



NATIONAL OPEN UNIVERSITY OF NIGERIA

SCHOOL OF SCIENCE AND TECHNOLOGY

COURSE CODE: HCM 434

COURSE TITLE: LODGING FACILITIES MANAGEMENT

COURSE GUIDE

HCM 434

LODGING FACILITIES MANAGEMENT

Course writer/Developer: Mrs. Adenike Olusola Lawal

Olabisi Onabanjo University

Yewa campus, Ogun state

Course Editor:

Programme Leader: Dr (Mrs.) A. O. Fagbemi

School of Management Sciences,

National Open University of Nigeria,

Lagos.

Course Coordinator: Miss F. E. Nnanna

School of Management Sciences,

National Open University of Nigeria,

Lagos.

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INTRODUCTION

HCM 434 – Lodging Facilities Management is a semester work of two credits units for Four Hundred Level (400 level) students in Home and Hotel Management Department in the school of Business and Human Resource Management.

It consist of 16 units and these units are arranged to ensure gradual acquisition of your skills. You are to carefully study the course materials and references/further readings. For success, the tutor-marked assignment will be of great use, if you attend to it promptly without procrastination.

COURSE CONTENTS

It comprises of 16 units and discusses lodging facilities management in hotels.

COURSE AIMS

In Home and Hotel Management studies, the students at 400 level are expected to be well versed in the lodging management and planning of events.

To achieve this, students are to attain the expected level of understanding after completion of this course.

COURSE OBJECTIVES

This course will attempt to expose you to the meaning, definition of management strategies, staging of special event, planning and management needs of facilities and special events.

STRUCTURE OF THE COURSE

The course you are studying has modules with units which you are expected to study carefully. These are:

Module 1

Unit 1: Introduction to lodging facilities management I

Unit 2: Introduction to lodging facilities management II

Unit 3: Economical forces behind planning and provision of leisure facilities

Unit 4: Political forces behind planning and provision of leisure facilities

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Module 2

Unit 1: Hospitality Services

Unit 2: Management strategies

Unit 3: Facilities management

Unit 4: Staging a special events

Module 3.

Unit 1: Operational requirements related to staging special event in leisure facilities.

Unit 2: Evaluation technique for facilities and special events

Unit 3: control system for food and beverages in lodging facilities management

Unit 4: Food cost in lodging facilities management

Module 4

Unit 1: Planning, design and management issues in keeping with current practice and trends

Unit 2: Planning and Management needs of fertilities and special events (large scale sport, cultural and community recreation)

Unit 3: Training Staffs in Lodging Facilities Management

Unit 4: Event evaluation and Cost benefit analysis

Each study unit as enumerate above shall take you about three hours of intensive study. Each unit starts with an introduction to it, the objectives and what you are expected to gain as knowledge and then the main content. The main content aside from having the details of the course unit shall give you some self-assessment exercise (SAEs) and self-assessment questions (SAQs). It is highly recommended that you study the unit carefully, do all the SAEs and the SAQs to be able to assess your ability yourself before your contact with

your facilitator. The unit has also conclusion, summary and Tutor-Marked Assignments (TMAs). You are again required to practice the TMAs to further your understanding and greater comprehension of the course. There are texts and references for further reading and broader understanding. By following these guidelines, your learning objectives and expectations will be greatly achieved.

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ASSIGNMENT

Each unit shall have at least two to three assignments. You are expected to attempt all as you complete studying this unit.

TUTOR MARKED ASSESSMENT (TMAs)

Your doing the Tutor-marked Assignments, you are assessing your comprehension ability of the unit and also getting yourself ready for the final examinations. The TMAs, which form part of your final grade are expected to be turned in to your tutor/facilitator at the study centre for grading.

At the end of the courses, you will be expected to write the final examination. The score you make in the examination together with that of your submitted TMAs will form your final score/grade.

EXAMINATION

The final examination for the course will be of two to three hours duration and has the value of 70% and the continuous assessment- 30%. All areas of the course will be examined and it is very important you read through the whole course material as many times as possible, you might find it useful to review your self-tests, TMA assignments and comments on them before the exam period.

SUMMARY

On your successful completion of this course, you must have been prepared for International Banking operation in Banking and Finance world.

FINAL ADVICE

Organize how to manage your time. Do everything to stick to it. The major reason many students fail is that they take things for granted and delay in taking decisions, only to be rushing unnecessarily towards exam period. If you get into difficulties with your schedule, do not waste time to let your tutor know before it is too late to help you. When you are confident and satisfied that you have achieved a unit's objectives, you can then move on to the next unit. Proceed, unit by unit, through the course, pacing your studies and making the whole exercise easy for yourself. Wishing you a happy and enjoyable reading time.

HCM 434 LODGING FACILITIES MANAGEMENT



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MODULE 1

UNIT 1: INTRODUCTION TO LODGING FACILITIES MANAGEMENT

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3.1.2 FOOD AND BEVERAGE DEPARTMENT

3.1.3 MARKETING AND SALES DEPARTMENT

3.1.4 HUMAN RESOURCES DEPARTMENT

3.1.5 ACCOUNTING DEPARTMENT

3.1.6 GENERAL MANAGER

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1.0 INTRODUCTION

Lodging facilities includes every building or structure, or any part thereof, which is kept, used, maintained, or held out to the public as a place where sleeping accommodations are furnished for pay to transient guests. The term does not include a facility providing personal care services directly or through contract services.

The lodging industry is a very competitive market. Clean, well-run facilities are necessary to satisfy today's clients. Keeping a facility in peak condition ensures better occupancy and optimal operating costs.

In its simplest sense, lodging facilities is taken to be the provision of shelter, that is, four walls and a roof.

Thus Lodging facilities management is taken to include:

- (a) The provision of lodging to suit the purpose and the needs of the users.
- (b) The selling, marketing and promoting of lodging facilities.
- (c) The care, maintenance and security of the Lodging facilities lodging facilities
- (d) The care, well-being, satisfaction and comfort of the Lodging facilities user.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Describe in general, the concept of management in lodging facilities
- II. Describe the functions of a lodging facility manager

3.0 MAIN CONTENT

3.1 The Organization of lodging facilities

- Rooms Department
- Food and Beverage Department
- Marketing and Sales Department
- Human Resources Department
- Accounting Department
- General Manager
- Resident Manager

As their facilities grow in size, lodging managers are faced with the need to group certain jobs in order to ensure efficient coordination and control of activities. These job groupings are usually called departments.

In general, departments might be grouped as front of the house (those departments in which employees have guest contact, such as front desk), and back of the house (where employees have little guest contact, such as accounting). However, separating departments by function is the most common method of organizing a hotel or a lodging business

In a very small lodging business, such as a bed-and-breakfast, the owner can supervise each department. However, as the lodging business increases in size (i.e., above 20 rooms), it is most effective to create managerial positions within departments.

3.1.1 ROOMS DEPARTMENT

Typically, the rooms department (called the front desk department in a limited-service facility) includes reservations, the front office, housekeeping, and telephone or PBX. In smaller full-service hotels, security and engineering might also be included in the rooms department. Responsibilities of the rooms department include reservations, guest reception, room assignment, tracking the status of rooms (available or occupied), prompt forwarding of mail and phone messages, security, housekeeping of guest rooms and public spaces such as lobbies, and answering guests' questions. To perform these many duties effectively, the rooms department

may be divided into a number of specialized subunits. To complicate matters, in many instances these subunits are also referred to as departments.

A hotel's front office is where guests are greeted when they arrive, where they are registered and assigned to a room, and where they check out. Usually, the telephone operator, other guest communications functions, and the bell staff or those employees responsible for delivering luggage and messages and attending to special guest requests also fall under the front office umbrella. The reservations department takes and tracks the hotel's future bookings. The housekeeping department is responsible for cleaning guest rooms and public spaces. Because of their specialized nature, the security and engineering departments are discussed in separate sections.

A great deal of interdependence exists among the subunits of the rooms department. For example, reservations must inform the front office of the number of presold rooms each day to ensure that a current inventory of salable rooms is always available. On the other hand, the front office must let reservations know whenever walk-in guests (those who do not have reservations) register. A similar level of cooperation is required between the front office and housekeeping. When a guest checks out, the front office must inform housekeeping so that the room may be cleaned. Once a room is cleaned, housekeeping must inform the front office so that the room may be sold. Certain tasks within the rooms department must occur in a specific order. For example, housekeeping cannot properly provision a guest room if the laundry does not supply enough clean towels or bed sheets. Engineering cannot replace a defective light switch in a guest room if housekeeping does not report the problem. Effective management of this busy department calls for standardized plans, procedures, schedules, and deadlines, as well as frequent direct communication between the executives who manage the key operating units of the rooms department.

3.1.2 FOOD AND BEVERAGE DEPARTMENT

The primary function of the food and beverage department is to provide food and drink to a hotel's guests. In earlier times, when an inn had a single dining room that could hold a limited number of guests, this was a fairly simple task. Today, however, providing food and drink is much more complicated. A large hotel might well have a coffee shop, a gourmet restaurant, a poolside snack bar, room service, two banquet halls, and ten function rooms where food and beverages are served. It might also have a lounge, a nightclub, and a lobby bar. On a busy day (or night), it's quite likely that functions will be booked in many outlets at the same time. In addition, some outlets may have multiple events scheduled for a single day.

It is only through continuous cooperation and coordination that a hotel's food service function can be carried out effectively. A guest who is dining in a hotel restaurant requires the joint efforts of the kitchen, food service, beverage, and stewarding departments. A convention banquet cannot be held without the efforts of the convention and catering department along with the food

production, beverage, and stewarding departments. The sequence of events and cooperation required among the food and beverage staff is even more important than in the rooms department, thus increasing the importance of communication between managers and employees alike. Another challenge faced by management is the diversity of the employees in the food and beverage department; the dishwasher in the stewarding department is at a dramatically different level than the sous chef in the kitchen.

3.1.3 MARKETING AND SALES DEPARTMENT

Coordination is not as important an issue in the marketing and sales department, which is generally much smaller than the food and beverage department. The primary responsibility of the sales managers who make up the marketing and sales department is sales, or the selling of the hotel facilities and services to individuals and groups. Sales managers sell rooms, food, and beverages to potential clients through advertising, attendance at association and conference meetings, and direct contacts. The marketing and sales department is also removed from most of the day-to-day operational problems faced by other departments. The division of work among the sales managers is based on the type of customers a hotel is attempting to attract. Individual sales managers often specialize in corporate accounts, conventions, or tour and travel markets. Sales managers' accounts are sometimes subdivided along geographical lines into regional or national accounts. The sales staff of the largest full-service hotels usually does not exceed a dozen or so. These sales managers work more or less independently in their particular market segments.

3.1.4 HUMAN RESOURCES DEPARTMENT

The human resources department serves no customers, books no business, and prepares no meals, yet it plays a vital role in a hotel's efficient operation. The three functions of the human resources department are employee recruitment, benefits administration, and training. The director of human resources is also expected to be an expert on federal and state labor laws and to advise managers in other departments on these topics. The human resources department's major challenge is in its interactions with other hotel departments. Although the human resources department recruits, interviews, and screens prospective employees, the final hiring decision rests within the department in which the potential employee will be working. The same is true of promotion and disciplinary decisions; the human resources department's input is, in most cases, limited to advice and interpretation of legal questions. The human resources department's effectiveness depends on its manager's ability to form effective working relationships with managers of other departments.

3.1.5 ACCOUNTING DEPARTMENT

In many hotels, the accounting department combines staff functions and line functions, or those functions directly responsible for servicing guests. The accounting department's traditional role is recording financial transactions, preparing and interpreting financial statements, and providing the managers of other departments with timely reports of operating results (line functions). Other responsibilities, carried out by the assistant controller for finance, include payroll preparation, accounts receivable, and accounts payable (staff functions). Another dimension of the accounting department's responsibilities deals with various aspects of hotel operations, cost accounting, and cost control throughout the hotel. The two areas of central concern to the accounting department are rooms and food and beverage. The accounting department's front office cashier is responsible for tracking all charges to guest accounts. At the close of each business day, which varies by hotel but typically occurs at midnight or after the bulk of guests' transactions have been completed (i.e., check-in, restaurant charges, retail charges, etc.), the night auditor is responsible for reconciling all guest bills with the charges from the various hotel departments. Although the front office cashier and the night auditor physically work at the front desk and, in the case of the cashier, have direct contact with guests, they are members of the accounting department and report to the assistant controller of operations. The food and beverage department may be responsible for food preparation and service, but the accounting department is responsible for collecting revenues. The food and beverage controller and the food and beverage cashiers keep track of both the revenues and expenses of the food and beverage department. The food and beverage controller's job is to verify the accuracy and reasonableness of all food and beverage revenues.

3.1.6 GENERAL MANAGER

In addition to being in charge of overseeing all of the departments that we have discussed, the hotel's general manager (GM) is responsible for defining and interpreting the policies established by top management. The general manager serves as a liaison to the hotel's owner or corporate parent, sets (or communicates) the overall strategic course of the hotel, sets hotel-wide goals, coordinates activities between departments, and arbitrates interdepartmental disputes. It is common practice in a large, full-service hotel for a director of public relations to report directly to the GM. The GM also has corporate-level responsibilities, participates on civic boards and committees, and engages in industry-related activities such as serving on the local tourism commission or hotel-motel association.

In addition to possessing a high level of technical skill (i.e., a thorough understanding of each operating department in the hotel), the general manager must also be decisive, analytical, and skilled with both computers and people. He or she must be able to see the big picture and how all of the parts of the hotel fit into the overall organization.

3.1.7 RESIDENT MANAGER

An executive may be promoted to relieve the general manager of some operational duties. This is often accomplished by elevating the duties and responsibilities of one particular department head without relieving that person of regular departmental duties. The title of this position is usually resident manager. It is quite common (and logical) for the general manager to select the manager of the rooms department to be resident manager. Responsibilities of the resident manager include serving as acting GM in the GM's absence, representing the GM on interdepartmental hotel committees, and taking responsibility for important special projects such as major hotel renovations, VIP guests, and operating reports that require in-depth analysis for the regional or corporate offices.

SELF ASSESSMENT EXERCISE

1. Mention the departments in lodging facilities
2. Explain the function of Marketing and sales department

4.0 CONCLUSION

In this unit, you have learned about introduction to lodging facilities management, the organization of a lodging facility, departments in lodging facilities such as; Rooms department, Food and beverage department, Marketing and sales department, Human resources department, Accounting department, General manager and Resident manager

5.0 SUMMARY

As explained in this unit, the lodging industry is a very competitive market. Clean, well-run facilities are necessary to satisfy today's clients. Keeping a facility in peak condition ensures better occupancy and optimal operating costs.

Thus Lodging facilities management is taken to include:

- The provision of lodging to suit the purpose and the needs of the users.
- The selling, marketing and promoting of lodging facilities.
- The care, maintenance and security of the Lodging facilities lodging facilities
- The care, well-being, satisfaction and comfort of the Lodging facilities user

6.0 TUTOR MARKED ASSIGNMENT

- I. List the principal functions of each major department of a full service hotel
- II. Should a first-line manager delegate more or less responsibility than a top manager?
Explain your answer

- III. A customer notifies the front desk that a table in her room has a broken leg and that when she set her room service tray on it, it tipped over and scattered the food on the floor. List the departments to which this information must be conveyed and the actions they must take

7.0 REFERENCE

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2. Raymond J. Aldag and Timothy M. Stearns, *Management* (Cincinnati: Southwestern, 1987).
3. Frank Shippes and Charles C. Manz, "Employee Self-Management Without Formally Designated Teams: An Alternative Road to Empowerment," *Organizational Dynamics* (Winter 1992): 48–61.

MODULE 1

UNIT 2: INTRODUCTION TO LODGING FACILITIES MANAGEMENT II

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 - 3.2 THE PROS AND CONS OF FUNCTIONAL ORGANIZATION DESIGN
 - 3.3 THE FUTURE ORGANIZATION OF LODGING FACILITIES
 - 3.4 THE HOTEL STAFFING SYSTEM
- 4.0 CONCLUSION
- 5.0 SUMMARY
- 6.0 TUTOR MARKED ASSIGNMENT
- 7.0 REFERENCES

1.0 INTRODUCTION

A good general description of a lodging facility is: “An establishment which provides - for reward - accommodation, meals and other refreshments for travelers and in general for temporary residents”.

The primary function of hotels is: “to provide accommodation for those away from home, and to supply such people with at least their basic needs”.

Any business (and a lodging facility is no exception) is established and run with the intention of gaining a “return” for its owner(s) for the money, time and work “invested” in that business. That return will be a proportion of the profits made by the business from its activities.

A hotel can only make profits if:-

- It satisfies its customers, by providing efficiently and courteously the services they require, at prices they can afford to pay; and
- Its resources (its buildings, furniture and equipment, and its staff) are utilized in the most effective ways, without wastage of money, materials or time.

And unless a hotel (like any other business) does make profits, it will not prosper, and might not even survive without a **proper chain of management**.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to:

- I. Explain the function of chain management
- II. Differentiate between centralization and decentralization.

3.0 MAIN CONTENT

The delegation of authority creates a chain of command, the formal channel that defines the lines of authority from the top to the bottom of an organization. As shown in the chart below the chain of command consists of a series of relationships from the highest position in the organization to the lowest. The chain of command specifies a clear reporting relationship for each person in the organization and should be followed in both downward and upward communication. Following the chain of command enables each new employee, no matter what his or her position, to know exactly for whom and to whom he or she is responsible.



When designing an organizational structure, managers must consider the distribution of authority. Defined simply, authority is the organizationally sanctioned right to make a decision. Authority can be distributed throughout an organization or held in the hands of a few select employees. Decentralization is the process of distributing authority throughout an organization. In a decentralized organization, an organization member has the right to make a decision without obtaining approval from a higher-level manager.

Centralization is the retention of decision-making authority by a high-level manager. Traditionally, hotel and lodging management has been very centralized, probably due to its roots in small, owner-operated lodging. In recent years, as the hotel and lodging industry has expanded, decentralization has become a more frequent style of operation.

Decentralization has several advantages. Managers are encouraged to develop decision-making skills, which help them advance in their careers. The autonomy afforded by this style of operation also increases job satisfaction and motivation. When employees are encouraged to perform well the profitability of the organization increases

Many hotel and lodging organizations have begun to empower employees and supervisors to make decisions that typically have been made by managers. One example that we have already discussed is the use of the quality circle. For example, if a front desk agent determines that a guest's bill is incorrect; in a decentralized organization the agent has the power to make the correction immediately. If that same front desk agent determines that a guest's stay has been unsatisfactory, he or she has the power to reduce the guest's bill by an amount previously specified by management. Additional challenges, control of the process, and quality assessment become part of everyone's job, and each employee is given the authority to take positive actions that will lead to high quality and improved performance.

3.1 SPAN OF CONTROL

Span of control refers to the number of people who report to one manager or supervisor. A wide span of control results in a flat organization—that is, a large number of employees reporting to one supervisor. A narrow span of control results in a tall organization, in which a small number of employees report to a supervisor, necessitating a larger number of supervisors. No formula exists for determining the ideal span of control. The following factors determine the most appropriate span of control: task similarity, training and professionalism, task certainty, frequency of interaction, task integration, and physical dispersion.

When a large number of employees perform similar tasks, the span of control can be increased. When the employees perform very different tasks, the supervisor must give each subordinate more individual attention in order to keep in touch with the different types of tasks; this requires a narrower span of control. For example, the rooms' department manager might easily manage the front desk agents and housekeepers until the brand standards for check-in or checkout of a guest increase in complexity and the standards for the various types of rooms and their cleaning procedure increase in detail. At this time, the rooms' department manager's span of control must be narrowed.

The better trained and more skilled a subordinate is, the less supervision is required. For example, a front desk agent might require a higher level of training and skill than a room service waiter. Thus, a front desk supervisor can supervise more employees (wider span of control) than the room service supervisor (narrower span of control).

Task certainty refers to the predictability of a task. Routine tasks allow management to devise standard procedures for subordinates to follow, minimizing questions about the job and widening the span of control. On the other hand, close supervision is called for when tasks are ambiguous and uncertainty is great. For example, the task of checking a guest in or out of the hotel can be documented and standard procedures can be created, so the front desk manager can have a relatively wide span of control over the front desk agents. However, because of the diversity of customers the sales manager encounters, the tasks of a hotel sales manager are less certain. The director of sales is responsible for coaching the sales managers, observing sales calls, and ensuring deal closings; these tasks require a hands-on approach that limits the number of employees the director of sales can handle, narrowing the span of control.

3.2 THE PROS AND CONS OF FUNCTIONAL ORGANIZATION DESIGN

The most important strength of a functional organizational design is efficiency. The performance of common tasks allows for work specialization, which increases overall productivity. Workers develop specialized skills and knowledge more rapidly. Training is easier because of the similarity of tasks and the resulting opportunities for inexperienced workers to learn from experienced workers. This helps new employees quickly learn the kinds of behavior that lead to success and promotion. Coordination of activities within functional departments is easier than in more broadly based organizations.

A functional organization fosters efficiency, teamwork, and coordination of activities within individual units. However, the functional organization's most important strength is also the source of its greatest shortcoming. The success of a hotel as a business is measured by its overall performance and not by the performance of any one department.

A hotel with spotless guest rooms will not be successful if guests' front desk experiences are not up to par. Even if guests' dining experiences are superb, the hotel will fall flat on its face if its rooms are dismal. It is sometimes difficult for each department to fully appreciate its role in the overall success of the organization. It is vital that each department keep in mind the hotel-wide goals of customer service and profitability rather than focus narrowly on its own concerns. Some means must be found to coordinate the activities of functional departments and to set hotel-wide strategies and goals. A hotel's functional organization demands strong leadership. New initiatives in hotels often require cooperation and coordination between functional departments. New ideas tend to be stillborn if department heads lack a hotel-wide perspective or have difficulty coordinating their activities. The tendency to concentrate on doing things right often overshadows the organization's ability to do the right thing.

The GM, as the chief executive of the hotel, emerges as the single person capable of providing the overall organizational direction, decision making, coordination, and arbitration needed to

make a hotel's functional departments work together effectively. A hotel simply cannot run itself from the departmental level. Thus, the GM must be a strong leader to be effective.

3.3 THE FUTURE ORGANIZATION OF LODGING FACILITIES

As new business practices are evolving as fast as our technologies, resistance to change has become a primary cause of business failure. The future success of a hotel will be driven in large part by the ability to foresee and capitalize on change. As we go through global transitions, the successful lodging facility will examine the key factors that will not only define success but also the ability to survive in coming years. These key organizational trends must be acknowledged by the successful hotel organization: visionary leadership, globalization, diversity, flexibility, flat structure, customer focus, zero defects, network orientation, and being in the information fast lane.

The organization must be able to respond to increasingly globalized sales, the movement to maintaining sales offices in many countries and lodging facilities across the globe, and an increasingly globalized labor market. Intercontinental Hotels Group recently introduced a new organization structure to more efficiently use regional and global resources to drive higher levels of innovation, customer focus, and revenues.

Diversity means the organization must respond to a workforce that is heterogeneous sexually, racially, and chronologically; innovation and Conflict/communication issues; and different styles of interaction, dress, presentation, and physical appearance.

Flexibility in the modern lodging facility organization means assuring that systems, processes, and people can respond differently to different situations; fewer detailed rules and procedures; greater autonomy and encouragement of initiative; customizing employment relationships to include telecommuting and job-sharing; and lifetime employability rather than lifetime employment.

The trend toward flatness in lodging facility organizations means fewer levels of management; workers empowered to make decisions, and fewer differences in responsibility. The organization's employees need to believe in a sense of entrepreneurship that reacts proactively to market diversity. Traditional organizations that follow well-documented rules must give way to leaders who can balance a sense of discipline with one of flexibility.

If the customer is king or queen in the 21st century, hotel organizations will be best served by focusing less on their hotel assets as measures of success and more on their customers. This involves a fundamental shift from viewing the real estate asset as the wealth creator to seeing the customer as the key to building shareholder wealth. A customer focus must reflect business

decisions at all levels of developing and operating a hotel organization. Pursuing such a course will inevitably impact shareholder wealth.

3.4 THE HOTEL STAFFING SYSTEM

Staffing, which is one of a hotel's most important management functions, is an ongoing challenge because of the high rate of employee and manager turnover. Full-service hotels can experience annual turnover rates in excess of 100 percent in certain employee classifications. Some managers consider an annual employee turnover rate of 33 percent low. (In other words, in a single year, one-third of a hotel's employees must be replaced.) At this rate, the entire hotel must be completely re-staffed every three years. The higher the turnover rate, the larger the number of employees who must be replaced, for example, if a lodging facility with 450 employees has a 75 percent annual turnover rate, it will be completely re-staffed every 16 months. Staffing is the responsibility of the human resources department.

In an attempt to reduce employee turnover, hotel and lodging businesses are 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 performing 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 and job specification. A job description includes the job title, pay, a brief statement of duties and procedures, working conditions, and hours. The job specification is an outline of the qualifications necessary for a particular job.

In response to the limits of specialization, organizations can redesign jobs to improve coordination, productivity, and product quality while responding to an employee's needs for learning, challenge, variety, increased responsibility, and achievement. Such job redesign often involves job rotation, the systematic movement of employees from one job to another; job enlargement, an increase in the number of tasks an employee will do in the job; job enrichment, the attempt to give the employee more control over job-related activities; and flextime, a flexible work schedule that permits employee input in establishing work schedules. In team-driven job redesign, a concept similar to job rotation, employees can transfer back and forth among teams that provide different services or products.

SELF ASSESSMENT EXERCISE

1. Explain what you understand by pros and cons of functional organization design
2. Describe how an hotel can make profits

4.0 CONCLUSION

In this unit, you have learned about introduction to lodging facilities management, span of control, the pros and cons of functional organization design, the future organization of lodging facilities and the hotel staffing system

5.0 SUMMARY

As explained in this unit, a good general description of a lodging facility is “An establishment which provides - for reward - accommodation, meals and other refreshments for travelers and in general for temporary residents”.

Span of control refers to the number of people who report to one manager or supervisor. A wide span of control results in a flat organization—that is, a large number of employees reporting to one supervisor. A narrow span of control results in a tall organization, in which a small number of employees report to a supervisor, necessitating a larger number of supervisors. No formula exists for determining the ideal span of control. The following factors determine the most appropriate span of control: task similarity, training and professionalism, task certainty, frequency of interaction, task integration, and physical dispersion.

6.0 TUTOR MARKED ASSIGNMENT

- I. Explain span of control
- II. Explain hotel management staffing

7.0 REFERENCE

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MODULE 1

Unit 3: ECONOMIC FORCES BEHIND PLANNING AND PROVISION OF LEISURE FACILITIES

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1.0 INTRODUCTION

Past research on leisure facilities failures has focused mostly on quantitative factors and bankruptcy rates. The leisure facilities industry and its analysts have long pondered the enigmatic question of why leisure facilities fail. Leisure facilities failures have been attributed to economic and social factors, to competition and legal restrictions, and even to government intervention. In the current complex environment of the restaurant business, we believe that it is imperative that prospective and current owners understand why restaurants fail.

Most hospitality research has focused on the relative financial performance of existing leisure facilities instead of examining the basic nature of leisure facilities failures, and most of these studies considered only bankruptcy reports.

Most bankruptcy studies are limited in their scope, however, because many leisure facilities closures result from change-of-ownership actions, rather than bankruptcies. These change-of-ownership transactions are treated as legal matters instead of actual bankruptcy procedures and may not be included in public records. Furthermore, because the focus of academic research has remained primarily on bankruptcy studies, the qualitative aspects of business failures have received little attention. In writing this article, we hope to determine the underlying factors that determine the viability of a leisure facility.

This category includes leisure facilities that failed for economic reasons such as decreased profits from diminished revenues; depressed profits resulting from poor controls; and voluntary and involuntary bankruptcies, involving foreclosures, takeover by creditors, receiverships, or frozen assets for nonpayment of receipts.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Describe the factors affecting and influencing the bankruptcy rate in leisure facility industry
- II. Explain the effect of the economy on the leisure facilities

3.0 MAIN CONTENT

3.1 ORGANIZATIONAL LIFE CYCLE

As with all business organizations, restaurants follow certain stages in a life cycle. At any point along these life-cycle stages, a business can suffer setbacks catastrophic enough to lead to failure. Throughout the life cycle, the first stages are the most vulnerable, which is why the highest proportion of businesses that close is relatively new. This “liability of newness” has linked organizational adolescence to increased organizational mortality rates. One reason for early failure is that new businesses typically have limited resources that would allow them to be flexible or adapt to changing conditions. Following that logic, it is believed that the longer a company is in business, the less likely it is to fail. Prior research has found that as each year of survival goes by, the failure rate is likely to go down, and by the fourth, fifth, and sixth years, only a modest, but steady, number fail each year. After seven years, the propensity for failure drops dramatically.

3.2 LEISURE FACILITY DENSITY

A leisure facility’s location in its market and its ability to differentiate itself from its competition also help determine whether it will survive. While a leisure facility can benefit from close proximity to competition and leisure facilities are often located in clusters to attract more traffic, as in a “Hotel row,” an operation could find itself in a cluster of restaurants within which it cannot compete effectively. In that regard, a restaurant’s inability to differentiate itself from its competition can be fatal. The restaurant’s reaction to competitive pressures from excess density depends in part on the nature of its ownership.

3.3 FIRM SIZE

In addition to the age of the firm, research has found a correlation between size and survival. In this regard, the larger firms are more likely to remain in business than small operations. Richardson stated that “both suppliers and bankers are prejudiced against smaller firms. They tend to take longer to act against a slow-paying . . . large enterprise than they do against a smaller

firm, because they equate bigness with safety and security.” That said, small firms tend to be positioned for growth, but if that growth occurs too rapidly, a leisure facility’s propensity to fail actually increases because of the ensuing financial stresses. These financial stresses include a high cost of goods sold, debt, and relatively small profit margins. Blue, Cheatham, and Rushing discussed how, at each stage of expansion, there is increased financial risk for a small operation, which increases the likelihood of failure

3.4 EXTERNAL FACTORS

Management capabilities are of primary concern in preventing leisure facility failure. Haswell and Holmes reported “managerial inadequacy, incompetence, inefficiency, and inexperience to be a consistent theme, explaining small business failures.” Poor management can be connected to “poor financial conditions, inadequate accounting records, limited access to necessary information, and lack of good managerial advice.” Other internal factors affecting failure rates of leisure facility include poor product, internal relationships, financial volatility, organizational culture, internal and external marketing, and the physical structure and organization of the business. Managers’ “inability to manage rapid growth and change” can lead to business failure, concluded Hambrick and Crozier. Sharlit wrote, “The root causes of many business problems and failures lie in the executives’ own personality traits,” while Sull commented that managers may suffer from “active inertia.” Makridakis believes that corporations fail due to “organizational arteriosclerosis,” overutilization or underutilization of new technology, poor judgment in risk taking, overextending resources and capabilities, being overly optimistic, ignoring or underestimating competition, being preoccupied with the short term, believing in quick fixes, relying on barriers to entry, and overreacting to problems.

3.5 COMPETITIVE ENVIROMENT

The environment in which the restaurant operates helps to determine its success or failure. Some attributes of the competitive environment that can influence a restaurant’s failure are the business’s physical location, its speed of growth, and how it differentiates itself from other restaurants in the market. In addition to the problem of having less cash to handle restaurant row,” an operation could find itself in a cluster of restaurants within which it cannot compete effectively. In that regard, a restaurant’s inability to differentiate itself from its competition can be fatal. The restaurant’s reaction to competitive pressures from excess density depends in part on the nature of its ownership.

SELF ASSESSMENT EXERCISE

1. Mention factors affection failure rate of leisure facilities
2. Explain how a restaurant can be successful

4.0 CONCLUSION

In this unit, you have learned about economic forces behind planning and provision of leisure facilities, organizational life cycle, leisure facility density, firm size, external factors, and competitive environment

5.0 SUMMARY

As explained in this unit, the leisure facility failure rate is affected more by internal factors than by external factors, although both apply. Such attributes as leisure facility density, firm size, and managerial characteristics are important to success. In particular, the manager's ability to balance family matters with the development of the organization is critical. Along with that balance, it is important for the owner-manager to have the requisite skills to run a restaurant. While the restaurateur should plan carefully in growing the business, she or he should be ready at any time to alter plans in response to changes in external factors.

6.0 TUTOR MARKED ASSIGNMENT

- I. Explain why leisure facilities failed
- II. Explain leisure facility density

7.0 REFERENCE

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MODULE 1

Unit 4: POLITICAL FORCES BEHIND PLANNING AND PROVISION OF LEISURE FACILITIES AND THE IMPACT OF STAGING SPECIAL EVENTS

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Political forces behind planning and provision of leisure facilities
- 3.2 The impact and result from staging of special events and the planning and provision on leisure facilities
- 3.3 The need for proactive management in hotel businesses
- 3.4 Hotel Leadership

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

In Nigeria, a good number of facts and incidents aid the development of leisure facilities. First is the public sector involvement, which had been predominant at least up to the late nineties. Leisure facilities were established for providing accommodation for government visitors and patrons. Examples include Zaranda Hotel in Bauchi, Owena Hotels in Akure and Maiduguri International Hotel in Maiduguri. In some cases, hotels were established for prestige and business reasons.

Despite the fact that special events have become key components of the tourism development strategy for many regions, the amount of research that has been conducted within the field of special events does not reflect its importance. It is unlikely that the substantial growth rate that the field of special events has experienced in recent years is sustainable and an understanding of consumer patronage in relation to special events will be crucial for the development and promotion of events in the future. This study seeks to help address these shortcomings.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- i. Explain the economic benefit of a small special event which operated within the existing resource capacity of a local economy on leisure facilities
- ii. Explain the effect of the political forces on the leisure facilities

3.0 MAIN CONTENT

3.1 POLITICAL FOCES BEHIND PLANING AND PROVISION OF LEISURE FACILITIES

Facilities management is a relatively new area with origin in United States of America and spreading to the United Kingdom in the late eighties. Little or nothing had been written about the management of leisure facility properties generally in Nigeria and in particular facilities management as a strategic estate management tool to meet organizational objectives.

Most of the current literature in Nigeria are therefore preliminary and pedagogic addressing issues such as definitions and scope [Odieta (1998), Ojo (2002)], facilities management tools [Mbamali and Adebayo (2006), Opaluwah (2005)] and which of the professionals within the environmental setting is best suited to serve as facilities manager or to handle what within the facilities management field [Odieta (1998), Ahmad (1998), Ojo (2002)].

In Nigeria, a good number of facts and incidents aid the development of leisure facilities. First is the public sector involvement, which had been predominant at least up to the late nineties. Leisure facilities were established for providing accommodation for government visitors and patrons. Examples include Zaranda Hotel in Bauchi, Owena Hotels in Akure and Maiduguri International Hotel in Maiduguri. In some cases, hotels were established for prestige and business reasons. Examples include Premier Hotel in Ibadan, a colossus of the former Western Region of Nigeria with its thriving cocoa business and Hamdala Hotel in Kaduna catering for the need of the then Northern Regional Government. Second, international occasions and requirements may warrant the establishment of the hotel. Examples are the defunct Durbar Hotels in Lagos and Kaduna, which came into existence as a result of Festac 77. There is also Nicon Noga Hilton Hotel at Abuja (now Transcorp Hilton). This came into being as a result of the establishment of Abuja as the capital city of Nigeria. Such leisure facilities are owned and managed by the government appointed representatives on behalf of the public. However, many of these leisure facilities are bedeviled by mismanagement leading to facilities decay, which caused their gradual collapse Bode-Thomas (2003). Third, there are privately owned leisure facilities but usually at a lower scale compared to government owned leisure facilities. Examples include Greenspring Hotel, Ibadan; D'Rovan Hotel Ibadan, Kilo Hotel, Lagos; Bagauda Lake Hotel, Kano and so many others. Even though they might have declined one way or the other due to age, level of use or effluxion of time yet they are still thriving.

3.2 THE IMPACT AND RESULT FROM STAGING OF SPECIAL EVENTS AND THE PLANNING AND PROVISION ON LEISURE FACILITIES

Special events or hallmark events are generally thought of as huge 'mega' events. The Olympic Games, World fairs, historic milestones and other similar events fit neatly into Ritchie's definition of hallmark events as: "one-time or recurring events of limited duration, developed

primarily to enhance the awareness, appeal and profitability of a tourism destination in the short and/or long term" (Ritchie, 1984).

These large international special events have tended to attract huge marketing fees, dominate media time and are obvious tourism research opportunities. By contrast, local sports carnivals, cultural festivals and community fairs generally attract no marketing fees and have a low media profile. Nevertheless these local fairs and carnivals can be special events: "in relation to their regional and local significance".

Governments at all levels have increasingly turned to special events to promote tourism. Regional tourism agencies generally include events, attractions and exhibitions as a large part of their tourism development strategy (Getz, 1989). Marketing of the event is expected to bring social, physical and economic benefits to the host community or nation at the same time influencing the leisure facilities. The anticipation of tourists and increased expenditure in the destination area is a common feature of any special event (Murphy and Carmichael, 1991). There is an expectation that visitor spending will contribute significantly to the local economy. These strategies can be unrealistic with benefits over-estimated unless the region has a combination of factors conducive to tourism growth

3.3 The Need for Proactive Management in Hotel Businesses

The trend in Nigeria today is that facilities maintenance and sustenance must be geared up in all the sectors of the economy, hotels inclusive (Bode-Thomas, 2003; Okungbowa, 2005; Olusola-Obasa, 2005). Thus, in order for business to be conducted in any hotel, it is essential for constructed assets to be appropriately managed if the business is to maintain the capital invested, enhance its value and sustain reasonable return (Hanford, 1970). If we are to give fillip to the tourism sector of the economy as a veritable and dependable source of foreign exchange; the backbone of which is the hotel and hospitality industry, then there is the need to explore every available strategy to make this sector of the economy more vibrant.

Hotels, just like any other investment outlets are established for profit purposes apart from the fact that they are facilitators to other sectors of the economy like tourism. Being an investment, they must be managed effectively. This is because the business of every business is to remain in business and to achieve this; business must make profit by obtaining customers and retaining them (Bevan, 1991). However, the business world of today is demand led as against supply led prompting attention to determining what customers want, how they want it and where they want it and at what price. A cursory look at the Nigerian Hotels clearly shows that they still believe in a supply led economy. Customers will come. The present circumstances had clearly shown that customers might not come. They will only come if and only if their needs are met and met effectively.

3.4 Hotel Leadership

Leadership and objectivity is in the realms of management particularly the hotel general manager (GM). The GM is the link between the board (if any) and the operational staff and the customers they are supposed to serve. He is responsible for interpreting and implementing policy

objectives. The GM is the key implementer of the business strategy for the property and the behavioral role model for the entire management team. It can thus be argued that the GM is the central management figure in the hotel business. Objectives are the end points or some things that one aims for and tries to reach. In business generally, hotel business inclusive, areas that need objectives include public and social responsibility, worker performance and attitudes, manager performance and development, innovation, profitability, market standing, productivity and physical and financial resources (College of Estate Management, 1994: 10)

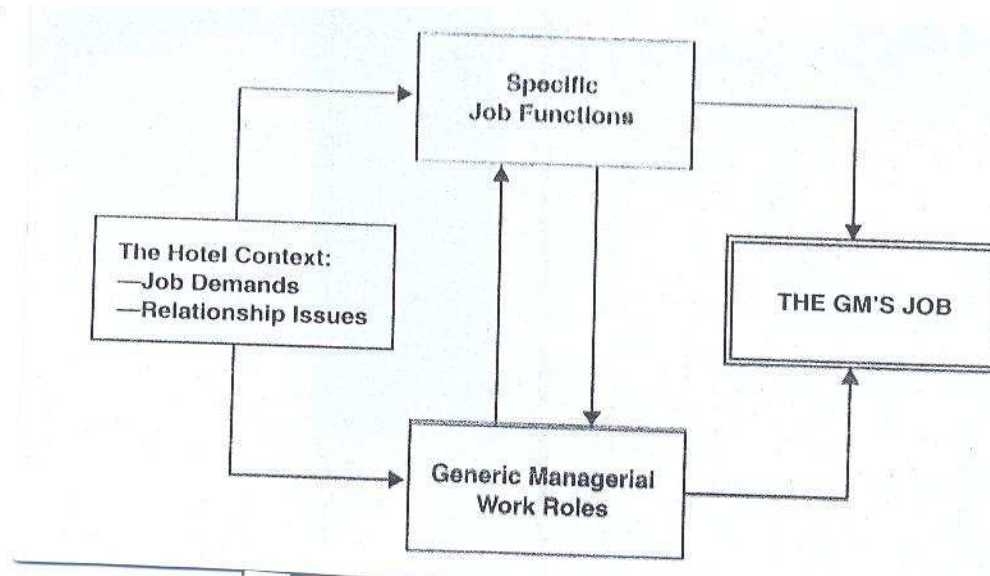
Most organizations have a set of multiple objectives which involve “trade – offs” if the objectives are to be accomplished. These “trade-offs” in turn cause conflicts in the ends and means, which are necessary for goal accomplishment. In short, the multiplicity of goals lays the groundwork for the need for conflict management. If objectives are realistically set, they will provide the basis for individual motivation. Objectives, if they are too low will not provide a challenge; if they are too high they may not be accepted or may lead to frustration. Objectives, which are achieved, lead to a sense of accomplishment. The tangling objectives necessitate objectivity in objectives and goals setting. In addition, for effective operational excellence, management needs to be flexible to accommodate changing circumstances and to meet the needs of different people also; different managers have different styles of management. The same manager may also have a number of different styles depending on the different situations. What is becoming clear is that a manager armed with only one style of management may be ill-equipped for the variety of different tasks and people to be handled (Torkildsen, 1992).

To Torkildsen (1992) good management is largely the result of good managers. They are the individuals who are responsible and have the ability to move it towards its goals. Managers are therefore directly responsible for much of the success or failure of an organization. Management, to be effective, needs to be flexible enough to accommodate changing circumstances and to meet the different needs of different people. Managers, therefore, have substantial influence not only in what they do, but in the way they do it. They have influence on the objectives and targets, programmes, activities and the results; their style of management can influence dramatically both staff and customers. Therefore, managers can be assessed through goals achievement and the meeting of the needs of customers. This work clearly shows the dynamic relationship between leadership, workers and customers, which help to accentuate excellence in the organization. For hotel businesses, the crucial role that hotel general managers play cannot be over emphasized and this is crucial to this present work in that it helps to fashion out the conceptual framework.

Nebel and Ghei (2002) argued that hotel GM is the central management figure in the hotel business today. They tried to develop a conceptual framework of the hotel general manager’s job by looking at jobs demands and relationship issues in the short run, intermediate run and on the long run. The purpose of the work was in part, to better understand the nature of the GM’s job, and through this understanding develop a conceptual framework of it. In doing this, ten extremely successful GMs of some America’s finest hotels responsible for managing hotels that

exhibited the fullest range of operational and managerial complexity were studied. Thus, they used a combination of participant observation of GMs work, extensive personal interviews with both GMs and 53 of their key divisional heads, background surveys, and analysis of organizational and operational information from each hotel.

Model of the influences that shape the GM's job



This work gave pre-eminence to the GMs of hotel organization at the expense of line managers, staff and customers. Good may not necessarily and all the time be the result of good managers. It is obvious that hotels cannot function without the facilities working efficiently through the active participation of line managers and staff and the customers getting value for their money. There is the need to explore also a conceptual framework for facilities management compliance hotel organization if customers must continue to get value for their money. This model may form a basis for developing such a facilities management compliant hotel organization.

Odusami (2001) opined that for an ideal project leader to be an effective project leader and by inference hotel GM, he must have important skills and desirable attributes. The same is true of line managers and facilities managers. The customers become assessors, evaluators and referral point for feedback. Thus, customers' needs and perceptions of hotel organizations as well as the marketing strategy of the organizations become crucial.

Hassanien and Losekoot (2002) carried out a study into the attitudes of hotel general managers and the importance attached to hotel renovation and refurbishment in Egypt. The findings showed that whilst hotel managers express a belief in the importance of hotel renovation, there is little evidence of strategic thought in the renovation process. Instead, the focus appeared to be on customer satisfaction with emphasis on service delivery. They opined that there is scope for a more strategic view of FM among hotel managers and owners. Renovation and strategic real estate are just an aspect of facilities management. Others such as space management, churn management, life cycles costing and so on are not considered. As a matter of fact, singling out

the hotel manager as the centre point of the investigation is really not comprehensive enough. There is the need to consider the views of the customers and the workers as far as facilities management are concerned.

SELF ASSESSMENT EXERCISE

1. Mention the disadvantages of special events on the planning and provision of leisure facilities
2. Describe the factors affecting and influencing management and development in leisure facility industry
3. Explain Model of the influences that shape the GM's job

4.0 CONCLUSION

In this unit, you have learned about political forces behind planning and provision of leisure facilities and the impact, Result from staging of special events and the planning and provision on leisure facilities, The Need for Proactive Management in Hotel Businesses and Model of the influences that shape the GM's job

5.0 SUMMARY

As explained in this unit, Governments at all levels have increasingly turned to special events to promote tourism. Regional tourism agencies generally include events, attractions and exhibitions as a large part of their tourism development strategy has major impact on leisure facility developments.

Hotels, just like any other investment outlets are established for profit purposes apart from the fact that they are facilitators to other sectors of the economy like tourism. Being an investment, they must be managed effectively. This is because the business of every business is to remain in business and to achieve this; business must make profit by obtaining customers and retaining them (Bevan, 1991). However, the business world of today is demand led as against supply led prompting attention to determining what customers want, how they want it and where they want it and at what price. A cursory look at the Nigerian Hotels clearly shows that they still believe in a supply led economy. Customers will come. The present circumstances had clearly shown that customers might not come. They will only come if and only if their needs are met and met effectively.

6.0 TUTOR MARKED ASSIGNMENT

- I. Describe the effect of leisure facilities around Abuja
- II. What are the negative effect of events on leisure facilities
- III. Describe the fact and incidents that aid development of leisure facility

7.0 REFERENCE

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MODULE 2

Unit 1 HOSPITALITY SERVICE

CONTENTS

- 1.0 Introduction**
- 2.0 Objectives**
- 3.0 Main Content**
 - 3.1 History of Hospitality**
 - 3.2 The benefit of hospitality service**
 - 3.3 The Drawbacks encountered by the providers of Hospitality Service**
 - 3.4 Examples of Hospitality Service Networks**
 - 3.4.1 General Networks**
 - 3.4.2 Specialized Networks**
- 4.0 Conclusion**
- 5.0 Summary**
- 6.0 Tutor-Marked Assignment**
- 7.0 References**

INTRODUCTION

The concept of hospitality services, also known as accommodation sharing, hospitality exchange, and home stay network, refers to centrally organized social networks of individuals who trade accommodation without monetary exchange. While this concept could also include house swapping or even time share plans, it has come to be associated mostly with travelers and tourists staying with one another free of charge. Since the 1990s, these services have increasingly moved away from using printed catalogues and phone trees to connect users towards internet websites. This has grown exponentially since 2000 and as at March, 2008 over one million people have registered as users of this network. This varies in operational structure placing different emphasis on graphical vs. text formatting and catering disproportionately to specific geographic regions.

OBJECTIVES

At the end of this unit, you should be able to:

- Define the meaning of hospitality service
- Explain the benefits of hospitality

3.0 MAIN CONTENT

3.1 History of Hospitality

As reported in the Wikipedia web page(Wikipedia 2009b) bob luitweiler founded the first hospitality service call servas open doors as a cross national non profit volunteer run organization advocating interracial and international peace in 1949. The next earliest work began in 1965 when john wilcock setup a traveler directory , originally as a listing of his mutual friends willing to host each other when travel this later become hospitality exchange in 1988 when joy lily rescued the organization from imminent demise(Wikipedia 2009b). Hospitality club is a direct successor hospex, the first internet based service, operating out of Germany since 2000.

Couch surfing is currently the largest exchange organization and was founded in 2004. Just as all the individual services have their own individual creation story and organizational history(often including demised and resurrection), many also have specific niche market that they cater to include student activities religious pilgrims, and even occupational groups like police officers. However, the trend in recent years point to a greater consolidation of user in network without a specific group, value, or lifestyle affiliation.

In essence, these networks employ reciprocity – users gain access to other user information only by posting their own which often require fields that include name and contact information, though newer service encourage users to include in more detailed personal materials, including likes and disliked, hopes and dreams, and even photographics, of course more information that were included tends to improve chances that someone will find then trustworthy enough to host or stay with while traveling.

3.2 The benefit of hospitality service

The rapid growth of the hospitality and tourism industries in the country is not without benefits to central government, local authorities as well as private sector through the generation of foreign revenue, financial returns etc. the benefit are as follows:

Monetary Savings

With the current trend in hospitality industries, the home service rendered by some hospitality industries attracts monetary savings to those patronizing the service. It was proved that staying in private homes means that travelers can save lots of money on accommodation that they will usually be spending on hotels or hostels. Used over a long period of time, this strategy can be cut over all travelling budget into half, or even more combined with hitchhiking. These saving can then be passed on towards more generously patronizing local establishment or simply staying abroad for a longer period of time. Most tourists in oversea enjoy the benefit of hospitality industries due to variety of improvement in their service to the public. People have good return for the monetary value

Local Economic Sustainability

Many tourist vacations today are sold in package form, often including flight, hotels, rental cars, sightseeing tours, and coupons for chain restaurants and bar. While this makes purchasing more convenient, it also puts more money in the hands of large multinational corporations exploiting the synergy strategy of marketing their products in the context of their subsidiary companies operating in others market. Many years ago, this might have been termed collusion; today, however, it is the norm. This comes at the expense of locally owned independent businesses.

Accommodation sharing helps to break apart this monopoly and hopefully redirects some of the tourist revenue back to the local or national economy.

Ecological Sustainability

Another benefit of hospitality services in relation to tourism is sustainability of the ecological resources, local areas should be develop to meet with the requirement of tourists visiting them. It is especially important in more rural travel venues where hotels are often built in very picturesque, though fragile environments, every night stayed at a local's home means that much less demand for such hotel room. Also, if accommodation sharing does in fact increase the length of average stays, it may reduce the amount of trips to and from different locations and back home again, thus reducing the overall fuel expenditures in the process.

Local Contact

Another important benefit of hospitality industries is the local contact made during visitation to tourist centers. They were of the opinion that one of the primary reasons we travel is to experience what life is like for people living in other countries. Making interpersonal connections and fostering understanding of different cultures may in the long run also be important to international relations. We find tourists milling around "tourist enclaves" where the companies they patronize back home have set up shop to cater for their desires while they are abroad. Sociologist George Ritzer has referred to this phenomenon as the "McDonaldisation of society" and the more recently, the "globalization of nothing". The location of hotels near these centers only fosters more convenient envelopment of the tourist dollar. Also, as expressed by Mitchell & Harson hospitality exchanges, host wants to show off their local knowledge and exciting off the map venues. Not only many travelers get a distinctly different experience, but they will also get a feel of the everyday lives of local residents

Reciprocity

The contact made by tourists with local people will foster reciprocity which trend to foster richer and more convenient travel experiences not so much on the premise of altruism, but on the basis of social exchange theory. Implicit in the agreement to host travelers is the ability to ask to be

hosted by them in the future if one enjoys having interesting guests in their home; this works out well for both parties. It works comparatively better if you are visited by travelers from a locale you find particularly attractive. Thus, hosting someone from New York City in Osun Oshogbo in Nigeria seems to be an unbelievable opportunity. Moreover, if you are a westerner visiting someone in a developing nation, your stay might be the only way that this individual or family could afford a trip to a rich nation. This may mean more than just a relaxing vacation for such disadvantaged parties.

Authenticity and Adventure

Tourism has always searched for these two qualities, but much like Midas and his golden touch, the reach of tourism has to a large extent destroyed the opportunity to encounter them in most places. Unluckily, the experience has been thoroughly commodified by everyone who wanted to secure their opportunity to make a buck in the process. Accommodation sharing offers a way out of this blind and a viable alternative to having one's desires manipulated by corporate conglomerates that never had the best interests of the place or the people foremost in their minds.

3.3 The Drawbacks encountered by the providers of Hospitality Service.

Some drawbacks encountered by hospitality providers include;

Lack of Guarantee:

There is no contractual agreement between users. Reservations are made but if they are for some reasons broken, there is no higher authority to which one could plead for a refund or other compensation. The only repercussion will be the poor rating you give that user and your only consolation will be that your warning will deter others from visiting or hosting them. For those who feel insecure unless their travel arrangements are written in stone before departure, this system will not be comforting.

Potential interpersonal conflict or awkwardness

There is a chance that guest and host will not get along. Perhaps there will be scheduling or ideological conflicts. Maybe you will find that host or visitors have misrepresented themselves. Perhaps the experience will find that hosts or visitors have misrepresented themselves. Perhaps the experience will not be up to your expectations. Intense interpersonal communication in advance and a flexibility once you have arrived is your best bet. These experiences require additional planning and courtesy towards the demands of your host. Thus your living conditions, length of stay, and overall experience will be circumscribed by the living conditions you enter into.

Digital divide and demographic segregation

The average user is a young white person who speaks English and lives in a developed nation. While there are many users who do not fit this description, the more different they are, the less likely they will be involved. This is especially true for persons living in the developing world who likely do not have easy access to the fundamental prerequisite for using these services: computers and the internet.

Security

There is a distinct possibility that someone will abuse the system and that innocent users (especially women) will get hurt. All services include disclaimers that require users to waive their rights to hold anyone but themselves responsible for any harm that may come to them in using them system. They advise that the best defense mechanism is to only involve oneself with users that have extensive personal information and interpersonal networks within the system that have been verified by others. It does seem entirely plausible that someone clever and patient enough might be able to invent and entire group of complex user identities and build histories convincing enough to fool even more cautious patrons. Still, the difference between these systems and the other social networking platforms popular nowadays on the web (such as Facebook, MySpace, Tribe, Orkut and Live Journal) is that any agreement reached through the accommodation sharing medium is contingent on actually meeting other people, face-to-face. Other web scams are easier because interpersonal interactions rely so much on putative identities that are never actually verified in the real world. However, this does not diminish the greater risk to physical well being that this kind of travelling by definition must entertain. The best advice is to meet unknown persons in public spaces first, and try to meet some of their acquaintances in person before agreeing to a hospitality exchange.

3.4 Examples of Hospitality Service Networks

3.4.1 General Networks

There are countless websites that serve the idea of hospitality services, with new ones appearing as this phenomenon becomes more popular. While this page is not intended to be a directory listing, here is a small sample of the well-established and long-standing networks:

- CouchSurfing – A very active network with over 500 thousand members in more than 200 countries
- Hospitality Club – A very active network with over 390 thousand member in more than 200 countries
- Servas International – Human rights and global peace oriented since 1949. A relatively small network now with over 15,000 members with a very long history .

3.4.2 Specialized Networks

Some networks offer specialized hospitality services. There are at least 15 (specialized) hospitality services, here are some examples:

- Lesbian and Gay Hospitality Exchange International
- Warm Showers - Hospitality network. Towards touring cyclists;
- Paspora servo – For Esperanto Speaker
- WWOOF – “Worldwide Opportunities on Organic Farm’s help on property is exchanged for food, accommodation, education and cultural interaction
- Homeshare International – Charity organization providing exchange of housing for help in the home.

SELF ASSESSMENT EXERCISE

Mention and explain two drawbacks encountered by the providers of Hospitality Service

4.0 CONCLUSION

In this unit, you have learned about the history of hospitality service. You have also learned about the benefit of hospitality, the drawbacks encountered by the providers of hospitality service and example of hospitality service networks.

5.0 SUMMARY

As explained in this unit, hospitality services, also known as accommodation sharing, hospitality exchange, and home stay network, refers to centrally organized social networks of individuals who trade accommodation without monetary exchange.

The rapid growth of the hospitality and tourism industries in the country is not without benefits to central government, local authorities as well as private sector through the generation of foreign revenue, financial returns.

6.0 TUTOR-MARKED ASSIGNMENT

- I. Mention and explained the drawbacks encountered by the providers of hospitality
- II. List benefit of hospitality

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Unit 2: MANAGEMENT STRATEGIES

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

3.1 WORK SPECIALIZATION

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3.4 SPANS OF CONTROL

3.5 METHODS OF COORDINATION

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5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

If the efforts of people in organizations are to be channeled toward productive ends, structure must be given to their activities. Aldag and Stearns (1987) list five ways by which managers give structure to organizations.

1. Work specialization

2. Departmentalization

3. Patterns of authority

4. Spans of control

5. Methods of coordination

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Mention five ways by which managers give structure to organizations.
- II. Explain the method of coordination in a leisure facility management

3.0 MAIN CONTENT

3.1 Work Specialization

If there is more than one way to accomplish something, management must make a conscious decision about how to divide tasks among workers. At one extreme is the case of little or no specialization, where an individual worker is responsible for all of the tasks required to complete a job. An example is the chef in a small country restaurant who singlehandedly prepares an entire meal for 20 guests. It's rewarding to have total control over a project and motivating to see the results of one's efforts. The problem, however, is that as demand for products or services increases, it becomes more and more difficult for individuals or small groups to increase their output without changing the way they are organized.

One of management's tasks is to determine the extent to which work and jobs should be specialized. As a general rule, specialization holds out the possibility of greater worker productivity and managerial control over tasks.

3.2 Departmentalization

As organizations grow in size, managers are faced with the need to group certain jobs in order to ensure efficient coordination and control of activities. Most restaurants departmentalize, with food preparation and food service as separate functional departments. This is a logical and practical solution. Preparing and serving food is achieved through distinctly different kinds of work; both the process and the function of the two activities are different. Forming departments along functional lines is the most common method of organizing a business.

3.3 Patterns of Authority

Every time managers restructure a job or group into different departments, they are faced with the question of how much decision-making authority to grant individual workers, managers, or departments. Organizations are never totally centralized or decentralized with regard to decision making; rather, they tend toward one direction or the other. A number of factors must be taken into account when deciding what pattern of authority is best for an organization. Managers must take into consideration the experience and personality of subordinates, the environment in which they work (Is it stable or rapidly changing?), the business strategy to be followed, and the management style with which they feel most comfortable.

Line executives have responsibility for business units that provide products or services to customers and account for the revenues of the business. In a hotel, the rooms and food and beverage departments account for most revenue. On the other hand, staff departments are set up because the principles of work specialization and departmentalization suggest efficiencies from such an organizational design. The personnel and engineering departments of a hotel are

examples of staff units. Once set up, however, staff departments sometimes cause organizational problems. How much authority should functional staff executives have over line executives? At one extreme, line executives could be given total authority. At the other extreme, staff executives, in their specialty areas, could be granted authority over line executives. Two intermediate examples: (1) Line executives are required to consult with staff specialists before making a decision; and (2) line and staff executives are required to make joint decisions. Whatever the situation, top executives like GMs must arbitrate line-staff disputes when they develop

3.4 Span of Control

Span of control relates to the number of subordinates reporting to a supervisor. In the past, some management scholars advocated an “ideal” span of control of exactly seven subordinates. That simplistic view is no longer held. The ideal span of control is dependent on:

- Task similarity—the more similar the tasks of subordinates, the wider the span of control can be.
- Training and professionalism—the more trained and skilled a subordinate, the less supervision required and the greater the span of control can be.
- Task certainty—the more routine and predictable work tasks are, the greater the span of control can be.
- Frequency of interaction—If relationships require frequent interaction, the span of control must be narrow.
- Task integration—the more a supervisor must integrate and coordinate the tasks of subordinates, the narrower the span of control must be.
- Physical dispersion—The more widely dispersed subordinates are, the fewer a manager can properly supervise.

Some of these factors may work in opposite directions. For example, fast food restaurants are operationally quite similar to each other, suggesting a broad span of control.

However, their physical dispersion works in the (opposite) direction of limiting span of control.

3.5 Coordination of Activities

Problems arise when organizations do not properly coordinate their activities. In simple organizations of only a few people, coordination is usually not a major concern. Problems develop, however, as organizations grow in complexity. As previously discussed, work

specialization and departmentalization are organizational responses to the growth of a business. As duties are subdivided, it becomes increasingly important to coordinate the activities of individuals and groups toward common goals. The kind of coordination required depends on how tasks and activities are linked. These linkages result in different kinds of interdependence between individuals and groups.

SELF ASSESSMENT EXERCISE

1. Mention the ideas span of control
2. What do you understand about coordination of activities

4.0 CONCLUSION

In this unit, you have learned about work specialization, departmentalization, patterns of authority, spans of control and methods of coordination

5.0 SUMMARY

As explained in this unit, there are five ways by which managers give structure to organizations. They are; Work specialization, Departmentalization, Patterns of authority, Spans of control, and Methods of coordination

6.0 TUTOR MARKED ASSIGNMENT

- I. Explain Task similarity
- II. Explain pattern of authority

7.0 REFERENCE

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MODULE 2

Unit 3: FACILITIES MANAGEMENT

CONTENTS

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3.0 MAIN CONTENT

3.1 Definition and scope of facilities management

3.2 Function of facilities management

3.3 Goals and tools of facilities management

3.4 Factors Influencing the Growth of Facilities Management

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 Introduction

Owen (1995) gave a brief beginning of the facilities management faculty. Facilities management's roots are to be found in a broad spectrum of backgrounds. The term "facilities management" itself originated in the hi-tech computer world and was transposed into the built environment area via space planners and office furniture manufacturers. There it was used as a communication vehicle between these interior space specialists and a wide range of clients or "users"; many represented by staff with no property background, including personnel and administrative staff, accountants and production managers. Facilities Management (FM) became recognized as identifiable management concept in the United States of America at the start of the eighties and has been practiced in the United Kingdom since about 1983, with the main growth occurring this decade. All the functions, which are now incorporated under the facilities management umbrella, existed prior to the recognition of FM. What FM has achieved, that is new, *is* an understanding that a co-ordinated and integrated approach to a range of business activities can add value to an organization's process. This was corroborated by Spedding (1999) when he said that what is new in FM is the view of the support which the property can give to the mission and goals of a particular business.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Define facilities management.
- II. Identified and broke down twelve business areas of Facilities management

3.0 MAIN CONTENT

3.1 DEFINITION AND SCOPE OF FACILITIES MANAGEMENT

For the purpose of this work it is necessary to identify the contributions of various authors to the development of the encompassing definition and functions of facilities management. Spedding (1999) accepted the definition of facilities management as adopted by International Facilities Management Association (IFMA) in its early days as: - “the practice of coordinating the physical workplace with the people and work of the organization, integrating the principles of business administration, architecture and behavioral and engineering sciences”. This definition focuses on unity in diversity that must necessarily be a concern in organizations and achieving such by tapping on the knowledge and capability of various professionals. The real business area of FM was not highlighted which include space management and support service management.

However, there are as many definitions of facilities management as there are many practitioners all contributing to a professional calling that is now internationally recognized. This assertion was corroborated by the Royal Institution of Chartered Surveyors (RICS) research report of 1999 which highlighted the many and varied definitions of facilities management. Becker (1999) [Cited in Cowan (2001)] defined facilities management as “being responsible for co-ordinating all efforts relating to planning, designing and managing buildings and their systems, equipment and furniture to enhance the organization’s ability to compete in a rapidly changing world”. This definition focuses on building and tries to make FM wider than necessary. Nonetheless this definition can be compared with RICS definition, which is “the total management of all services that support the core business of an organization”. A more detailed definition is offered by Engineering News-Record of April 4th, 1985 [cited in Hamer (1988:1)] as ‘the discipline of planning, designing, constructing and managing space – in every type of structure from office buildings to process plants. It involves developing corporate facilities policy, long-range forecasts, real estate, space inventories, projects through design, construction and renovation, building operation and maintenance plans and furniture and equipment inventories’. This definition emphasizes space management, which was missing in IFMA’s definition but also failed to identify FM as one of the strategic tools that can be used in turning a company around. Jim Steinmann [cited in Hamer (1988:1)] also defined facilities management ‘as the systematic method of inventorying, planning, designing and maintaining space, equipment and furniture for general or special purpose facilities that are subject to a need to be flexible to accommodate change’. This definition added space inventory and recognition of FM as an instrument to sustain ‘change’ programme of an organization. Alexander (1996) defines facilities management as ‘the process by which an organization ensures that its buildings, systems and services support core operations and processes as well as contribute to achieving its strategic objectives in changing conditions. It focuses on meeting users’ needs to support the key role of people in organizations, and strives to continuously improve quality, reduce risks and ensure value for money. It is clearly an important management function and business service. Major organizations worldwide

use it as part of their strategy for restructuring to provide a competitive edge. It can also ensure that buildings and support services improve customer responsiveness and contribute to business objectives. Alexander (1996) emphasized the fact that facilities management is purely an instrument to support the core business of an organization with the aim of making it more efficient and more productive. Regterschot (1988:19)[cited in Udo (1998)] describes facilities management as ‘the integral management (planning and monitoring) and realization of housing, services and means that must contribute to an effective, flexible and creative realization of an organization’s objectives in an ever changing environment’. Regterschot (1988) [cited in Udo (1998)] sees it as an instrument for accounting for available space and services with the aim of reducing cost and increasing profit. Hamer (1988:2) described FM ‘as the process of planning, implementing, maintaining and accounting for appropriate physical spaces and services for an organization, while simultaneously seeking to reduce the associated total cost’. This definition introduced workplace as an instrument of strategic management, which prompted IFMA to commission a research into its cost per employee in North America. Thus, Hamer (1988) sees FM as an instrument for accounting for available space and services with the aim of reducing cost and improving profit. The University of Strathclyde through its Centre for Facilities Management defines FM as ‘the process by which an organization delivers and sustains support services in a quality environment to meet strategic needs’ [Cited in Alexander, 1996 :1). This definition examined FM from total quality management point of view. This definition is in tandem with total quality management’s definition of service to the client because strategic need could be the need of the customers, employees, suppliers, investors or even the community.

Park (1998:1) sees FM as “the structuring of building plant and contents to enhance the creation of the end product”. As with all systems it is the generated benefit to the business or activity that matters, not the system itself. The end product can, in this case, be a tangible manufactured item or a service; in either case the product benefits in competitiveness and quality. A recent attempt by Tay and Ooi (2001), [Cited in Brochner, 2003), to harmonize eight current and influential definitions of FM led to the identification of facilities management as the integrated management of the workplace to enhance the performance of the organization. To Brochner (2003), facilities managers are responsible for ensuring cost efficient management of the building and related facilities, and creating an environment that supports the activities of the building user, and “their experience and knowledge would provide vital background to building related decisions. Maas and Pleunis (2001:28) [Cited in Hassanien and Losekoot (2002)] sees FM as “the responsibility for co-ordinating efforts to ensure that buildings, technology, furniture and organizational trends are responded to, over time.” However, these definitions do not stress the contribution, which well-managed facilities can make to an organization. Barrett (1995) [Cited in Hassanien and Losekoot (2002)] defines it as “an integrated approach to operating, maintaining, improving, and adopting the buildings and infrastructure of an organization in order to create an environment that strongly supports the primary objectives of that organization’. However, neither definition refers to the process or activities, which are associated with facilities management.

The British Institute of Facilities Management (2000) defines FM as the integration of multi-disciplinary activities within the built environment and the management of their impact upon people and the workplace. This definition recognizes the contribution of processes, principles, laws, theories and practices from other professions and re-iterates the need to manage the tremendous impacts that such diverse background could have on people and the workplace of the organizations.

Then (2000), [Cited in Hassanien and Losekoot (2002)] identifies six areas of management that FM needs to cover strategic management; asset management; services management; change management; people management and information management. FEFC and NAO (1997), [Cited in Hassanien and Losekoot (2002)] list what they regard as the core competencies of facilities management to include property management; financial management; organizational management; innovation and change management and human resources management. On the other hand Alexander (1996) [Cited in Hassanien and Losekoot (2002)] classifies the scope of FM into strategic, tactical and operational. The implications of all these are that as there are many practitioners of FM so also the scope will continue to expand and as the research horizon expands so also the scope will continue to expand.

The varied definitions of FM show that it is an evolving field whose nature is still somewhat fluid (Hamer, 1988:1) and have portrayed facilities management as an all embracing and evocative tool that should normally be an aspect of the organization organogram of any going concern and not only that, but also a strategic tool that could be deployed to reverse the downward trend of any ailing organization. From all the definitions highlighted above and for the purpose of this study, FM is defined as ‘a strategic management tool that seeks to exploit the dichotomy between workplace, people and the work of the organization by turning potentiality to reality through proactive management’.

3.2 FUNCTIONS OF FACILITIES MANAGEMENT

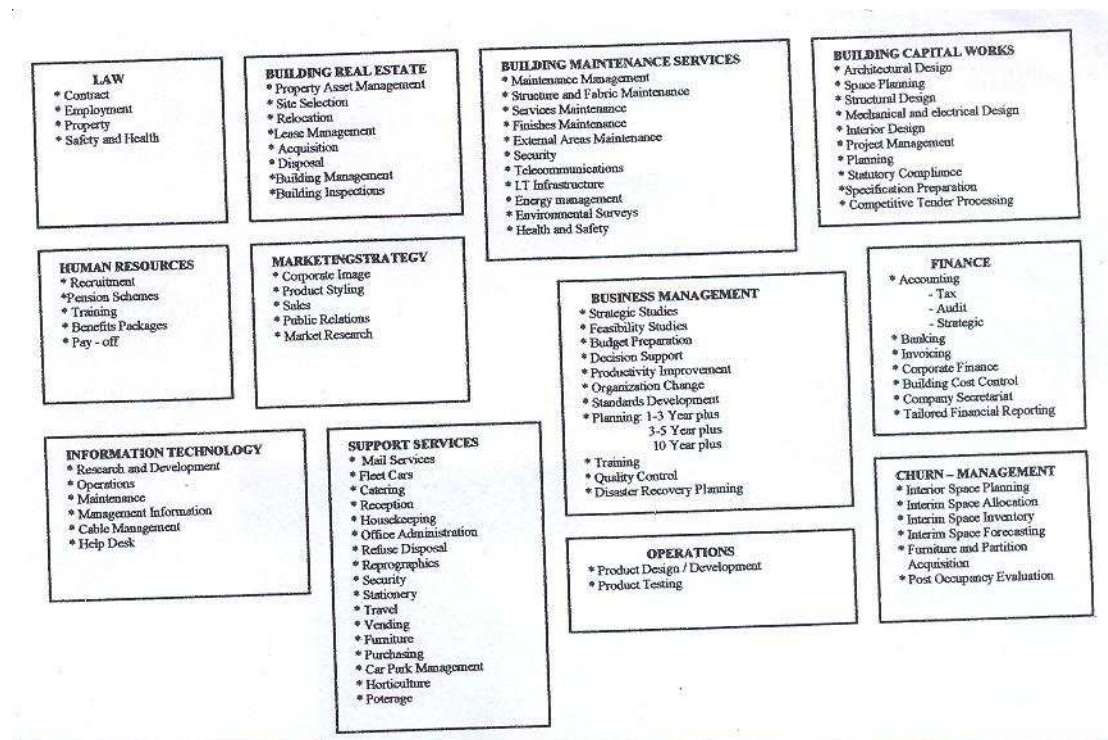
Hamer (1988) opined that among other duties the following are the activities usually performed by facilities managers in the course of their duties: - Inventory management, requirements programming, master planning, location and layout planning, drafting, cost accounting, real estate strategy, move coordination, project administration and implementation, purchasing coordination, maintenance planning, site management and overall system coordination.

Sekula (2003) emphasized that success as facilities manager is not only anchored to how well one does his job but also how well one fits in. Thus, it is important to understand the overall organization and its culture. In getting started, there is the need to establish whether there is any long-range strategic planning in place, any updates and whether the plan is still valid. Mission-critical issues are those issues that impact the safety and security of the company and its employees. Operational issues to be dealt with include financial planning and budgeting, lease

review, maintenance and operations, service contracts and preferred providers, workspace, technology infrastructure, management systems, departmental organization and staffing and strategy of getting on board with end users and the boardroom. The critical issue is to make an impact. This write up not only buttressed the services being flaunted as the areas of business of the facilities managers as identified by Hamer (1988) but also pinpointed personal traits to be possessed by effective facilities managers. The relevance of this work to the present study is the identification of human traits to the success of facilities management operations. Also, the presence of workspace management in an organization indicates commitment to facilities management.

In 1993, the RICS FM skills panel (1993) [cited in Owen (1993)] considered FM to consist of three distinct but inter-related areas as follows: - The management of support services; the management of property and the management of information technology. This is a real attempt at identifying the management of support services, the management of the building and management of information technology, which are accessories to the core activities of the organizations.

On the other hand, Owen (1995) identified and broke down twelve business areas of FM, which were further broken down in an attempt to detail its components as shown in Figure 2.5 below. The major headings include law, human resources, information technology, building and real estate, marketing, support services, building maintenance services, business management, operations, building capital works, finance and churn management.



Functions of Facilities Management

From the context analysis above, the goals of facilities management cannot be far fetched. It is aimed at exploiting the potentials of the property assets to the maximum which otherwise might have been previously unexploited for the benefits of the organization. Hamer (1988) opined that the primary need for facilities management is to gain control over the present situation. This involves knowing what exists, who is using it, what purposes it serves and how much it costs. This is strategic estate management, which accords with the postulation of Adewunmi and Ogunba (2006) that the best areas of contribution of the surveyor in the multidisciplinary management of facilities are in the core competencies such as property management, construction management and provision of strategic advice.

3.3 Goals and Tools of Facilities Management

From the context analysis above, the goals of facilities management cannot be far fetched. It is aimed at exploiting the potentials of the property assets to the maximum which otherwise might have been previously unexploited for the benefits of the organization. Hamer (1988) opined that the primary need for facilities management is to gain control over the present situation. This involves knowing what exists, who is using it, what purposes it serves and how much it costs. This is strategic estate management, which accords with the postulation of Adewunmi and Ogunba (2006) that the best areas of contribution of the surveyor in the multidisciplinary management of facilities are in the core competencies such as property management, construction management and provision of strategic advice. These competencies have a lot of role to play in workspace and churn management going by a review done by Meyer (2003). Hamer (1988) insisted that by implementing a facility management program, the manager should be able to accomplish the following goals:

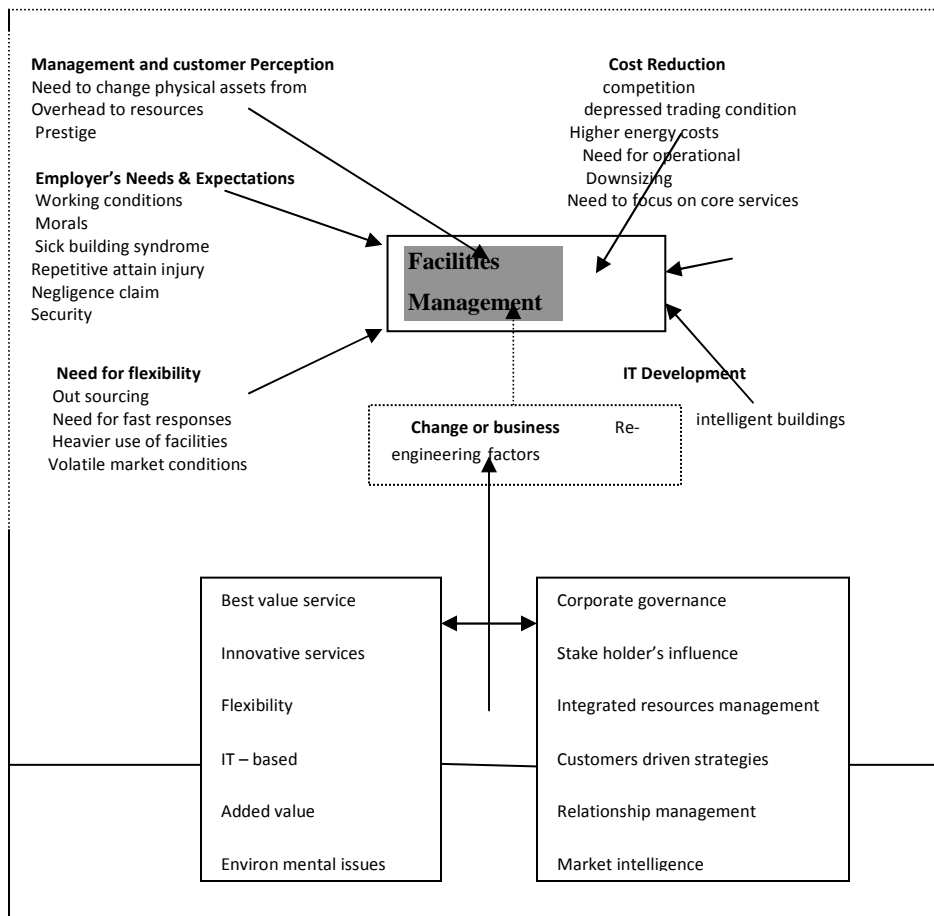
- i. Develop more meaningful and accurate forecasts of future space requirements, reducing expenditure of resources.
- ii. Prepare more accurate future capital budgets.
- iii. Provide a framework within which to meet established budgets more effectively.
- iv. Improve employee morale and efficiency in proportion to the degree to which workstations and an improved environment better respond to employees needs.
- v. Encourage employee to become more anticipatory and less reactionary in their facility management decisions.
- vi. Finding solutions to specific problems are developed within the context of an overall space utilization master plan.
- vii. Utilization of space improves
- viii. Reduction may occur in new/future space required in “staging” space or in space held in reserve for emergencies.
- ix. Postponement or avoidance of construction works can be achieved

- x. Rearrangement and relocation of a number of projects can be reduced.
- xi. Management of information and the inventory of space, equipment and furnishings can be controlled.
- xii. Control of capital resources required to support operations can be achieved and allocated more effectively.
- xiii. Improvement of overall work environment is achieved and a more functional, flexible and cost-effective facility is made possible.
- xiv. Development of functional standards for offices, workstations, equipment and special facilities.
- xv. Reduction in average procurement cost.
- xvi. Standardization of interior planning, design projects and design components.
- xvii. Availability of necessary, current and future facility requirements data.
- xviii. Reduction of energy consumption.
- xix. Distribution of electrical, communication and similar services are achieved more effectively.

3.4 Factors Influencing the Growth of Facilities Management

Udo (1998) explored the relationship between facilities management and property management in search of valuable lessons. He concluded by emphasizing the use of facilities management skills and techniques for the management of property investments, which he reckoned, must cover all client services and facilities other than building management. His work basically re-echoed the familiar features of FM and property management with the exception of the fact that what propelled FM is the win-win approach to business and to keep winning a company must innovate, anticipate and adapt while constantly improving its ability to meet the expectations of customers, employees, suppliers, investors and the community through the use of case studies analogous to the points cited. The work is generally descriptive without any attempt to justify the constructs through empirical studies. Its use to the present work is to assess the features of hotel General Managers and Facilities Managers and establish their tendencies to employ a win – win approach.

Okoroh, Jones and Ilozor (2003) averred that a number of trends have become evident as influencing the rapid growth of facilities management. On the supply side, there has been a rapid increase in the number of contractors offering services, which falls under the umbrella of FM which has developed partly through “pull factors” or demand led elements e.g cost reduction, flexibility, specialists in so many fields and partly through “push factors” or increased supply; e.g stimulated by competitive tendering, private finance initiative (PFI), public private partnership (PPP), and technological advances by specialists.



But more importantly, are the contributions of globalization, information and communication technology, competition, strategic management and shareholders' pressure. The combined effects of all these had been buoyed by research sponsored by professional institutions such as International Facilities Management Associations (IFMA), British Institute of Facilities Management (BIFM) and The Royal Institution of Chartered Surveyors (RICS), England. Their efforts have been strengthened by the contributions from the academic communities and the growth of facilities management companies throughout the world. Generally, these factors can be regarded as 'change' induced factors, which accentuate strategic management. So, if the same situations are prevailing in the Nigerian environment and the business organizations are not responsive to these, then, one can begin to identify the challenges and obstacles militating against FM adoption in Nigeria.

Alexander (2003) emphasized that facilities provide the infrastructure for business and play a role in attracting inward investment. He listed increasing adaptability to changing business needs; providing a healthy workplace for creative people; assimilating the potential of new technologies and ensuring full use of diminishing resources while minimizing environmental impact as the key facilities issues for the future in all sectors of the economy. For the organization, facilities management means creating a facilities policy that expresses corporate

values; giving the authority to the facilities business unit to improve service quality; developing facilities to meet business objectives and recognizing the value that facilities add to the business. For the facilities management organization, the strategic role entails formulating and communicating a facilities policy; planning and designing for continuous improvement of service quality; identifying business needs and user requirements; negotiating service level agreements; establishing effective purchasing and contract strategies; creating service partnerships and systematic service appraisal quality, value and risk.

SELF ASSESSMENT EXERCISE

1. Mention the goals to be accompanied by managers in implementing a facility management program
2. What are the factors influencing the growth of Facilities Management

4.0 CONCLUSION

In this unit, you have learned about Definition and scope of facilities management, Function of facilities management, Goals and tool of facilities management and Factors Influencing the Growth of Facilities Management

5.0 SUMMARY

This study has documented, what facilities management is all about and the degree of its application in the management of hotel properties. The study has equally addressed other issues such as derivation of indicators of effective application of facilities management in the running of hotels as well as benefits derivable from application of facilities management in hotel businesses and the challenges that are likely to be faced in its holistic application.

One of the goals of FM therefore is to ensure that every inch of space in any organization is accounted for, with a view to ensuring that the organization meets the trinity of investment objectives.

6.0 TUTOR MARKED ASSIGNMENT

- I. What are the activities performed by facilities management
- II. Mention the three distinct and inter-related areas in Facilities Management

7.0 REFERENCE

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Module 2

Unit 4: STAGING SPECIAL EVENTS

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- 3.1 Benefit of Staging a Special Event
- 3.2 Factors Consider in Staging a Special Event
 - 3.2.1 Can Your Organization Afford a Special Event
 - 3.2.2 Create a Realistic Budget and Stick To It
 - 3.2.3 Start Planning at Least Six Months before the Event
 - 3.2.4 Decide on the Audience
 - 3.2.5 Decide on a Location
 - 3.2.6 Identify and Recruit potential Sponsors
 - 3.2.7 Name the Chair of the Event
 - 3.2.8 Select an Open Date
 - 3.2.9 Invite Community VIPS
 - 3.2.10 Prepare Your Program

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

Special events are an opportunity to talk to an interested audience about your accomplishments and plans for the future. Events can inspire volunteers, donors, board members and staff, and encourage future contributions. Special events can provide an opening to approach a potential business relationship. They are also good opportunities to involve local officials and business leaders. And because they may attract media attention, special events can offer your nonprofit free exposure to a wide audience through television and radio coverage.

Your special event can be a rallying point and a reason to celebrate your good works. If financially successful, it can boost your ability to meet the ever-increasing demands for your services as well as the ever-increasing costs of operation. Special events can bring invaluable good will to your nonprofit as well as funds to your coffers.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Explain reasons for staging events
- II. Mention two primary benefits of staging a special event

3.0 MAIN CONTENT

3.1 Benefits of Staging a Special Event

There are two primary benefits to staging a special event: to raise resources to support your work and to increase the visibility (or promote the good work) of your organization. Because raising money is one of the chief goals, it makes sense to keep your expenses low. This section walks you through the different steps involved in planning and organizing a special event.

3.2 FACTORS CONSIDER IN STAGING A SPECIAL EVENT

3.2.1 Can Your Organization Afford a Special Event?

The first thing to look at before attempting a special event is your organization's budget and staffing. What will this event cost in money as well as manpower (and be specific)? Will it fit into your budget, and do you have the proper staff to organize, plan and execute such an event? If you cannot afford one and do not have the staff to support it, putting a special event off until you do have the budget and manpower is the answer. Trying to put a special event together with little money and staff will show in your final product and those in attendance will get a poor impression of your organization.

3.2.2 Create a Realistic Budget and Stick To It

Your budget must include each category of items you will spend money on. This includes food, location rental, invitations, programs, brochures, guest speakers, entertainment, audio/visual systems, publicity and video or slide production. Although you can start with a rough estimate of these costs, you ultimately must detail them.

3.2.3 Start Planning at Least Six Months before the Event

You will need time to orchestrate all the details involved in a special event, so once your nonprofit has decided to hold one, set your date at least six months ahead. This gives you time to reserve the right venue, secure underwriters, pick a theme and, most important, sell tickets.

You will also need to form a committee and assign a point person to oversee and coordinate the efforts of various people. Committee members should have expertise in and be responsible for specific aspects of the event. For instance, one member may have skills in publicity and media relations, another in coordinating entertainment, and someone else in overseeing financial operations. Always keep in mind that the amount of time these staff members will need for this project will be extensive.

3.2.4 Decide on the Audience

Decide on who you want to attend. Do you want community residents, corporate leaders, both? Your approach to them may be somewhat different. As you plan your theme and the event program, it will be important to clearly understand your audience.

3.2.5 Decide on a Location

The site for the meeting will set the tone. Depending on the type of event, you may want to hold it in the neighborhood, in a building you have yet to renovate or one you have recently completed, at a city landmark or at a fancy hotel. Location will affect the type of special event you select as well as the food and entertainment.

3.2.6 Identify and Recruit potential Sponsors

Sponsors, or underwriters, are just that — they underwrite the costs of your event. They can be individuals or businesses, but they have one thing in common: they are interested in the work you do and want to see you succeed. Narrow your list of potential sponsors to those who support your work. Start by contacting companies that have helped you in the past and have sponsored similar non profit events. Include companies on your list that can identify with your mission, such as banks. As sponsors of the event, underwriters will want to know what you want to achieve with the event and how you have budgeted for it. They will also want to know what they will get from it. Consider developing sponsorship or underwriting packages at varying levels so that you can give companies different opportunities to contribute. The sponsorship packet should include: organizational marketing materials (including an annual report), any letters of support from board members, corporate or community leaders encouraging participation, and the sponsorship package. Form a special board committee to focus on sponsorships.

3.2.7 Name the Chair of the Event

Work with your board to name a chair to head up your event. Depending on your circumstances, you may decide to name two chairs, one to do the work and the other as an honorary chair to help raise money. The chair or chairs may, or may not, include current board members. The chairs should have connections that will help ensure the success of the event.

3.2.8 Select an Open Date

Select a date free of other community events that would draw from your potential guests. Do not pick a date too close to Thanksgiving or religious holidays. Once you decide on a date, reserve the location you want to use.

3.2.9 Invite Community VIPS

With sufficient prior planning, you can get on the schedules of your mayor and other elected officials, plus civic and business leaders. Their presence can make your event a “must attend.” These community VIPs should be personally invited well in advance and receive at least two complimentary tickets.

3.2.10 Prepare Your Program

Your event gives you a platform to promote your mission and accomplishments. However, even if you could talk for days about your non profit, keep your entire program to 45 minutes or less. You can design your program to incorporate a collage of people and presentations. For example, you could build around a noted guest speaker and hear from a person who was helped by your non profit as well as a local leader to show community support. Video presentations are also effective communications tools. If your budget cannot bear the expense of a video, create a slide show or PowerPoint presentation. Keep the presentation lively and upbeat. By hosting a national

figure or local celebrity at your event, you should be able to draw a large crowd. However, securing a commitment from a well-known person requires substantial lead time, and it may be expensive. Know what your budget can afford. A person who has a particular interest in your type of community development may forgo a fee. If you work through a national speakers bureau, count on paying a hefty honorarium.

SELF ASSESSMENT EXERCISE

1. Explain prepare your program as related to factors consider in staging a special event
2. Mention the factors consider in staging a special event

4.0 CONCLUSION

In this unit, you have learned about Benefit of Staging a Special Events and Factors Consider in Staging a Special Event

5.0 SUMMARY

Organizing a special event consists of a series of chronological steps. Although the steps you take may vary because of circumstances unique to your event, in all events, be sure to revisit your budget weekly to be sure you are on track. Fully document the event so you can use the materials in your presentations to donors. Pictures of a variety of people attending may testify to the broad-based appeal and community support for your mission. Stick to the time frame appropriate for the theme; do not overplay the event. Keep your program 45 minutes or less (including awards, presentations, entertainment, etc.). Greet all guests as they enter. Communicate your good works through a well-designed program, displays and setting. Find out which dignitaries are present so they can be recognized from the podium. Make certain your entertainment knows when and what to play. Identify reporters and media representatives who attend and be sure to speak with them

6.0 TUTOR MARKED ASSIGNMENT

- I. Explain what you understand about staging an event?
- II. What is an event?

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MODULE 3

Unit 1: OPERATIONAL REQUIREMENTS RELATED TO STAGING SPECIAL EVENT IN LEISURE FACILITIES

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Operational Requirement
- 3.2 Permit Regulation and Requirement
- 3.3 Insurance, Damage, Health and Safety
- 3.4 Indemnity
- 3.5 Public Liability Insurance
- 3.6 Health and Safety Plan
- 3.7 Schedule/Checklist
- 3.8 Security
- 3.9 Consultation
- 3.10 Programming Activities
 - 3.10.1 Children
 - 3.10.2 Teenagers
 - 3.10.3 Professional Performers
 - 3.10.4 Multicultural Groups
- 3.11 General Information Sheets

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

As many organizations, both public and private, invest resources in leisure facilities and the provision of special events, it is essential that the managers of such facilities and events are cognizant of particular features, management issues, current practices and trends. This course, through the analysis and application of specific management strategies and skills, both strategic and operational, and through close involvement with selected leisure organizations and their staff, aims to provide knowledge and skills of facility and event management.

2.0 OBJECTIVES

It is expected that at the end of this unit, you should be able to

- I. Identify the importance of operational management in staging special events
- II. Identify the essential issues within the organization, planning and implementation of events and the relevance to their particular roles and responsibilities

3.0 MAIN CONTENT

3.1 OPERATIONAL REQUIREMENTS

- Permits, Regulations and Requirements
- Insurance, Damage and Health and Safety
- Consultation
- Programming Activities
- Stage Management
- Roles and Tasks

3.2 PERMITS, REGULATIONS AND REQUIREMENTS

A number of permits may be required for activities associated for an event. For events being held in public spaces, for activities being staged elsewhere within City, the following list of permits or requirements are important to be considered:

- Road Closures
- Parking
- Food Stalls Permits
- Liquor licenses
- Fire permits
- Extending Shop Trading Hours
- Amusement Device Licenses
- Fireworks
- Temporary Building Permits

3.3 INSURANCE, DAMAGE, HEALTH AND SAFETY

When organizing an event, there are a number of factors to consider in relation to insurance, damage to property and health and safety issues.

- Public Liability Insurance
- Damage Bonds
- Health and Safety Plan
- Schedule/Checklist
-

3.4 INDEMNITY

The purpose of an indemnity is to require the person giving the indemnity to meet any claims made against the person who holds the indemnity.

3.5 PUBLIC LIABILITY INSURANCE

Public liability insurance is an insurance policy held by an organizer of an activity. It provides the organizer with some protection if a third party brings an action against the organizer or when there is a risk of damage. Without such a policy the organizer would be personally liable. Public liability insurance will also be important when the organizer has indemnified another organization, and a third party makes a claim against that organization.

3.6 HEALTH AND SAFETY PLAN

A Health and Safety Plan is a document that:

- Identifies all the hazards which may arise to participants or other people in the vicinity during the event.
- Indicates what reasonable controls the organizer has put in place to minimize, isolate or eliminate the hazards identified.

All activities (even those on private property) should have a Health and Safety Plan. The plan should outline possible causes of hazards, possible outcomes and the suggested actions to reduce hazards. The organizer is responsible for ensuring that the plan is followed.

Power/electricity sources also need to be considered in your health and safety plan. Power leads need to be laid out neatly and in such a way that they will not be tripped over and kicked out of the power point by the public. If possible keep power leads out of public thoroughfares. They should be securely taped to the floor with gaffer tape at one meter intervals.

When running power from distances greater than 20 meters it is wise to hire or buy an industrial power lead. The flimsy leads sold for domestic use cannot handle the transfer of power over long distances. Joining several together is not safe. They can heat up and create fire dangers.

In all cases, safely erect and connect your equipment first before turning on the power. Make sure you have asked the supplier of equipment (such as lighting rigs and PAs) about the type of power required to operate the equipment.

3.7 SCHEDULE/CHECKLIST

It is important to have a schedule or checklist of all the things that need to be done and their deadlines. This will include:

Making sure that all equipment has been properly maintained, is in good working order and is operated by people who know what they are doing.

- Checking your power supply and access
- Drawing up a plan for the delivery, set up, pack-down and return of equipment
- Keeping a list of what has been borrowed or hired from who and where

3.8 SECURITY

Keep an eye on things on the day. There is nothing worse than having the equipment you hired or borrowed disappear during the day.

If possible, it is wise practice to leave a little extra in the budget for repairs after the festival, as wear and tear will occur and you may be in the position of having to pay for it.

3.9 CONSULTATION

If your event is likely to attract large crowds or if it involves amplified sound or road closures, traffic control or parking restrictions you may need to consult with nearby business and/or residents. For instance, road closures, parking restrictions and traffic control will affect residents' access to their properties and may also impact on workers accessing their place of business or customers accessing commercial properties and shops.

Before implementing road closures, traffic control or parking restrictions, you will need to consider how to maintain effective access for locals impacted by the event. You could provide residents with special passes which allow them easy vehicle access to their properties.

If your event is likely to impact a business area, it's best to limit the event time to a day or time of day when the businesses are not open. That way your event will not impact on their trading and won't prevent them from conducting their business. Alternatively, you could design the event to get the local businesses on board. Perhaps they could set up stalls in the street or cafes/restaurants could extend their trading hours.

The best way to communicate the details of your event to those who may be affected by it is to deliver a letter to all the resident/businesses within the impact area. If the area is small, you could deliver the letter personally. However, if the area is large, you could get the letter delivered by a professional agency.

The letter should include:

- The name of the activity
- The name of the organizer
- The general nature of the activity
- The duration of the activity including set up and pack down periods

- The organizer's contact details before and on the day of the event (including mobile phone numbers)

3.10 PROGRAMMING ACTIVITIES

The key to successful programming for an event is variety. The program needs to be attractive to many different people and needs to provide a range of activities that will encourage passive and participatory involvement.

Most activities should appeal to a general audience, whilst others should focus on the needs of particular groups; children, the elderly, ethnic and special interest groups. When planning for these specialized interests, take care to consider the special needs of the group. The special needs of any group can be discussed with representatives of the group itself.

3.10.1 Children

Local schools, kindergartens and playgroups may have suggestions or resources that they are happy to share for children's activities. You should aim to have both active and passive activities which are workable, coordinated and interesting. Children's activities need experienced staff. This will make the delivery of activities much easier and safer. Remember that children have a short attention span so games shouldn't run too long. Make sure you organize to supply adequate resources for your activities. For example, drinks after physical activities, smocks for painting and so on.

3.10.2 Teenagers

Youth clubs, scouts, girl guides, high schools and colleges can all be approached for ideas and participation. Each group will have a particular skill or resource that can be used in your event program.

3.10.3 Professional Performers

Finding professional performers is a matter of using whatever contacts you can to get in touch with the performer you want. Look in the Yellow Pages under 'Event Management' - some of the companies listed may be able to arrange entertainers or Comperes for your event. Make sure you check the costs involved. Visit other events and festivals and talk to performers who appear suitable for your event. Ask them what they charge and if they would be interested in performing at your event. Gather contact phone numbers whenever possible.

3.10.4 Multicultural Groups

Make sure you are aware of the cultural diversity of your community. Statistics New Zealand, local government, the Refugee and Migrant Service, Race Relations and other specific ethnic

centers will help you with this information. When looking for groups to perform, look at the cultural groups within your community.

You may have to arrange for interpreters, particularly on the day of the event, for effective communication. If using ethnic performers develop the public's appreciation of their performances. You could do this by getting the Compare or group to talk about the history, significance or custom of a particular dance or display.

3.11 GENERAL INFORMATION SHEETS

It is convenient to have numerous copies of a general information sheet to be distributed to all parties requesting or needing information.

This information includes:

- date of event
- times of event
- venue name and address (a small map can be helpful)
- event organizers and contact numbers
- a contact name and phone number that can be used on the day of the event

Specific Information Sheets

Other information sheets are specific to different people participating in the event. These include:

A Site Map which shows:

- the position of the production area
- the position of the stage and stalls
- access to the venue and parking
- position of toilets, bins, changing tents etc
- equipment storage (if workers need to know this)
- information point
- first aid
- public toilets
- Key features e.g. amusements, ATM machine etc

A Running Sheet which includes the following information:

- Stage name and location
- Relevant staff names and roles eg. Stacey Simpson - Stage Manager
- Points of access for vehicles and parking
- Compeer's name
- Starting and finishing time of each performance

- Any other information relevant about amenities

A Stage Plan which includes the following information:

- Drawing of the stage and the direction it faces
- Position of microphones
- Position of amplifiers, instruments, speakers etc.
- Position of sound engineer
- Number and position of power outlets

A Contact Sheet with names, roles and contact details for the main personnel, contractors and services (e.g. event organizer, stage manager, clean-up contractor, electrician, emergency services etc)

Remember, people with specific roles will require specific information:

A Performer requires:

- A running sheet

A Sound Engineer requires:

- A running sheet
- A stage plan

A Stage Manager requires:

- A running sheet
- A stage plan

Contact phone numbers for all performers

SELF ASSESSMENT EXERCISE

1. Mention the requirements to considered in other to hold an event in the public place
2. Mention factors to consider in relation to insurance, damage to property and health and safety issue when organizing an event

4.0 CONCLUSION

This unit demonstrates an understanding of relevant theory and how it can be usefully applied to organizations wishing to hold an event to improve practice.

It also Identify the essential issues within the organization, planning and implementation of events and the relevance to their particular roles and responsibilities.

It Monitor, review and evaluate the processes and outcomes of new perspectives on the management of events.

5.0 SUMMARY

This unit explains mutually supportive environment that values the experience of participants and enables them to reflect upon, evaluate and value their own experiences.

This unit examines a range of theoretical perspectives that can be applied to improve practice and enable participants to be more effective practitioners in Events Planning, Organization and Implementation within both their own organizations and countries.

6.0 TUTOR MARKED ASSIGNMENT

- I. Clearly define the evaluation criteria for an event
- II. Refer back in your mind, to an event you have been closely involved with from its original conception / idea, Consider and note down the stages that you went through right from the start to its final completion.

7.0 REFERENCE

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Phil Williamson (FHEA, MSc Events, Cert Ed, DMS, BA) is a Senior Lecturer in Events Management. 12 years experience of delivering to undergraduate, postgraduate, industry. Phil's practitioner experience was with leading UK commercial event organizations.

Tilcho Ivanov (Prof. Dr is a Professor in Branch Economics and Management and Economic Analysis at the University of National and World Economy and Varna Free University "Chernorizets Hrabar". He has more than 30 years of experience in different economic sectors.

Carmen Anton Ortin is part of the staff of Fundación Universidad Empresa Region of Murcia (FUERM). She is graduated in Marketing, public relations in companies and international commerce. 12 years professional experience in event management and planning.

MODULE 3

Unit 2: EVALUATION TECHNIQUE FOR FACILITIES AND SPECIAL EVENTS

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Events
- 3.2 Key Points on Planning
- 3.3 Benefit of Planning
- 3.4 The Event of Planning Process
- 3.5 Convention, Conference Organizing

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

The events industry is a complex, dynamic environment and as such the aims of this unit is to ensure that individuals working in the area of Events Planning, Organization and Implementation are:-

- Current in their knowledge of theory within the field and can apply it in appropriate professional problem solving event situations.
- Able to propose and evaluate solutions to problems arising in a professional events planning context
- Able to reflect on personal and professional practice and improve such within the field of adult education

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to:

- I. Mention the key point in planning
- II. Mention the benefit of planning

3.0 MAIN CONTENT

3.1 Event

Event definitions give us a starting point from which to progress. Many of the definitions below are from academic / practitioners and do assist in that they can give focus and clarity. They are however contentious in their nature, but do assist practitioners in engaging and debating with the subject matter.

“Events are temporary occurrences ...They have a finite length, and for planned events this is usually fixed and publicized.” (Getz 1997, p 4)

Getz (1997) further comments that “events are transient, and every event is a unique blending of its duration, setting, management, and people”.

Within this quote, key words are evident and will be explored in further detail in future chapters. It does however note the blending and linkages between the disciplines of management, time, staff, attendees (people) and venue(s). Underpinning all will be the planning and organizing of these resources.

“A unique moment in time celebrated with ceremony and ritual to satisfy specific needs.” (Goldblatt, 2005)

With regard to special events it is suggested that there is no one standardized definition as opinions vary. Due to such lack of clarity, definitions from the perspectives of both event organizer and guest are used.

1. A special event is a one-time or infrequently occurring event outside the normal program or activities of the sponsoring or organizing body.
2. To the customer or guest, a special event is an opportunity for a leisure, social, or cultural experience outside the normal range of choices or beyond everyday experience. (Getz, 1997, p.4)

“Special events are that phenomenon arising from those non-routine occasions which have leisure, cultural, personal or organizational objectives set apart from the normal activity of daily life, whose purpose is to enlighten, celebrate, entertain or challenge the experience of a group of people”

3.2 KEY POINTS ON PLANNING

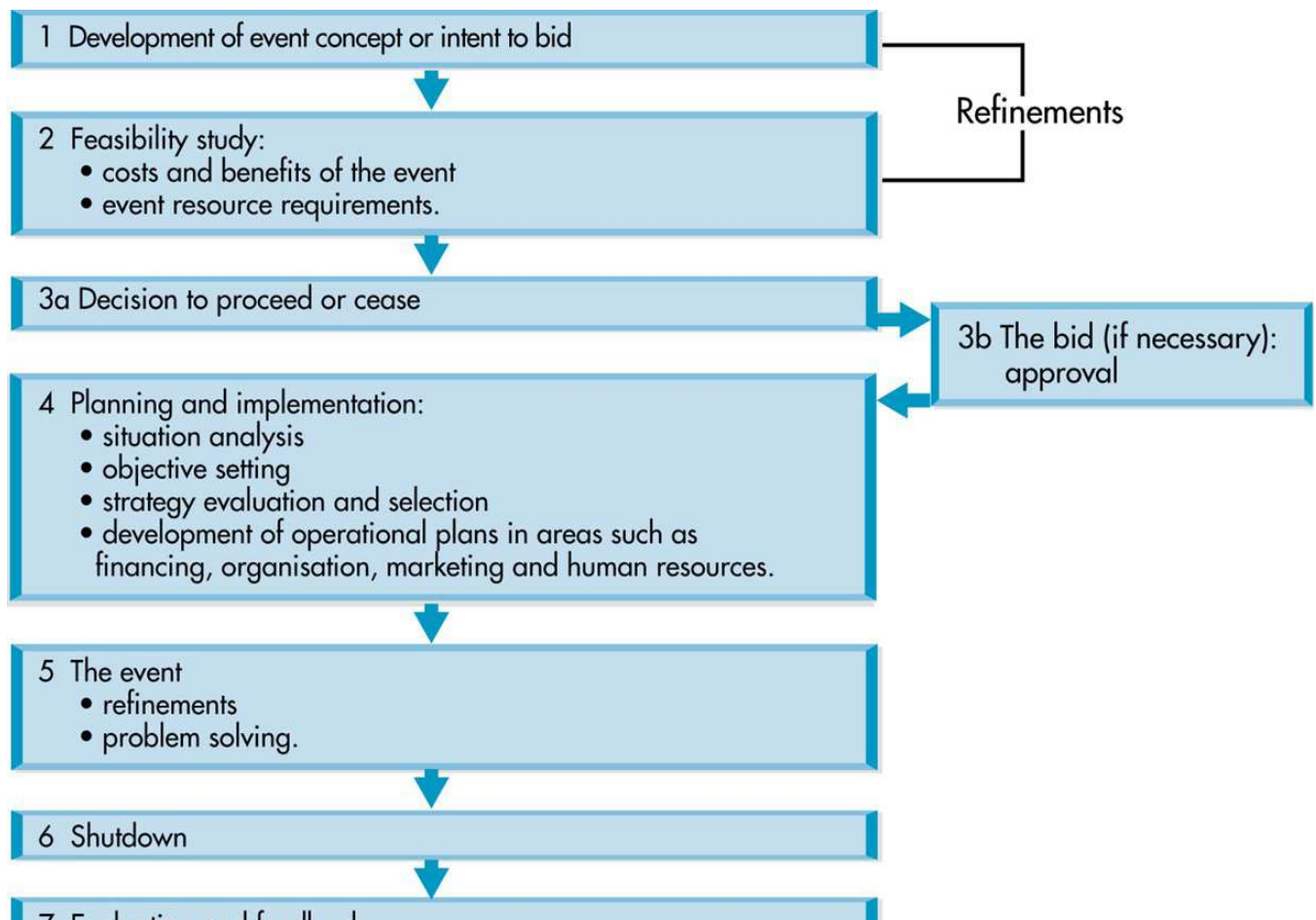
- Successful planning ensures that an organization/event remains competitive.
- It creates ownership of strategies and communicates this to the organization
- It consists of establishing where an organisation is at present, where it is best placed to go in the future, and the strategies and tactics needed to achieve that position.

3.3 BENEFITS OF PLANNING

- It enables managers to detect and solve problems
- Alternative strategies are highlighted for consideration
- Staff responsibilities are clarified
- Uncertainty about the future is reduced, thus minimizing resistance to change.

It is true that events can be staged without any formal planning or management structure. But as events become larger, complex and demand greater resources in terms of finance, people, time and expertise all the theories and techniques of business management can be applied.

3.4 THE EVENT PLANNING PROCESS



3.5 CONVENTION, CONFERENCE ORGANIZING

It is vital that the convention program meets and the overall event objectives. Each event will of course vary within content, location, delegate makeup, duration, style etc. There is however a trend toward a more business focuses in addition to a learning, participatory focus.

Some of these answers may on the surface seem rather self - evident, but allocating time to research these issues can benefit your organization in terms of time management, focus and clarity and in the end ensure the event succeeds and repeat business is more likely.

Organizers need to spend more time on attention to programme / session design. Participants and potential partners from a variety of differing cultures are complex human beings with all the emotional baggage attached and so they do require perhaps a new approach to the organizing of their conventions, meetings.

Attention should focus also on the design of lunches, receptions, and other networking sessions in and out of the main scheduled convention, meeting times. If the event combines a business programme with a social;

programme, the social itinerary will require planning and creativity from the organizer team in order to make the event memorable. Finding the right mix of convention speakers and participants is not easy and requires thought. Some further thoughts from industry have included:

The “Five D’s” of new meetings:

- Dialog rather than meeting;
- Dedication and involvement of participants;
- Design of format, agenda, and surroundings;
- Digital media;
- Dramatizing content.

(Copenhagen Convention and Visitor Bureau (CVB), 2007)

The choice of speakers, workshop leaders is crucial and in many cases such a decision may be imposed upon the organizer by senior management. In such a case, the organizer’s role is to ensure that speakers are well briefed about the conventions aims and objectives as well as their own presentation.

- Concise presentations: The selection, briefing and fitting of presentations within the overall programme to timed deadlines is the key.

- Social integration and interaction and sharing knowledge in small groups are important. Promote opportunities for interactivity, engagement. Maximize networking among participants.
- Effective facilitation: If a meeting is to introduce new learning techniques, it must be facilitated by a skilled moderator.

1. The aim of a MISSION STATEMENT is to specify the purpose of the events, the philosophy and values that guide it, and the scope of the business.

A mission statement must be:

- Short, clear, understandable
 - Goal-oriented, provides direction and focus
 - Defines firm's domains of operation and criteria for success
 - Inspiring and motivational, gives employees a sense of belonging
 - Reflects the company's strategy
2. Two types of objectives: financial & strategic
 3. Crafting a Strategy to achieve performances: 5 approaches
 - Macroeconomic Analysis
 - Industry Analysis
 - Game Theory
 - Capabilities-Based-Strategy formulation
 - Dynamic capabilities and evolutionary thinking
 4. Strategy implementation is fundamentally an administrative activity and includes the following components:
 - Building an organization capable of carrying out the strategy successfully establishing a Strategy-supportive budget
 - Installing internal administrative support systems
 - Devising rewards and incentives that are linked to objectives and strategy
 - Shaping the corporate culture to fit the strategy exercising strategic leadership
 5. Doing the tasks of strategic management is an ongoing responsibility. Managers must constantly evaluate performance, monitor the situation, and decide how well things are going
 - Altering the organization's long-term direction
 - Redefining the business
 - Raising or lowering performance objectives
 - Modifying the strategy
 - Improving strategy execution

SELF ASSESSMENT EXERCISE

1. Mention the event planning process
2. Explain the aim of mission statement

4.0 CONCLUSION

This unit demonstrates an understanding of relevant theory and how it can be usefully applied to organizations wishing to hold an event to improve practice.

It also Identify the essential issues within the organization, planning and implementation of events and the relevance to their particular roles and responsibilities.

It Monitor, review and evaluate the processes and outcomes of new perspectives on the management of events.

5.0 SUMMARY

This unit explains mutually supportive environment that values the experience of participants and enables them to reflect upon, evaluate and value their own experiences.

This unit examines a range of theoretical perspectives that can be applied to improve practice and enable participants to be more effective practitioners in Events Planning, Organization and Implementation within both their own organizations and countries.

6.0 TUTOR MARKED ASSIGNMENT

- I. Mention the aims of individuals working in the area of event planning
- II. Define the term 'event'

7.0 REFERENCE

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MODULE 3

UNIT 3: CONTROL SYSTEM FOR FOOD AND BEVERAGES IN LODGING FACILITIES MANAGEMENT

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Financial Performance
- 3.2 Sustainability
- 3.3 Brand Equity
- 3.4 Competitive Situation
- 3.5 Multiple and Varied Products
- 3.6 Customer Satisfaction
- 3.7 Product Safety and Security

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

It has never been tougher to build and sustain a successful food and beverage business than it is today. Food and beverage companies face an array of increasingly complex issues and questions—and the manner in which they choose to respond will shape the future of the industry for many years to come.

Over the past 12 months, researchers have carried out tests on leading manufacturers, retailers, and food service companies from around the world. This research provides unique insight into the current challenges facing the industry.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to:

- I. Mention the three major sustainability objective
- II. Explain the level of professionalism of event changing systems for food and beverage services.

3.0 MAIN CONTENT

Food and beverage manufacturing industry must be staffed at all levels by individuals who are well equipped with the knowledge, skills and appropriate attitudes to satisfy the demands of this dynamic industry.

This global training can best be realized through a dedicated partnership between the specialized educational institutions and the tourism sector. A partnership such as this should effectively garner the requisites of the industry, thereby making it possible to provide students with the essentials to contribute to a prosperous

Food and beverage manufacturing has come a long way over the years. Yet, ever expanding product lines coupled with increasingly complex supply chains and tough competition for shelf space make for an industry hungry to maximize production efficiency without eroding already tight profit margins.

Computerization control equipment and software should irrefutably become indispensable parts of your production process, it is essential that you find just the right combination to suit the particular needs of your enterprise or leisure facility.

Global market forces are driving the continual evolution of the food and beverage industry.

Consolidation, changing consumer preferences and increasing government regulations are dramatically impacting manufacturing and business strategy. In this fiercely competitive marketplace, you must offer a greater variety of products to meet consumer demand. At the same time, you must consistently and cost-effectively produce high quality products. To be successful, you need to focus on three key

3.1 FINANCIAL PERFORMANCE

In today's global marketplace, where growth via acquisition is prominent, the key to sustained positive financial performance is the ability to understand and respond to consumer demands and competitive pressures while reducing cost of production.

3.2 SUSTAINABILITY

Manufacturers want to have a positive impact on society and the environment. In addition, they want to turn sustainability challenges into business advantages. At the heart of a well-planned sustainability program is the belief that corporate investment in environmental and social responsibility must strengthen business performance to be successful. It must reduce environmental impact; achieve genuine economy in the use of resources, deliver a return on investment, and enhance the equity of your company.

Through automation, three major sustainability objectives can be addressed:

- Energy conservation and efficiency
- Environmental responsibility and resource management
- Safety for workers, machinery, processes and products

3.3 BRAND EQUITY

Customer loyalty is key to the success of your business, and maintaining customer loyalty is achieved through consistently manufacturing high-quality products, batch after batch. In doing so you add value to your brand. Therefore, protecting your brand equity is the core to financial strength, whether you are providing a local product, a high-value import, or a global mega-brand.

3.4 COMPETITIVE SITUATION

Producing quality goods at the lowest possible cost is a major concern. Manufacturers are responding by identifying opportunities to improve production efficiency by using information systems that monitor operations and provide the capability to analyze results and determine the root cause of problems. The performance of assets is being improved as maintenance regimes are stepped up with improved support and better management of spare parts. And, you are reducing utility costs by installing information systems to monitor utility usage and identify opportunities to reduce costs.

3.5 MULTIPLE AND VARIED PRODUCTS

We live in a mass-customized society – one where consumers want it their way, with the quality and cost levels that they have come to expect. This creates significant pressure on food and beverage manufacturers who have the difficult task of meeting the ongoing evolution of consumer demand. Today's consumers run the gamut – from those who want healthier choices to others who want more convenient packaging and unique flavors. This increased volume and diversity of products is causing plants to design their lines based on shorter production runs with more changeovers.

Meeting these demands requires operational flexibility. You must be able to easily add new products to the mix, change recipes on the fly and quickly implement new operational procedures. In addition, you must execute these changeovers while meeting high sanitation and environmental requirements. All of this has to be done smoothly to reduce time-to-market and limit the impact on operations.

3.6 CUSTOMER SATISFACTION

While speed and flexibility are crucial, plants must also take the steps needed to ensure the highest quality possible. The key to maintaining brand equity, which is paramount in this industry, is product consistency — not only batch-to-batch, but facility-to-facility. To meet these consistency requirements, companies need advanced automation and information technology. This technology will help ensure that each batch and each operation is performed the same as the previous one, while simultaneously allowing operators to compensate for process changes and raw material variability that can impact the finished product.

3.7 PRODUCT SAFETY AND SECURITY

As concerns over food safety and transparency continue to grow in the minds of consumers, you are required to improve the processes you have in place that monitor quality and track material through the facility. At each critical control point of the production process, systems are being installed to monitor operations in order to verify that operations have been properly executed.

Systems are being implemented to track all raw and in-process material through the entire facility to meet regulations and provide information if a product recall is required.

You may be looking at the vulnerability of the networks, automation and information systems and implementing changes to protect your systems from intruders.

SELF ASSESSMENT EXERCISE

Explain the following terms

1. Competitive Situation
2. Multiple and varied products
3. Customer satisfaction
4. Product safety and security

4.0 CONCLUSION

In this unit, you have learned about Food and beverage manufacturing, Financial Performance, Sustainability, Brand Equity, Competitive Situation, Multiple and Varied Products, Customer Satisfaction and Product Safety and Security

5.0 SUMMARY

As explained in this unit, Food and beverage manufacturing has come a long way over the years. Yet, ever expanding product lines coupled with increasingly complex supply chains and tough competition for shelf space make for an industry hungry to maximize production efficiency without eroding already tight profit margins.

The Tourism/Hospitality Industry must be staffed at all levels by individuals who are well equipped with the knowledge, skills and appropriate attitudes to satisfy the demands of this dynamic industry.

This global training can best be realized through a dedicated partnership between the specialized educational institutions and the tourism sector. A partnership such as this should effectively garner the requisites of the industry, thereby making it possible to provide students with the essentials to contribute to a prosperous Tourism/Hospitality Industry

6.0 TUTOR MARKED ASSIGNMENT

- I. What is brand equity?
- II. Describe product safety and security in regard to food and beverage service and production

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MODULE 3

Unit 4: FOOD COST IN LODGING FACILITIES MANAGEMENT

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Causes of Increased Food Prices
- 3.2 Increased Industrial Demand
- 3.3 Impact of Higher Food Prices
 - 3.3.1 Trade
 - 3.3.2 Subsidies
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1.0 INTRODUCTION

Over the past three decades, consumers, retailers, and manufacturers have come to expect food prices to consistently fall relative to consumer income. This was part of a larger trend of declining relative commodity prices. In rich countries, food has become such a modest share of total consumer expenditure, that consumers can spend a large share of their total food budget on food services, such as restaurants, rather than simply purchasing ingredients for meal preparation. Low food prices have enabled consumers to purchase high-priced specialty foods, organic foods, and store-prepared meals. It has also allowed consumers to spend far more on many non-food items. Indeed, food retailers have struggled to offer higher value products in order to continue growing.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to:

- I. Explain the important of costing food and beverages
- II. Mention what causes price increase in food in lodging facilities management

3.0 MAIN CONTENT

Since 2000, the prices of maize and rice have doubled while the price of wheat has tripled. In 2007 alone, wheat prices rose 52 percent while the Food and Agriculture Organization of the United Nations (FAO) reports that its global food price index rose 40 percent compared to only 9 percent in 2006. This raises several questions:

- Will this trend be sustained or is it ephemeral?
- What impact will it have on consumer behavior?
- What impact will it have on the business strategies of food retailers and suppliers?

3.1 CAUSES OF INCREASED FOOD PRICES

Increased consumer demand over the past 20 years, global economic growth has been very strong— especially in this decade and mainly due to rapid growth in large emerging markets such as China. As consumer incomes have grown, average meat consumption per Chinese consumer has more than doubled.

In India, while grain consumption remained flat from 1990 to 2005, consumption of meat, fish, and dairy products increased substantially. This means much higher demand for the grains needed to raise animals, since far more grain is needed to produce one kilogram of meat than one kilogram of bread or pasta. As incomes grow, consumers throughout the emerging world are shifting away from simple grains to vegetables, fruits, meat, dairy, and fish (see chart below). Thus, upward pressure on grain prices is, in part, due to strong demand and shifting consumer preferences.

Change in food-consumption quantity, ratios 2005/1990

	India	China	Brazil	Kenya	Nigeria
Cereals	1.0	0.8	1.2	1.1	1.0
Oil crops	1.7	2.4	1.1	0.8	1.1
Meat	1.2	2.4	1.7	0.9	1.0
Milk	1.2	3.0	1.2	0.9	1.3
Fish	1.2	2.3	0.9	0.4	0.8
Fruits	1.3	3.5	0.8	1.0	1.1
Vegetables	1.3	2.9	1.3	1.0	1.3

Source: IFPRI - data from FAO 2007

3.2 INCREASED INDUSTRIAL DEMAND

Global demand for industrial use of cereals increased 25 percent since 2000. In the United States, the use of corn for ethanol production increased over 500 percent between 2000 and 2006 (see chart on ethanol production, next page). The principal reason for this was substantially elevated U.S. government subsidies for ethanol production, especially after 2005.

This has fueled a sizable global rise in the price of maize. Moreover, the in part, increased agricultural productivity in the past several decades was due to increased usage of petroleum-based fertilizer. If oil prices remain elevated indefinitely, this could retard usage of such fertilizer and, at the very least, retard productivity improvements. Based on expected supply and demand patterns, it is reasonable to anticipate that petroleum prices will remain elevated for the next several years.

A similar situation occurred from 1973-74 when oil prices quadrupled as a result of the Arab boycott following the October 1973 Arab-Israeli war. As a consequence, food prices surged. Over time, however, inflation-adjusted food prices dropped below pre-1973 levels.

3.3 IMPACT OF HIGHER FOOD PRICES

3.3.1 TRADE

Food exporters are benefiting from higher prices. Even in food-importing countries, producers are benefiting from higher prices. Higher food prices could have the effect in some countries of improving income distribution by raising the incomes of rural farmers relative to the incomes of urban consumers. On the other hand, some government policies offset this impact by subsidizing consumers and restricting farm exports.

3.3.2 SUBSIDIES

Governments in emerging markets that subsidize staple foods have had to dramatically increase their expenditures. Poor people in poor countries, especially urban consumers, will either suffer from higher prices or from the financial fallout caused by unsustainable subsidies. There is no free lunch.

In fast-growing emerging countries such as China, governments have better options than in very poor countries. They can ease their fiscal stance by offering assistance to poor consumers in the form of tax cuts or direct cash payments. This would be preferable to price controls that undermine market forces and cost far more to implement. To date, however, China and most other countries have focused on price controls and subsidies.

To deal with higher global prices, some governments are becoming more protective of their food production. Argentina, Russia, and China, for example, have raised tariffs on the export of crops,

making it less attractive for farmers to export their goods to the world market. India temporarily banned the export of milk last summer to safeguard supply. This prevented farmers from benefiting from record prices. At the same time, some countries are reducing import restrictions to counter rising food prices. Among the countries that have cut tariffs are those in the European Union, China, Russia, Mexico, Morocco, Azerbaijan, Bosnia, Egypt, Philippines, Taiwan, Bangladesh, India, Nigeria, Ghana, Turkey, and Peru.

3.3.3 INCREASED OIL PRICES

The energy cost of producing and transporting food has increased substantially due to much higher global petroleum prices. One byproduct of this is that consumers are becoming more attracted to locally sourced foods. Another byproduct is higher retail prices of food.

3.4 IMPACT ON CONSUMER BEHAVIOR

Higher relative food prices should lead to increased purchasing of low priced private label and discount products and shopping at low-priced retailers. It should also lead to a shift away from eating meals outside the home. These trends appear to be under way. However, increased energy prices and slower overall economic growth also contribute to these trends, making it difficult to identify the impact of higher food prices.

In poorer countries, the rise in food prices is far more serious to ordinary consumers. Already there have been violent disturbances in some countries when subsidies have been reduced. In China, a leading hypermarket's promotion of low prices caused a riot as customers fought to get the discounted items. In addition, sustained higher food prices in emerging markets will necessarily lead to reduced spending on non-food products.

3.4.1 THE SILVER LINING

We tend to see increased food prices as a bad thing, and for poor countries this is almost certainly true. But there may be a silver lining for affluent countries. One negative byproduct of low food prices is that consumers are not constrained in the purchase of food. The result has been a high calorie diet for relatively sedentary people. The ultimate result is an epidemic of obesity. Higher food prices might restrain consumption. On the other hand, caloric intake is not the only problem. Today, the typical person in the United Kingdom consumes roughly the same number of calories as he or she did 200 years ago. The principal difference is that the consumer back then led a physically challenging existence and required those calories just for subsistence.

3.5 IMPACT ON RETAILER AND SUPPLIER STRATEGIES

Some food retailers are struggling to hold the line on food price increases. This requires that they either absorb a reduction in margins or, more likely, pressure their suppliers to absorb a reduction in margins.

If retailers or suppliers do choose to raise prices with impunity, several criteria need to be met, including clear product differentiation, strong brand equity, innovative products or services, and, in the case of retailers, a superior customer experience. Experience suggests that consumers are willing to pay a premium for such things. For food retailers, rising relative food prices mean that consumers are likely to switch from eating out to shopping for food for home consumption. All other things being equal, this should stimulate growth.

It should not be forgotten, however, that retailers can benefit from higher general prices. In past episodes of inflation, retailers were able to be profitable even in the absence of efficiency or price competitiveness because an environment of rising prices dulls consumer sensitivity to price differences.

That, in turn, reduces the importance of supply-chain efficiency. Moreover, inflation allows retailers to profit by holding inventories of non-perishable products. Finally, in times of product price inflation, margins are no longer being squeezed due to higher employment, energy, or property costs. Thus, from the retailer's perspective, the current environment is not completely onerous.

SELF ASSESSMENT EXERCISE

1. Explain the cause of increase in price of agricultural productive
2. Explain the impact of higher food prices

4.0 CONCLUSION

In this unit, you have learned about Causes of Increased Food Prices, Increased Industrial Demand, Impact of Higher Food Prices, Impact on Consumer Behavior and Impact on Retailer and Supplier Strategies

5.0 SUMMARY

As explained in this unit, Food and beverage companies face an array of increasingly complex issues and questions—and the manner in which they choose to respond will shape the future of the industry for many years to come.

While food and beverage businesses face many common challenges and opportunities, strategy in the industry is not “one size fits all.”

In the demanding and competitive markets in which all food and beverage businesses trade, it is critical that there be absolute clarity as to the strategy being pursued and how that strategy will be executed. There is no room for ambiguity. Strategies need to reflect the choices that are right for the business, given the available opportunities in the market and the capability of the business to exploit those opportunities, thus creating value.

6.0 TUTOR MARKED ASSIGNMENT

- I.** State the impacts of the higher food prices on the food and beverage cost control
- II.** What is the effect of subsidy on food and beverage cost

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MODULE 4

Unit 1: PLANNING, DESIGN AND MANAGEMENT ISSUES IN KEEPING WITH CURRENT PRACTICE AND TRENDS

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Leisure Facility Management
- 3.2 Definition Terms
- 3.3 Planning
- 3.4 Developing Objectives for a Hotel
- 3.5 Goals
- 3.6 Policy

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

As many organizations, both public and private, invest resources in leisure facilities and the provision of special events, it is essential that the managers of such facilities and events are cognizant of particular features, management issues, current practices and trends. This course, through the analysis and application of specific management strategies and skills, both strategic and operational, and through close involvement with selected leisure organizations and their staff, aims to provide knowledge and skills of facility and event management.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Explain Planning and management needs in keeping with current trends and practice in leisure facilities
- II. Mention the areas that needs to be identify in objectives of performance sand results

3.0 MAIN CONTENT

3.1 LEISURE FACILITIES MANAGEMENT

Different members of staff in a hotel may have different ideas about the meaning of words; and those differences can create problems for a manager. Consider a hotel manager who has six department heads who each have a very different concept of what a manager should do, or what is required when they are asked to present a plan.

Managers (at any level) need to ensure everyone is speaking the same language. An important role for any manager is to diffuse any semantic differences (ie. differences in perception).

One common point in the confusion may lie in the word "organisation". eg. This word can involve specifying the tasks each individual performs; and to others, specifying the tasks each work group performs. If a manager tells a department head to organise their department, they may get different responses from different managers, unless they broadly specify the level of organisation they require.

Other semantic differences may be mentioned.

- Decision-making is regarded, by some as the act of choosing a course of action from among alternatives. Others consider decision-making the total managerial task and its environment.
- Leadership and management are considered to be the same thing by some; and very different by others.
- Communications may mean anything from written or oral reports to a vast network of formal and informal relationships.

3.2 Definitions Terms:

(a) Planning

This is defined in a dictionary, as “a way of proceeding”. Planning however involves the selection of organizational and departmental objectives as well as the determination of the means of achieving them. It is thus a rational approach to pre-select objectives.

A plan may be described as “a statement of objectives which are to be attained in the future and an outline of the steps which are necessary to reach them”. Planning is the design of a desired future and of effective ways of bringing that about.

(b) Policy

Defined as; political sagacity, prudent conduct. A policy is a standing plan, which is used over and over again to guide specific actions. In addition policy serves as a key role in spelling out

and clarifying strategy. To put it simply, a policy may guide our thinking in decision making. It is also a major management tool for securing consistent behavior.

(c) Strategy

Defined as “the art of planning and directing”. "Policy" becomes fairly well understood then management literature began to use the term "strategy".

This had the result of thoroughly confusing the meaning of and relationship between strategy and policy. Strategy involves taking a broad company view, determining major targets for company action.

3.3 PLANNING

The first step in planning is to set objectives.

These objectives or goals are the ends towards which activity is aimed. There are many objectives which range from overall organisational objectives to departmental objectives. One is related to the other, but they may not necessarily be the same. For example, two overall hotel objectives of the company may be:

- To make a certain gross profit.
- To cater for mainly a particular type of customer (eg. business travelers, families).

An individual hotel's objectives may be:

- To reduce costs by standardising menus and reducing the variety of items on the menu.
- To concentrate on the four largest companies in the local area from which the conference business will come.

Objectives are then required to facilitate those goals.

These are targets to aim for, but they must be realistic or achievable targets.

3.4 DEVELOPING OBJECTIVES FOR AN HOTEL

(a) Decide what it means to manage a business.

(b) Spell out targets (What results are to be aimed for?).

(c) Decide what is needed and how to work effectively to best achieve these targets.

Objectives should be lasting, definite, written down and communicated clearly to all employees.

Following are areas that have been identified in which objectives of performance and results have to be set:

- Market standing
- Innovation

- Productivity
- Physical and financial resources
- Profitability
- Manager performance and development
- Worker performance and attitude
- Public responsibility.

Having set the objectives planning can now be carried out.

- (a) Planning is something which is done in advance of taking action. It is anticipatory decision making.
- (b) Planning is required when your determined goal(s) requires a set of inter-dependent decisions.
- (c) Planning is a process directed towards achieving one or more targets which are not expected to occur unless action is taken.

Planning is thus concerned with both:

- avoiding incorrect actions and
- reducing the frequency of failure so as to exploit opportunities.

When considering planning, there are certain questions which must be asked.

These include:

- (a) What is really meant by the term "planning", and how does it relate to other aspects of the managerial task?
- (b) Different plans may be used; what are the advantages of each?
- (c) What are the parameters which govern planning, both as regards detail and extent?
- (d) What basic steps must be taken in order to develop plans?
- (e) Can the process of planning be simplified?

Planning is part of a cycle that makes up a manager's role.

Planning is a very broad concept and it could be sub-divided into three main groups:

- Goals
- Single use plans
- Standing plans

Different types of plans can further sub-divided into a hierarchy.

These can range from the very broad objectives of the company down to standard methods and procedures within individual work teams.

3.5 GOALS

Goals may be sub-divided into:

(a) Objectives

Which have already been discussed.

(b) Budgets

These are numerically assessed factors which are used as a guide to anticipated future results. They must not be guesses, because they are to act as a guide to reaching further objectives, so that the budget figures can be compared with the actual results. Budgets may serve as control standards and also assist coordination between departments.

(c) Performance Standards

These standards may be set up to express anticipated results of the organisation in terms of:

(i) Expenses

(ii) Quality

(iii) Quantity

Goals have a number of advantages in that they show where the organisation should be going and what particular business it should be engaged in. Goals make planning easier and facilitate the integration of standards. Goals can also be used to develop more refined planning processes, and they may serve as a form of control by checking the planned performance against the actual performance.

3.6 POLICY

1. TYPES OF POLICIES

Policy is a major tool that central management uses to achieve consistency in behaviour of staff, hence consistency in service to customers. Policy permeates the numerous daily activities of a firm and helps to establish a normal predictable pattern of behaviour. Policies have a hierarchy in that they range from general or major policies to derived policies which apply to the smallest section of the organisation. For example, a general or organisation policy may be to promote from within to achieve a high standard of ethics. Derived policy, at unit level, may be to hire only professionally qualified trainees. The latter policy is linked to the former in that they have the same aim in mind.

In many instances, policy may arise through the setting of precedents. Subordinates could interpret a decision which has been made by management as one which will set future policy. In other words, they try to anticipate the action which management will take by viewing previous decisions. This can be a problem if it is not the intention of management to set such a policy. Policies delimit the areas within which decisions are made, which should be complementary and contribute to objectives.

Policies should:

- Be a guide, and not a rule, therefore allowing for discretion.
- Aid operational efficiency.
- Aid coordination.
- Instill confidence in decision making.

SELF ASSESSMENT EXERCISE

Define the term

1. Planning
2. Policy
3. Strategy

4.0 CONCLUSION

In this unit, you have learned about Leisure Facility Management, Planning, Developing Objectives for an Hotel, Goals of an Hotel and Policy of an hotel

5.0 SUMMARY

As explained in this unit, Managers (at any level) need to ensure everyone is speaking the same language. An important role for any manager is to diffuse any semantic differences (ie. differences in perception).

A policy may guide our thinking in decision making. It is also a major management tool for securing consistent behavior.

This course, through the analysis and application of specific management strategies and skills, both strategic and operational, and through close involvement with selected leisure organizations and their staff, aims to provide knowledge and skills of facility and event management.

6.0 TUTOR MARKED ASSIGNMENT

- I. Mention the steps in developing objective for an hotel
- II. What are the questions to ask when considering planning of an hotel

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MODULE 4

Unit 2: Planning and Management needs in Special Events (large scale sport, cultural and community recreation)

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

- 3.1 Advance Planning
- 3.2 Insurance
- 3.3 Managing the Risk
- 3.4 Venue Design (Providing A Safe Venue)
- 3.5 Providing Space for People
- 3.6 Structural Safety
- 3.7 Catering/Food Safety
- 3.8 Training

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

Events are a workplace for some and a leisure activity for others and range from family days in the local park to musical event festivals, firework displays, carnivals, sporting events etc. Negligence on the part of the owner of the premises and/or the organiser of the event can result in injury to either workers or patrons.

This unit is designed to provide advice to organizers of events who have under 'common law' a 'duty of care' towards persons involved with an event, including players, patrons, suppliers and event staff. It outlines the steps to be taken and the measures that can be implemented to provide for a safe event.

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Mention the common law, duty of care towards persons involved in an event organization
- II. Explain all the planning and management needs in Special Event

3.0 MAIN CONTENT

Though venues and events may differ, the application of certain common principles and standards of good practice can reduce the uncertainty associated with planning and organizing for a safe and successful event. This booklet advocates a common sense approach to event organization by focusing on:

- Planning the event
- Providing a safe venue
- Staff organization
- Preparing for the unexpected
- Documentation
- Event stakeholders

3.1 ADVANCE PLANNING

Commence planning well in advance of the proposed event opening date. How far in advance will be dependent on the size, type and duration of the proposed activity and the logistics required for the event. Before committing to financial outlay you should first address the feasibility of organizing the event at the planned date and venue. Some of the issues and considerations to be addressed at this feasibility stage include:

Issue

Details of other competing events, which may take place at the same time

Sponsorship opportunities

Consideration

The timing of your event and the target audience could be affected by another event organised at the same time and in the same area. Some local research should be undertaken before committing to the proposed date.

Companies or individuals may be interested in becoming associated with your event. It is your responsibility to ensure that your sponsor's expectations can be met.

A marketing strategy

If you want the public to attend your event you may have to develop a marketing strategy. This may range from flyers in your local area to radio and television advertising.

Insurance

No event can take place without insurance; the availability of cover required will be dependent on the activities, size and scale of your event and your efforts to minimize risk factors.

Available funds

An estimate of income and expenditure should be prepared as there are many costs, which may not be apparent until you begin the detailed planning of your event. Items such as the collection and disposal of litter and waste can be an item of expenditure that is sometimes forgotten when preparing your budget.

Suitable venue availability

There may be an existing facility available for your event or you may need to modify a facility. This is one of the most important factors when researching the feasibility of your project, some of the questions you should ask include:

- Will you need to construct temporary facilities?
- Is there sufficient space for the expected audience?
- Are there security considerations?
- Is there adequate access and egress from the site?
- Is there sufficient parking and/or loading areas nearby?

Contact with relevant bodies and agencies

Any activity, which involves a concentration of people gathering in one place, will have an effect on local infrastructure and it is common courtesy to inform agencies and local residents of your intention to hold an event.

- You may be obliged to enter into a formal consultative process with the statutory agencies.

Availability of resources

Resources required for events, include time, people, equipment and finance. Some of the questions you should address include:

- How many staff will the event require? Will some of the staff be paid?
- Is there sufficient time to plan the event?
- Is the equipment required available for the period of the event?
- Are there local sources of equipment?
- How much planning is required?
- What are the financial implications?
- Do I need professional assistance?

3.2 INSURANCE

Insurance is one of the most important factors in organizing an event. The law requires the organizer to have Employers Liability cover for all employees including unpaid helpers and Public Liability cover for your patrons. The specific needs of your event should be discussed with an insurance company or broker to ensure that adequate cover is provided for the event. Venue owners may also request specific insurances and indemnities and in some cases the insurance company may also require you to accept excess on the policy.

3.3 MANAGING THE RISK

Every event has attendant risks; the first step in managing those risks involves examining all areas of your event to determine where losses can occur. This examination is not limited to safety issues, but can ensure that the event is conducted in the safest possible manner and if something unfortunate does occur that the loss does not further impact the organization either financially or through adverse publicity. There are four general areas of losses associated with events:

- Personnel
- Property
- Income
- Liability

By examining all areas where losses could possibly occur, you can identify where you may need to purchase additional insurance.

3.4 VENUE DESIGN (PROVIDING A SAFE VENUE)

With outdoor events in particular the site choice and preparation is obviously crucial to a successful event. It needs to be sufficiently large to accommodate the size of the audience expected, taking account of the space that will be occupied by structures, the activities and the facilities provided.

The suitability of the site will also depend on the ground conditions, access routes, the provision of services, and any environmental constraints such as the potential for noise disturbance if there are houses or workplaces close to the venue.

A site-layout map should be drawn up showing the position of all the activities/attractions, the facilities and structures, the circulation routes and entrances and exits. There should be sufficient, well dispersed exits to allow for safe and rapid evacuation and a specific non pedestrian route may need to be identified for emergency vehicles.

Walk the site and identify particular hazards such as steep slopes, uneven ground or kerbs on which people could trip. Consideration should also be given to weather conditions and under foot conditions in this regard.

Draw up an itinerary for the erection and dismantling of all structures on site and consider how to facilitate the safe movement of vehicles within the site.

3.5 PROVIDING SPACE FOR PEOPLE

The objectives in restricting the numbers in attendance at any event is to avoid the dangers of overcrowding and to ensure that the means of escape in an emergency are adequate for the numbers of people being evacuated from the venue. To determine the total number of people who can inhabit a given space you will need to calculate the 'occupant capacity'. The following factors should be considered:

- Layout of the venue/site
- Viewing areas
- Seating arrangements
- Site/venue infrastructure
- Exit doors and routes
- Circulation areas

- Space required per person

The advice of a competent person and the fire authorities should be sought when determining the numbers of people who can be accommodated at the event. If the event involves the provision of seating only, then the number of seats the venue can hold will be a determining factor.

3.6 STRUCTURAL SAFETY

The failure of any temporary structure in a crowded, confined space could have devastating effects. It is therefore essential to ensure that any temporary seating, staging, sound towers, large tents, marquees, stalls, attractions etc, are acquired from reputable companies, comply with the appropriate standards and are erected by experienced persons using safe working practices. A competent person should provide certification on the stability of all such structures and you should be advised of the maximum wind loading which structures can withstand. Once the structure has been erected, a competent person (structural engineer) should ‘sign it off’ as being sound.

The risks associated with the supply and use of these structures can be minimised by adherence to the following safety guidelines:

- Provision of a clear brief to the supplier
- Provision of clearly defined site layout drawings
- Provision of proper working drawings
- Accurate setting out and leveling of bearing pads
- An organized work sequence and regular inspections
- Adherence to design without site modification unless absolutely necessary
- Regular maintenance and inspection of components
- Adequate time for erection
- Routine inspections during the period of the event

3.7 CATERING/FOOD SAFETY

The event organizer should ensure that all caterers operating on their behalf are reputable, their staffs are appropriately trained and food handling and preparation techniques are safe. Caterers operating concessions should be asked to produce food stall licenses, occasional food permits (where appropriate) and where required a casual trading permit from the local authority. The suppliers of catering outlets must have the facilities required in order to prevent the

contamination of food. The main concerns of the Environmental Health Officer in relation to food safety are the provision of:

- Suitable, sufficient and easily cleanable:
- Surfaces for the preparation of food
- Cooking equipment
- Utensil wash-up facilities
- Staff hand wash facilities which are separate to food preparation
- Hot ($> 63^{\circ}\text{C}$) and cold ($< 5^{\circ}\text{C}$) holding facilities
- Temperature checks and monitoring
- Storage for dry goods
- Removal of refuse
- Supply of potable water and power supply
- Separate sanitary facilities for catering staff to include:
- Wash hand basin with hot and cold water, antibacterial liquid soap, paper towels for hand drying.

3.8 TRAINING

All event staff should be trained to be competent in the specific tasks they will undertake during the event. As each event is unique, the human resource needs can be diverse from one event to the next. The levels of competence and the teamwork involved in staffing and managing an event are not always appreciated; in particular there is a high level of dependency amongst event staff, particularly in the event of an emergency incident. In addition to verifying the competence of the event staff, the organiser should ensure that key personnel are aware of the content of the event management plan. Attention should be paid to the specific tasks they will be expected to perform during the event particularly their responsibilities with regard to the safety arrangements and emergency response procedures.

SELF ASSESSMENT EXERCISE

Mention and explain the consideration to be address at feasibility stage of an event

4.0 CONCLUSION

In this unit, you have learned about Planning and Management needs in Special Events, Advance Planning, Insurance, Managing the Risk, Venue Design (Providing A Safe Venue), Providing Space for People, Structural Safety, Catering/Food Safety and Training

5.0 SUMMARY

As explained in this unit, Event staff and organizer should ensure that key personnel are aware of the content of the event management plan. Attention should be paid to the specific tasks they will

be expected to perform during the event particularly their responsibilities with regard to the safety arrangements and emergency response procedures.

This unit has provided advice to organizers of events who have under ‘common law’ a ‘duty of care’ towards persons involved with an event, including players, patrons, suppliers and event staff. It outlines the steps to be taken and the measures that can be implemented to provide for a safe event.

6.0 TUTOR MARKED ASSIGNMENT

- I. Why is insurance very important in planning and organization of events?
- II. What are the factor to consider in calculating occupant capacity?

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MODULE 4

Unit 3 TRAINING STAFFS IN LODGING FACILITIES MANAGEMENT

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1.0 INTRODUCTION

The term ***training*** refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. It forms the core of apprenticeships and provides that the backbone of content at institutes of technology. In addition to the basic training required for a trade, occupation or profession, observers of the labor-market recognize today the need to continue training beyond initial qualification: to maintain, upgrade and updates skills throughout working life. People within many professions and occupations may refer to this sort of training as professional development.

2.0 OBJECTIVES

At the end of this unit, you should be able to:

- Define training
- Mention and explain the three types of training categories a hospitality employee require.

3.0 MAIN CONTENT

3.1 What Is Training

Training can be defined as bridging the gap between the expected standard of performance and the actual noticeable individual performance. When this gap be it knowledge, skill or attitude is observed, then there is a training need.

Training prepares the fresh entrants for what the industry expects and re-equips the old hand with new ideas and skills for an ever-demanding job. People in industry and establishments are coastally in learning situations. They often change their jobs. As new machinery or processes are introduces into departments, promotions take place and organization restructuring occurs. Each new situation creates a 'learning problem' before the affected individual feels competent to perform in the new situations. Training time for this type of learning varies from a few hours to weeks and months. When the learning situation lasts for more than few days, we then say that training is taking place. And when the learning process is systemized or formalized then a training program or course is produced. This makes learning easier, faster and less costly. The process of learning when properly applied can contribute greatly to productivity. The types of training hospitality employees require can be categories into three areas which must be considered when planning training.

- Knowledge of the job
- Skill to carry out the functions of the job and the
- Right attitudes must be applied for positive effect.

Knowledge training

Generally speaking, training is the addition to the already existing basic knowledge of an individual, in order to establish a new standard as required by the organization. Knowledge is information. Employees need correct information at the right time in order to be proactive and empowered. All categories of employees mentioned earlier, both old and new will continue to be trained to increase their knowledge on products, policies and much more.

Skills training

Most employees want to do a good job skills training if well planned and practice consistently will bring definite results throughout the work force to increase / prove their knowledge on products, policies and much more. Skills training can be on:

1. Use of new equipment and applying unique service procedures.
2. It can be on method of cooking special dishes (this should not be tried on-the job in order to avoid disaster and delay).
3. And practice of skills must be done off –the – job.

Attitude training

If people know their job well and what is expected of them, they will feel proud to do it. The smile will come actually, to show that they care. In the regard,

- Policies and procedures should be reviewed as necessary and leaders must ensure employees' awareness.
- Culture (as in patient/customers inter-relationship), must be briefed daily.
- Personal grooming /hygiene, in operation and outlets, are all important subjects in regular training

In this way, the on/off-the job training emerges, the personnel in charge of employee' development must be able to determine what must be trained on/off the job.

Training: on and off the job

The human resources development in any organization is crucial to its strength and future growth. A strong and healthy workforce is a good investment which attests to an organization's competitive strength in the market place. The hospitality sector is not different in this way.

The staff of any hospitality organization can be classified into 3 (three) categories:

- First, the fresh graduates who posse's theoretical knowledge but lack adequate practical knowledge.
- The second group has passé through some private schools where curricular content has not been arranged to meet the requirements of the most hospitality organizations. Apart from the Nigerian Hotel School in Ikoyi, Lagos Federal Palace Hotel Training School and the Bagauda Lake Training Centre in Kano, there are sadly few other organized schools in the country. This situation explains the shortage of good supervisors and craft people in the Hotel, Catering and Tourism establishment in the country.
- The third group of employees came in as their only option for employment. They are taken through various strata of the organization and they work according to its system and functions. On the positive side, they are usually given multi skills training or cross-exposure. On the other hand, their participation may be very limited.

Having seen the background selections of the hospitality employees, the question is how we can organize proper training for them in order to create a balance and make the individual become productive within the organization or the industry in general? Let us examine the similarities in the hotel and catering organization ranging from hotel to restaurant and perhaps other residential institutions. The similarities may include:

1. Provision of well planned nutritionally balanced meals (according to the needs of your customers).
2. Meals variation in order to remove monotony
3. Organization of kitchen into special sections
4. Constraints in the availability of food stuff
5. Meals planned to certain budget constraints

6. Specially arranged diets to a large extent in hospital but lesser or occasional in the hotel and other residential institutions.

On - the - Job - Training.

Only some skills can be trained on the job, the more technical should be left for off-the –job training. Knowledge and skills training can be carried out on –the-job. For greater effect, training must be done in form of coaching. A trained manager/supervisor or a team leader can be assigned to handle this.



Diagram 1

Job functions must be broken down into tasks; tasks broken into steps to give the individual time to master each step before going to the next. This allows an individual to perform complete tasks listed in his job, while the trainer is on- hand to correct and give more coaching or praise as the case may be.



Diagram 2

The trainer must exercise patience when taking trainees through steps. Remember you did not learn the task in one day. The trainer must “play out secrets” of the skills.

The differences may include for example, in the hospital, college and university halls of residence

1. Cooking for the sick patients and their visitors, therefore production may be less exotic and grand.
2. Meals are not served after certain times of the day.
3. Meals choices are influenced
4. The service style is probably limited
5. Services tailored to aid patient’s speedy recovery.

Off-the –Job Training.

- The following areas are trained off-the –job:
- Orientation/induction into new organization or a new system
- Introduction of new policy/procedures.
- Special training after promotion and re-deployment
- Knowledge of a new product.

That way, we avoid embarrassment or conflicts observation, either negative or positive, should be brought to the classroom or training room for Off-the –Job Training.

3.2 Types of training

According to Bass and Vaughan (1966) training may broadly be categorized into two types: pre-service training and in service training. Pre-service training is more academic in nature and is offered by formal institutions following definite curricula and syllabuses for a certain duration to offer a formal degree or diploma. In-service training, on the other hand, is offered by the organization from time to time for the development of skills and knowledge of the incumbents.

3.2.1 Pre-service training

Pre-service training is a process through which individuals are made ready to enter a certain kind of professional job such as agriculture, medicine, or engineering. They have to attend regular classes in a formal institution and need to complete a definite curriculum and courses successfully to receive a formal degree or diploma. They are not entitled to get a professional job unless they can earn a certificate, diploma, or degree from the appropriate institution. Pre-service training contents emphasize mostly technical subject matter such as crops, animal husbandry, and fisheries as well as pedagogical skills to prepare the students to work in agriculture.

3.2.2 In-Service Training and Staff Development.

In-service training is a process of staff development for the purpose of improving the performance of an incumbent holding a position with assigned job responsibilities. It promotes the professional growth of individuals. “It is a program designed to strengthen the competencies of workers while they are on the job”(Malone, 1984, p. 209). In-service training is a problem – centered, learner –oriented, and time –bound series of activities which provide the opportunity to develop a sense of purpose, broaden perception of the clientele, and increase capacity to gain knowledge and mastery of techniques.

In-Service Training may broadly be categorized into five different types

- (1) Induction or Orientation Training
- (2) Foundation Training,
- (3) On-The-Job Training,
- (4) Refresher or Maintenance Training
- (5) Career Development Training.

All of these types of training are needed for the proper development of extension staff throughout their service life.

Induction or Orientation Training

Induction training is given immediately after employment to introduce the new extension staff members to their positions. It begins on the first day the new employee is on the job. This type of training is aimed at acquainting the new employee with the organization and its personnel.

Induction training for all new personnel should develop an attitude of personal dedication to the service of people and the organization. This kind of training supplements whatever pre-service training the new personnel might have had. When people start to work in an organization for the first time, they are eager to know what sort of outfit they are getting into, what they are supposed to do, and whom they will work with. They are likely to be more attentive and open-minded than experienced employees. In fact, the most favorable time for gaining employees' attention and for molding good habits among them is when they are new to the job.

Foundation Training

Foundation training is in service training which is also appropriate for newly recruited personnel. Besides technical competence and routine instruction about the organization, every staff member needs some professional knowledge about various rules and regulations of the government, financial transactions, administrative capability, communication skills, leadership ability, coordination and cooperation among institutions and their linkage mechanism, report writing, and so on. Foundation training is made available to employees to strengthen the foundation of their service career. This training is usually provided at an early stage of service life.

Maintenance or Refresher Training

This training is offered to update and maintain the specialized subject-matter knowledge of the incumbents. Refresher training keeps the specialists, administrators, subject-matter officers, extension supervisors, and frontline workers updated and enables them to add to the knowledge and skills they have already. Maintenance or refresher training usually deals with new information and new methods, as well as review of older materials. This type of training is needed both to keep employees at the peak of their possible production and to prevent them from getting into a rut.

On-the-Job Training

This is ad hoc or regularly scheduled training, such as fortnightly training under the training and visit (T&V) system of extension, and is provided by the superior officer or the subject-matter specialists to the subordinate field staff. This training is generally technically oriented and may include formal presentations, informal discussion, and opportunities to try out new skills and knowledge in the field. The superior officer, administrator, or subject-matter specialist of each extension department must play a role in providing on-the-job training to the staff while conducting day-to-day normal activities.

Career or Development Training

This type of in-service training is designed to upgrade the knowledge, skills, and ability of employees to help them assume greater responsibility in higher positions. The training is arranged departmentally for successful extension workers, at all levels, for their own continuing education and professional development. Extension services that provide the opportunity for all staff to prepare a plan for career training will receive the benefits of having longer tenured and more satisfied employees, which increases both the effectiveness and efficiency of an extension service. Malone stated that "career development is the act of acquiring information and resources that enables one to plan a program of lifelong learning related to his or her work life. Although extension workers are responsible for designing their own career development education, the extension organization sometimes sets some criteria and provides opportunities for the staff by offering options.

3.3 Selecting a training method.

A training program has a better chance of success when its training methods are carefully selected. A training method is a strategy or tactic that a trainer uses to deliver the content so that the trainees achieve the objectives. Selecting an appropriate training method is perhaps the most important step in training activity once the training contents are identified. There are many training methods, but not all these are equally suitable for all topics and in all situations. To achieve the training objective, a trainer should select the most appropriate training method for the content to involve the trainees in the learning process.

Four major factors are considered when selecting a training method:

- Learning objective,
- The content,
- The trainees
- The practical requirements.

Training methods should be selected on the basis of the degree to which they do the following:

- Allow active participation of the learners
- Help the learners transfer learning experiences from training to the job situation
- Provide the learners with knowledge of results about their attempts to improve.
- Provide some means for the learners to be reinforced for the appropriate behavior.
- Provide the learners with opportunity to practice and repeat when needed.
- Motivate the learners to improve their own performance
- Help learners increase their willingness to change.

3.4 Training strategy

The training strategies include: Role plays, brainstorming, question and answer: these are effective when the topic is on social skills/practice, whichever strategy is adopted, training

activities must have a topic relevant to the task and interesting to the trainee. Helps the trainees remember the training.

The question and answer technique is very useful in training. Instead of telling the trainees facts all the time, you can plan questions to make them work out the answer themselves.

3.5 Significant of Training

Many organizations make large capital investment, but have a habit of overlooking the aspect of investing in training of employee. By embarking in training, organizations effectively turn their investment from a liability into an asset because they get a return on the investment made through more efficient working and better productivity. Also by not investing in training organization not only are not getting the best out its investment but often is prolong negative impact.

Impact on bottom line

Successful employee training delivers improvements in employee performance which, in turn, creates a better performing business and improved bottom line. Research conducted has suggested that, where training programmes are effective, employee productivity can increase by 230 per cent

Staff retention

Training increases staff retention which will save the organization money.

Instead of paying recruitment fees, re-investing in training, loss of management time why not treat your people as your number one asset? By investing in staff development the organization receives a return on investment many times over. In some companies, training programs have reduced staff turnover by 70 per cent and led to a return on investment of 7,000 per cent

Improved quality and productivity

Training that meets both staff and employer needs can increase the quality and flexibility of a business's services by fostering

- Accuracy and efficiency
- Good work safety practice
- Great customer service

The benefits of training in one area can flow through to all levels of an organization. Over time, training will boost the bottom line and reduce costs by decreasing:

- Wasted time and materials
- Maintenance costs of machinery and equipment
- Workplace accidents, leading to lower insurance premiums
- External recruitment costs through the internal promotion of skilled staff
- Absenteeism

The benefit of this training culture is a happy, innovative and successful workforce. A positive training culture only comes through a respect for and an investment in your people.

1. Remaining competitive

Businesses must continually change their work practices and infrastructure to stay competitive in a global market.

Technology, previously the main driver of competitive advantages, is progressively taking a back seat to people. As economies become progressively services orientated, it is the development of people that is providing successful businesses with long-term sustainable success.

Training staff to manage the implementation of business strategies, improvement to procedures and customer service policies can also act as a benchmark for future recruitment and quality assurance practices. As well as impacting on business profit margins, training can improve;

- Staff morale and satisfaction
- Soft skills such as inter –staff communication and leadership
- Time management
- Customer satisfaction

SELF ASSESSMENT EXERCISE

Explain how training services can foster and decrease the benefits of training in all levels of an organization.

4.0 CONCLUSION

In this unit, you have learned the definition of training. You have also learned about the types of training, selecting a training method, training strategy and significant of training,

5.0 SUMMARY

As explained in this unit, Training can be defined as bridging the gap between the expected standard of performance and the actual noticeable individual performance. When this gap, be it knowledge, skill or attitude is observed, then there is a training need.

On –the –job training takes place in a normal working situation, using the actual tools, equipment, documents or materials that trainees will use when fully trained. On-the-job training has a general reputation a most effective for vocational work.

Off-the –job training takes place away form normal work situations __ implying training takes place. Off-the-job training has the advantages that it allows people to get away from work and concentrate more thoroughly on the training itself.

6.0 TUTOR-MARKED ASSIGNMENT

- i. Differentiate between on the job training and off the job training
- ii. Explain the following, types of In-Service Training
 - Induction or Orientation Training
 - Foundation Training,
 - On-The-Job Training,
 - Refresher or Maintenance Training
 - Career Development Training.
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MODULE 4

Unit 4: EVENT EVALUATION AND COST BENEFIT ANALYSIS

CONTENTS

1.0 INTRODUCTION

2.0 OBJECTIVES

3.0 MAIN CONTENT

3.1 Event Evaluation

3.2 Cost Benefit Analysis

4.0 CONCLUSION

5.0 SUMMARY

6.0 TUTOR MARKED ASSIGNMENT

7.0 REFERENCES

1.0 INTRODUCTION

Special events provide important recreational opportunities for local residents and, in many destinations; they form a fundamental component of the destination's tourism development strategy. There are many types of special events and it is quite difficult to find an all embracing definition. However, in this guide special events are defined as 'one-time or infrequently occurring events of limited duration that provide consumers with leisure and social opportunities beyond their everyday experience. Although many regard special events as a recent phenomenon, they have in fact a very long history. The first Olympic Games in 776 BC is commonly regarded as the earliest example of a special event, and religious and cultural festivals held throughout the ages, were the original forms of what we know today as special events. Special events of different kinds have played an important role in the economic and social development of communities for many years. Since the Second World War, there has been a substantial increase in the range of events worldwide, varying from single day fetes and fairs to major sporting and cultural festivals through to World Expos. The duration of these events range from a single day up to many months in the case of World Expos. During the 1990s, there was a massive increase in the number and type of special events. This growth was due largely to the emphasis being placed on regional economic development and destination marketing by many governments and tourism marketing organisations.

Cost Benefit Analysis (CBA) is an evaluation technique based primarily on the notions of 'scarce resources' and 'opportunity cost'. It was developed because of the need to look 'economy-wide' for the range of economic, social and environmental impacts of an event. With any project or policy decision having multiple dimensions, CBA does not rely on any single dimension such as

the economic perspective. In today's climate, where increasing importance is placed on environmental, cultural and health aspects, this 'economy-wide' or holistic approach to analysis is critical. By measuring the overall costs and benefits and the aggregate impact of all aspects,

2.0 OBJECTIVES

It is expected that at the end of this unit you should be able to

- I. Explain the need for effective event evaluation
- II. Explain in full the relationship between cost benefit analysis and event evaluation

3.0 MAIN CONTENT

3.1 Event Evaluation

Special events are seen to have the ability to produce a wide range of significant economic and social benefits for communities and regions, which helps to explain the reason that they have been so eagerly embraced by communities. Special events increase the opportunities for new expenditure within a host region by attracting visitors to the region. They also act to retain the expenditure of locals who, in the absence of local special events, would travel elsewhere in pursuit of leisure activities. Research also suggests that whilst the expenditure profile varies according to the type of event, special event tourists have higher than average daily expenditures than tourists.

Special events influence both day trip and overnight visitation. As well as providing opportunities to increase direct expenditure at a destination, they can also contribute substantially to a destination's range of tourist attractions, facilitate media coverage for the destination, promote awareness of the destination for future visitation and lead to the construction of new facilities and infrastructure. The prominence given to special events by governments and tourism marketing organisations has resulted in some destinations seeking to specialise in the creation and hosting of special events. There is also a trend towards the construction of 'mega-venues' catering for conventions, trade shows, art and sporting events.

The proliferation of events, and event-producing agencies, has resulted in the need for the performance of events to be evaluated more stringently. Event managers and planners are now being called upon more often to prepare comprehensive post-event evaluations with detailed accounts of the impacts of the event. As many special events require financial assistance from governments and businesses in order to be staged, post-event evaluations are required by such agencies that need to assess the value of their investments. Evaluation is also required by event organisers who need to justify their activities to a diverse set of stakeholders, which includes sponsors, funding agencies, economic and tourism development agencies, special interest groups, and the community at large.

Many communities, destinations, and corporations have created permanent staff positions or agencies to promote, bid for, develop and coordinate the events sector for strategic reasons. In recent times, many state and local government bodies have created specialist events units for this purpose. Whilst special events can result in positive economic impacts, they also have the potential to result in economic losses, create conflict within the host community, and tarnish the reputation of a destination, especially if they do not have strong local support. It is often with high expectations of economic and social gains that governments and communities embark on developing these events. However, there is a growing realisation that some of these events do not live up to these expectations. As such, there needs to be thorough evaluation of the costs and benefits they produce in order to justify the funding assistance they receive as well as to assess their overall impact

3.2 Cost Benefit Analysis

CBA is thus widely used in a variety of industry sectors to evaluate an assortment of measures, such as health policy initiatives, tourism strategies, and public and private sector investments. Cost-benefit analysis is a valuable tool to provide information and support decision-making (Dwyer & Forsyth 1993; Boardman, Greenberg, Vining & Wemer 2001; ACT Auditor General 2002). When resources are limited and there are alternative uses for them, CBA attempts to provide a framework for determining their best use. It seeks to measure the cost of a project or proposal against the loss of opportunity of doing something else with those resources, that is, the 'opportunity cost'. In other words, it measures the value of the best alternative, and the opportunity cost(s) refers to the value of the next best alternative(s) that must be foregone. For example, government sponsorship for a program necessarily entails it relinquishing something else, since its resources are limited. A government tourism department, with its restricted funding can either subsidise a 'Special Events' program or a 'Marketing Promotion' program. If it chooses the 'Special Events' program, then the cost of giving up the 'Marketing Promotion' program is an opportunity cost, which could include reduced visitation and associated expenditure to the destination in the future. CBA identifies these opportunity costs and helps decision makers choose one option in preference to another. The opportunity cost of allocating funds to one program is the most valuable alternative foregone.

The standard approach is to identify costs and benefits that are directly attributable to the project, quantify costs and benefits, apply an appropriate discount rate to future cash flows to calculate net present value, conduct sensitivity tests for uncertainty, and then consider equity issues and intangibles. Cost-benefit analysis attempts to measure all major costs and benefits associated with a project. This approach is more encompassing than methodologies confined to measuring net economic benefits. CBA expresses the costs and benefits in dollar amounts as a convenient measuring tool. The difference between the total benefits and total costs is the net benefit of the project. The net benefit can be compared across different projects (ACT Auditor General 2002).

CBA is a useful tool for measuring and comparing the benefits of a special event with the costs related to that event, and its use was recommended in 1986 by Burns, Hatch and Mules.

However, it has not been widely used because it is more difficult to employ than simpler and more narrowly based economic assessments.

A major reason for undertaking a CBA is to ensure a consistent approach to evaluation that enables comparison of different options. A CBA should measure all effects, costs and benefits of an event. While the benefit of an event may be the impact on production levels, thereby primarily benefiting operators, the costs, such as traffic congestion and noise levels, could be on the wider community. An event is considered a success if the sum of benefits exceeds the sum of the costs of that event; in short, if the community as a whole benefits from the event.

If intangible objectives, such as ‘publicising the region’ or ‘promoting community pride’ are considered important to the project, then a means of assessing their ‘worth’ should be determined and the best way to pursue them should be carefully considered. In considering intangibles, attention should be given to the impact on the community (such as who is affected and how) and the likelihood of the full impact being realised. Where there is good reason to believe that prices paid or received do not represent true opportunity costs (e.g. where the event is provided with the use of valuable land free of charge), shadow prices should be used. ‘Shadow pricing’ refers to changes made to nominal prices to reflect real costs (Boardman et al. 2001). With information about the net economic benefits from the event, funding and support agencies can make informed decisions about the event. If the net benefits are positive, support for the event can be justified. It is also possible to assess the level of subsidy that is appropriate, if subsidies or tax concessions are required for the event to proceed.

SELF ASSESSMENT EXERCISE

1. Mention the important of event evaluation
2. Explain Cost Benefit Analysis (CBA)

4.0 CONCLUSION

In this unit, you have learnt Event evaluation, Cost benefit analysis, also the importance of event evaluation and cost benefit analysis

5.0 SUMMARY

As explained in this unit, Although it is recommended strongly that events should be evaluated in a holistic fashion using techniques such as cost benefit analysis, the focus of this guide is on the economic dimension of evaluation. Despite the fact that the economic performance of events has been the key area of interest in evaluations over the past couple of decades, there has been so much variation in the methods used to undertake such analyses that it is almost impossible to make useful comparisons regarding the relative economic contributions of different events. The

techniques chosen to assess the economic impact of events have often grossly overstated the impact by including expenditure that would have occurred irrespective of the event taking place. CBA provides a framework, which can be applied in a straightforward manner to events. It is a matter of identifying and valuing the costs and benefits, which accrue as a result of the event, as comprehensively as is feasible. Some of these benefits and costs can be measured directly, including benefits to patrons, and the environmental costs of staging the event

6.0 TUTOR MARKED ASSIGNMENT

- I. Describe event evaluation?
- II. Explain the importance of event evaluation?
- III. Define Cost Benefit Analysis (CBA)
- IV. Mention the important of cost benefit analysis

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