## Class Exercise – 1.2

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Canvas.

## Global Hotels and Momma's Hotels

Suppose you work in the IT department of Global Hotels, a multinational hotel chain. Global Hotels runs several specialized business support systems, including a guest reservations system that was developed in-house to meet the requirements of a large company with worldwide operations. Guests can make one-stop online reservations by visiting Global's website, which has links to all major travel industry sites.

Global Hotels just acquired Momma's, a regional chain of 20 motels in western Canada. Momma's uses a vertical reservations package suitable for small to medium-sized businesses and a generic accounting/finance package.

- 1. Should Momma's use Global Hotels' reservation systems or continue with its own? Why or Why Not.
  - Momma's should not use Global Hotels' reservation system. It was built for ease-of-use specifically for this location and company. Although Momma's reservations package would potentially suit the size of its buildings more, the package from Global Hotels is more polished, more up-to-date, and has the potential to work for larger groups of people should they need it. With its package being specific to its own sizes and layouts, Momma's should stick to what it knows works and stick to the method that was designed specifically for it.
- 2. Should Momma's use Global Hotels' accounting/finance package or continue with its own? Why or Why Not.
  - Momma's should definitely use Global Hotels' accounting/finance package. When you are acquired by a larger, more popular business, you should expect to have a higher customer rate or a form of new exposure better than before. This calls for a more established accounting package to help you manage your profits with less of a hassle. Global Hotels' accounting package could only be more established than what Momma's currently uses, as Global Hotels' is a large multinational corporation chain that requires speed and efficiency in its accounting.
- 3. What additional information would be helpful to you in making a recommendation? Take note that Global Hotels "runs several specialized business support systems" which could very easily make any small to medium sized business run smoother than before. A developed chain of hotels is going to provide access to software or even just methods of running that could boost the profit of smaller, motel-based companies. I would also make sure to research the parent company and learn the pros and cons of their services to better decide which ones to use and which ones to avoid.