pass through a firewall. A firewall is installed in a specially designated computer separate from the rest of the network so that no incoming request can get directly at private network resources. If a firewall detects unsecured messages entering the intranet, it will block those which do not meet the specified security criteria. In contrast, if messages which qualify the specified security criteria are entering the intranet, a firewall will allow those pass through the server.
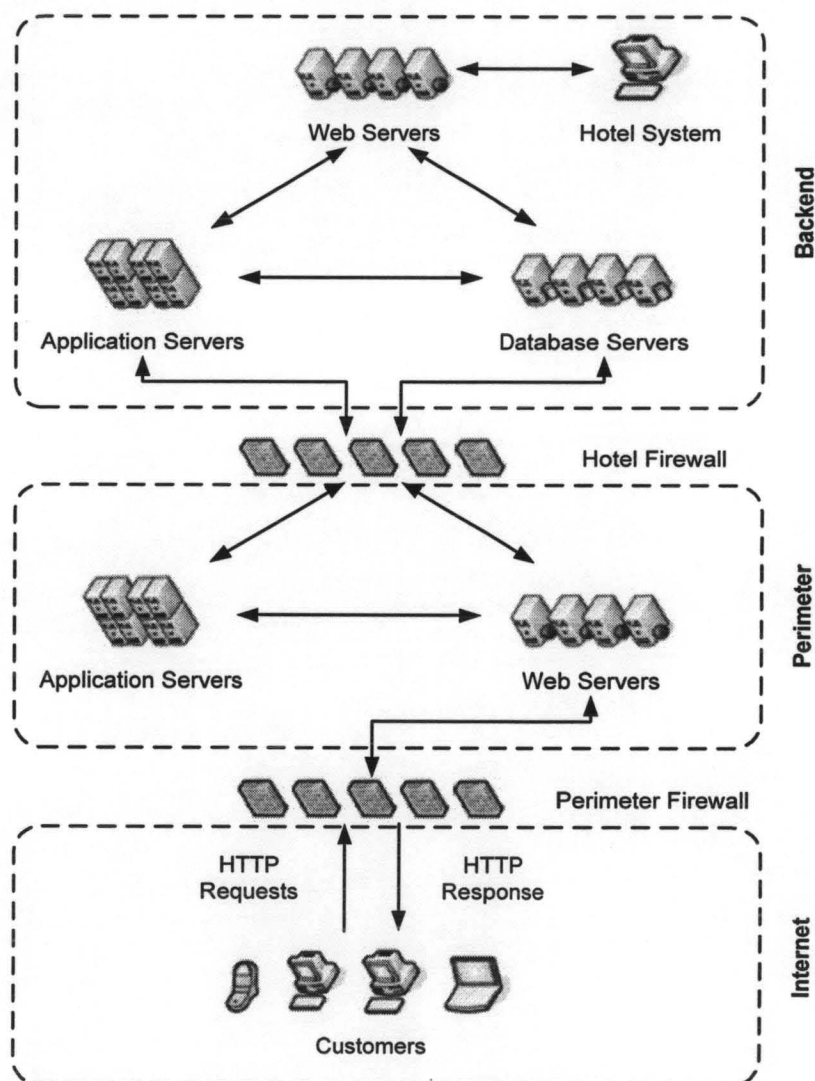
Figure 4.11: Secured System Architecture Concept

Courtesy of: Reservation Department of the ABC Hotel, 2006

- **Online Internet Reservation System**

Many hotels are offering online reservation services. However, the probability a customer will use any online Internet reservation systems depends upon how the customer recognises that online reservation system. Today travellers can book a room from almost anywhere in the world as many hotel Websites allow online booking with a confirmation being given instantly.

Violino (1998) states that Synapse Group Inc., hired by Hilton Hotels Corporation to design and maintain Hilton Websites, showed that a regular of two million dollars worth of room booking came from Hilton hotel Websites worldwide. Violino (1998) also describes that Hilton anticipates this number to rise significantly as increasing number of people become comfortable making reservation hotel rooms through the Internet. At Marriott International hotels, 85 per cent of the online bookings came from its Website (Higley, 2003). Therefore, big chain hotel companies are intending to improve their Websites to increase reservations.

According to the previously stated above, inevitably, ABC hotel is needed to improve its own Website in order to compete with the other rivals in the lodging industry and to offer customers a diverse way to make reservation as it is to be more time saving than other traditional approaches of booking.
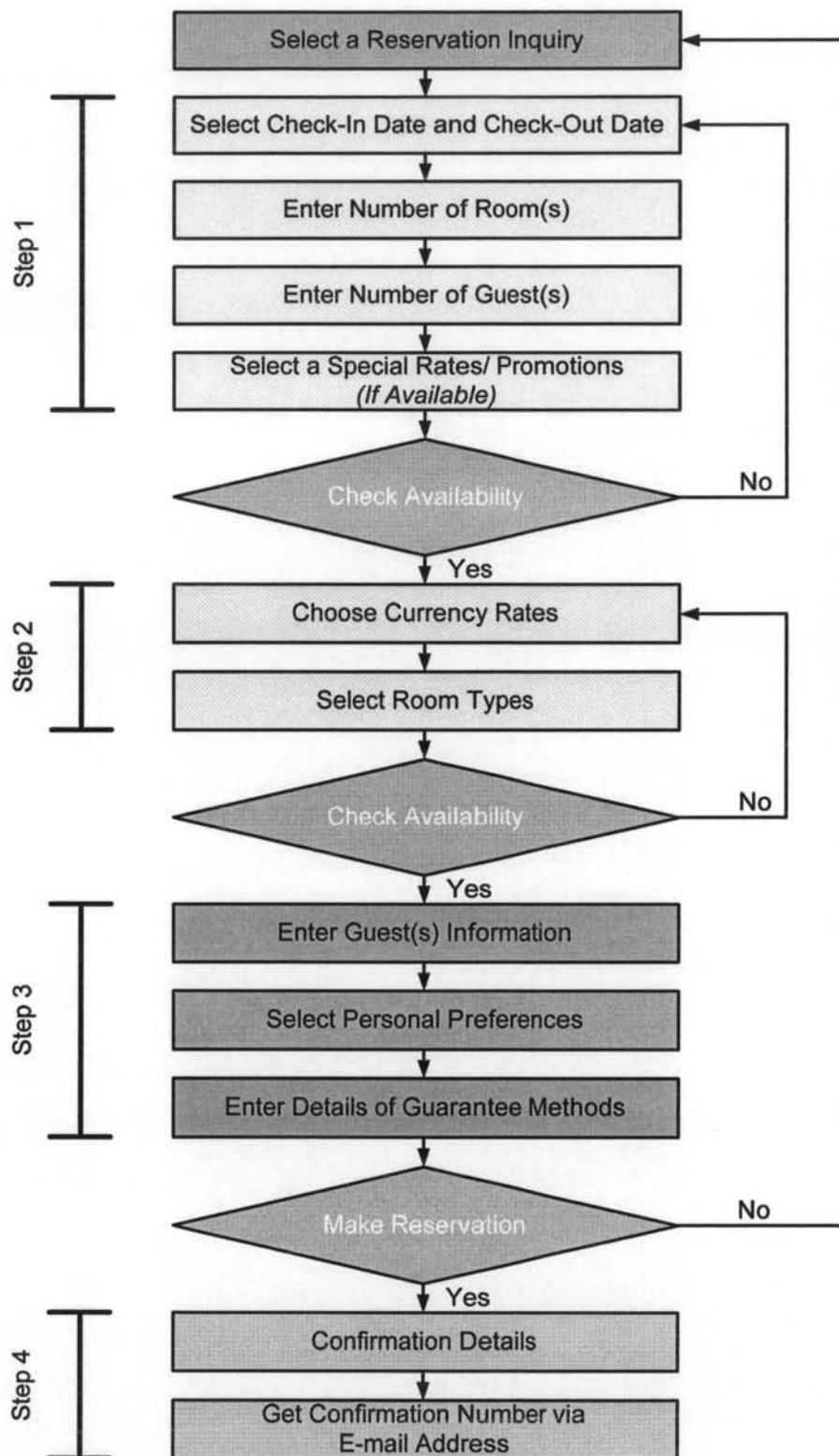
Figure 4.12: Online Reservation Making Process

- **The Hotel Website Prototype**

In this research, we have introduced the all new hotel Website prototype to ABC hotel which can be revised and developed in the near future as a hotel commercial Website. According to this Website model, we merely concentrate on booking aspect while the other features in the Website should be fulfilled by ABC hotel.

To start an online booking process, we enter to the ABC hotel Website as shown in the Figure 4.13, www.landmarkbangkok.com, choosing the "Guest Rooms" icon to proceed to the next step.
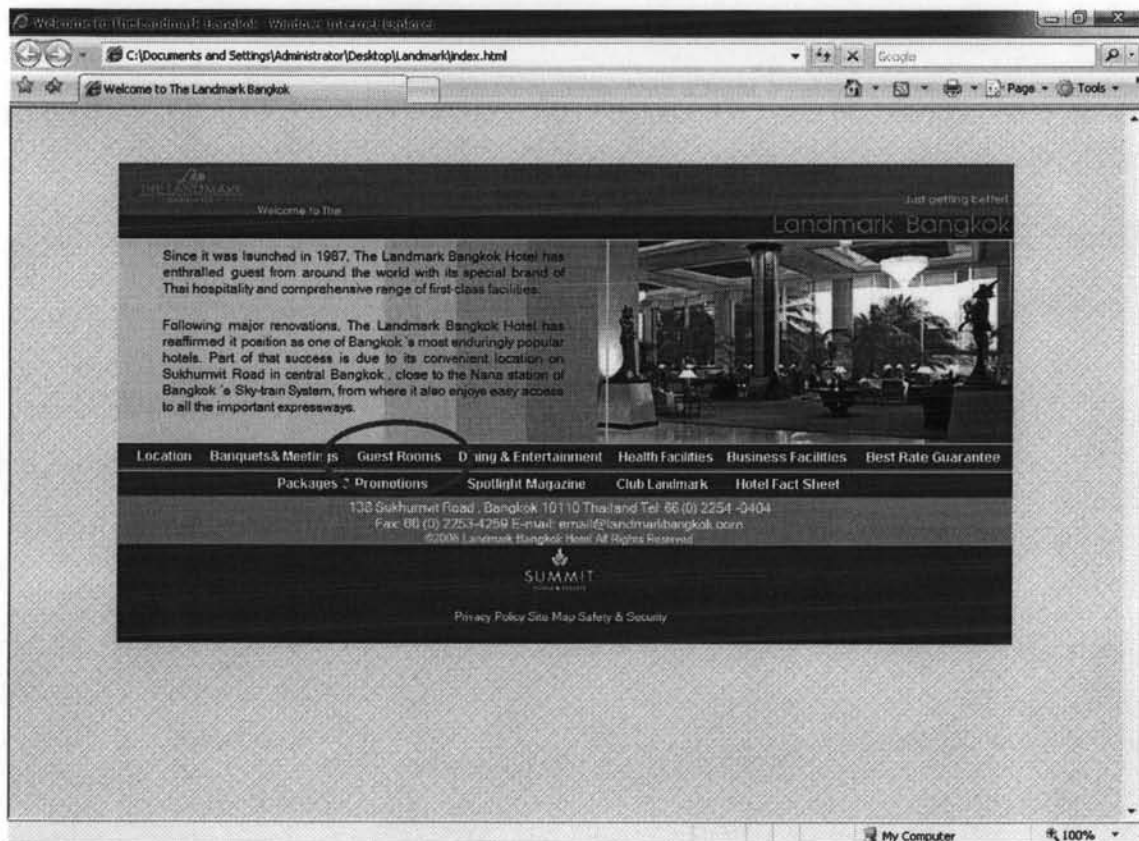
Figure 4.13: Official ABC Hotel Website (Prototype)

In the "Guest Rooms" Webpage (Figure 4.14), it depicts the room details and features in different types of guest rooms to suit the requirements of customers. In order to carry on the reservation process, the "Reservation Inquiry" is needed to be chosen.
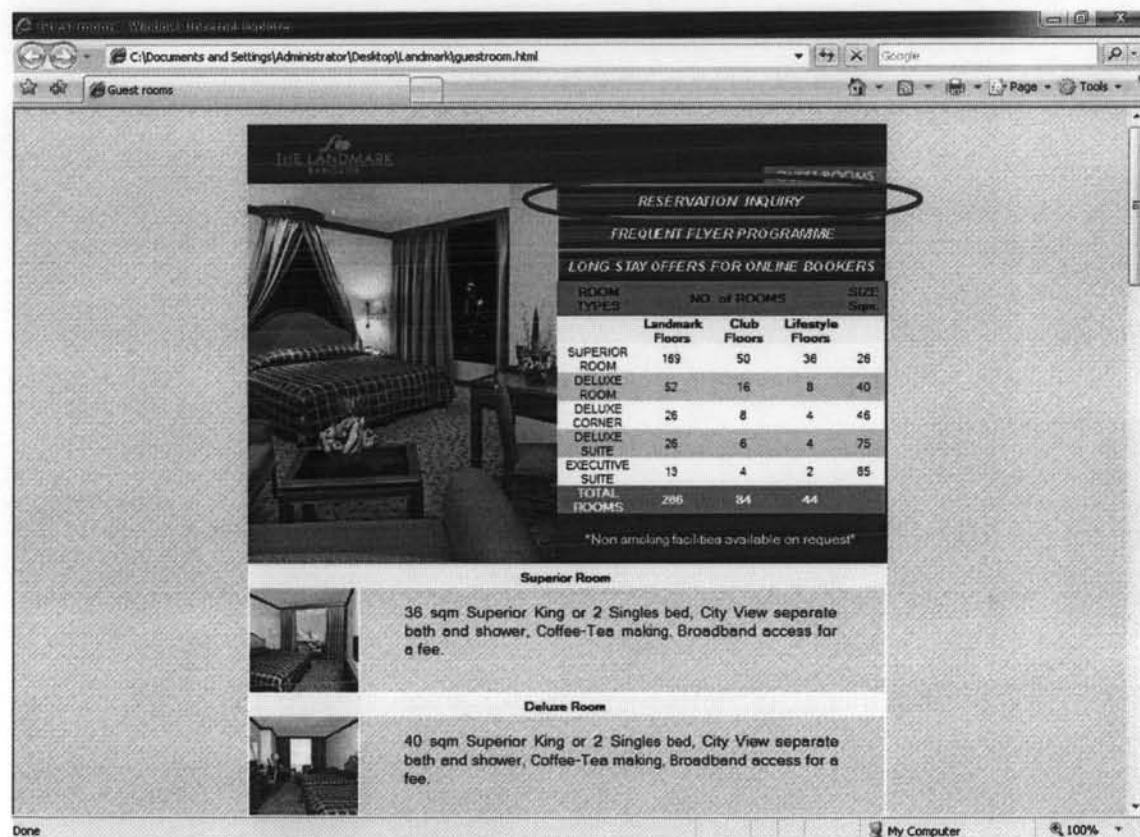
Figure 4.14: Hotel Guest Room Webpage

After selecting the "Reservation Inquiry", the guests will see the inquiry details to fill in, such as, date of arrival, length of proposed stay, type and number of room(s) required, number of guests (adults or children can be identified separately) will be staying per room. And any special rates to apply for organisations, senior citizens, family rates, package, or etc. In Figure 4.15, the author chooses to stay for a night from October 13[th] to October 14[th], 2007.

Figure 4.15: Reservation Inquiry Step 1

If rooms are available in that specific date, the results will show up as you see in Figure 4.16. Then the customers can proceed to the following step, step 2, which is to choose the currency rate for accommodation payment. It has the wide selection of currency rates of their preference, such as US dollars, Euro, and etc. In Figure 4.16, we pick the US dollar rate as our preference. Thus, the room rates are shown in US dollars.

Figure 4.16: Reservation Inquiry Step 2

Subsequently, the following step is to determine the search criteria that the guests have chosen previously, such as, their arrival schedule date, room type and rate details. If their search criteria are correctly, after that the guests have to provide their information, personal preference, and details of guarantee methods. But if the guests would like to change their schedule, length of stay, or type of room; they have to go back to correct it before moving on to the next stage. After complete filling all details required by the hotel, the guests can confirm their reservation to progress the final step of reservation.

Figure 4.17a: Reservation Inquiry Step 3

Figure 4.17b: Reservation Inquiry Step 3 (Cont'd)

This final step, step 4, is the confirmation of their booking. The guests should print out this confirmation page as their reference (Figure 4.18 is the example of confirmation page). Also the confirmation will be delivered to their e-mail account automatically to confirm the reservation as well (See Figure 4.19).

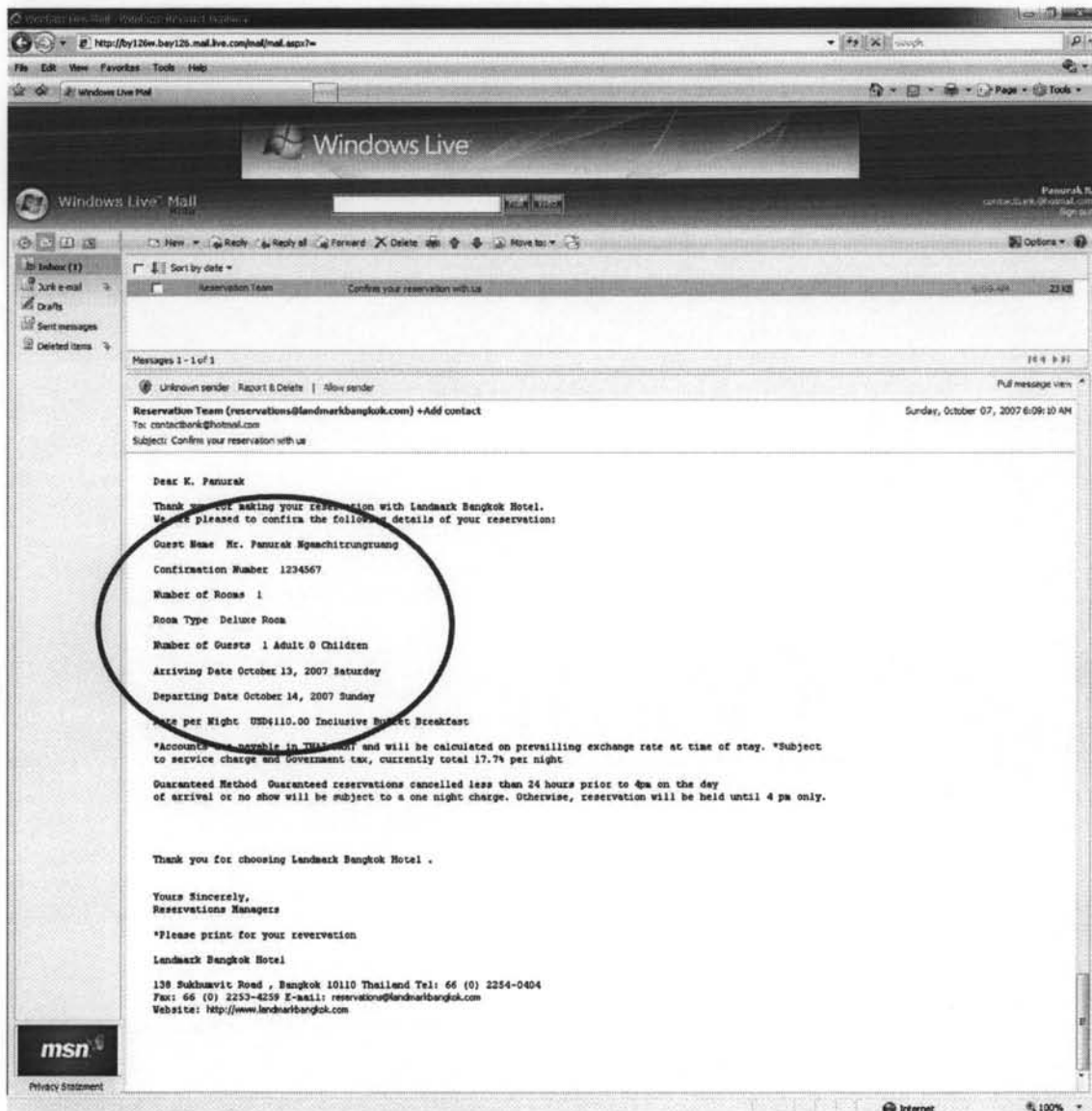**Figure 4.18:** Reservation Inquiry Step 4

Figure 4.19: Automatic Reply to E-Mail Account for Confirmation of Reservation

4.3 Summary of the Chapter

In order to achieve the optimal solution as mentioned in the expected benefits from this research, the appropriate conceptual design for this case study, reservation system, is set up as a guideline. Unlike a product, Collier (1994) stated that a service is any primary or complementary which does not directly produce a physical product. Services merely represent the non-merchandises part of a transaction between a buyer and seller. Similar to the previous mentioned, ABC hotel is one of the examples of service businesses.

In the part of designing operating system, the author applies the shop-floor control system (MRP elements) as the key decision, as well as implements Integrated Operating System (IOS) to satisfy good customer service and efficient value chain performance.

However, the ineffectiveness of ABC hotel reservations system primarily comes from the old-fashioned booking policy and inexperienced hotel staffs in utilising the new computer software in reservation system. In order to tackle these problems, the administrative hotel management is one of the key to deal with the change in polices set up, especially the penalty policy for reservation when the customer is no-show; and provides the training programmes to its employees to make them well-equipped.

In an attempt to reduce employee turnover, ABC is giving increasing attention to job design, seeking to enhance those job characteristics that give the employee the greatest satisfaction and motivation. Good job design must take into account the needs of employees as well as the demands of the job. Well-thought-out job design begins when management conducts a job analysis – that is, a thorough evaluation of the specific tasks performed for a particular job and the time required to perform them. Job analysis is an ongoing process, as many jobs change with improvements in technology and pressure to improve product quality. The job analysis is the basis for the job description. A job description includes the job title, pay, a brief statement of duties and procedures, working conditions, and hours.

In addition, forecasting, scheduling, developing a supervisory style, motivating personnel, balancing staff personalities, delegating tasks, training, and effectively communicating are only a few of the skills a good employee must master. It is a lifelong effort developed through continuing education and trail and error.

Other critical concern is that ABC hotel needed to spread the new channel of booking by offering the online Internet reservation system directly to its own Website since many hotels have been improving their Websites to increase booking. In this research, the author merely introduces the hotel Webpage as the prototype of online reservation for ABC hotel. Therefore ABC hotel has to develop its Website in other aspects that provide much information for customers and the Website has to be accessed easily.

According to the growth of Internet users and the more time saving in making reservation online than other traditional approaches of booking, inevitably, it can be concluded that usage of online Internet reservation system is quickly increasing and that online Internet reservation system offer great potential for escalating reservations and consequently increasing room sales.