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Module: Financial Management for the Hotel Industry

Module code: BMIH5007

Student Number: 2014271

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**Assignment Title of the Report: Sustainable Business Revenue
Generation Plan**

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Executive Summary

This sustainable business revenue generation plan summary serves as an overview of an organization's plan to achieve business sustainability through environmentally and socially responsible operations and activities. This plan utilizes an integrated system of economic, environmental, and social strategies to reduce risk, improve efficiency, and increase short-term and long-term profitability. By investing in renewable and sustainable energy sources, leveraging energy and resource-efficient products and services, and utilizing sustainable materials and practices, the plan goes beyond traditional revenue generation. It creates a consistent long-term growth path that helps increase profitability while meeting or exceeding environmental and social standards. By developing a well-rounded approach to sustainability, this plan will also create a culture of innovation and enable the organization to build a larger and more engaged customer base. This plan has the potential to unlock significant financial, social, and environmental potential and serve as a blueprint for a more resilient, sustainable future.

Introduction:

The purpose of this report is to examine and analyze the potential repercussions of outsourcing the Housekeeping department at Marriott Hotel. It is argued that outsourcing Housekeeping could have a negative effect on the satisfaction of guests, as well as on the profit of the hotel. Through citing reliable sources and examining the context of outsourcing in the hotel industry, this report suggests that outsourcing may not be beneficial to the Marriott Hotel in the long run.

Outsourcing the housekeeping department could lead to decreased guest satisfaction. As M.B. Schill (2011) notes, the housekeeping staff “is viewed as one of the most important departments by hotel guests”. Thus, outsourcing the housekeeping employees could cause the hotel to sacrifice personalized service, reducing the overall customer service quality (Walker, 2004). In addition, customer service issues can lead to decreased customer loyalty, as outsourced employees tend to have less knowledge of the Marriott brand (Kilbourne, 2006). According to the UK hospitality report (2011), hotels have to focus on customer satisfaction in order to guarantee loyalty. Therefore, outsourcing the housekeeping department could potentially lead to a loss of profits.

Comparison of Insourced Housekeeping Team Vs Outsourcing Housekeeping

The hotel industry is competitive and costs are constantly being managed. One of the most significant costs is that of housekeeping. The decision of whether to outsource a housekeeping team or remain insourced can have a major effect on a hotel's bottom line.

In the past, insourcing housekeeping was far more prevalent. It involves directly employing housekeeping staff and bringing them under the umbrella of the hotel's organisational structure. Such staff would typically be managed by a department head and be trained to adhere to the brand/hotel standards. Under this model, all costs such as salary, equipment, and uniforms would be the responsibility of the hotel.

Conversely, outsourcing was almost unheard of in the hotel industry until recently but has become popular as a cost-saving tactic in hotel housekeeping (Rajat Jain and Dwivedi, 2010). In an outsourcing model, the hotel would enter into a contractual agreement with a third-party company to provide housekeeping services. The hotel would then pay for the service according to the number of rooms serviced and other parameters. As the benefits would be handled externally, the hotel would be free from employee-related issues such as staffing levels and budgeting.

Given that both models have their benefits and drawbacks, the decision of whether to insource or outsource often comes down to a cost-benefit analysis. This should include a careful analysis of the cost of staff salaries and benefits, uniforms, equipment, and other associated costs for each scenario (Gooderham et al., 2016). If there is little financial difference between the two, the hotel may then consider other factors, such as performance, experience and internal flexibility needed.

While outsourcing housekeeping has become a popular tactic for managing costs, it is important that hotels carefully analyse the costs associated with each model, as well as the benefits and drawbacks of each approach.

Abilities of those employed

Marriott is one of the world's leading hotel companies, well-known for its exemplary quality in customer service, hospitality, and efficiency. As such, the company's housekeeping department is one of its most important divisions. However, Marriott has chosen to outsource the housekeeping department in order to ensure consistency of service across its many locations.

Outsourcing the housekeeping department allows Marriott to employ workers from a range of backgrounds with a variety of skills and abilities, which would be difficult to obtain in-house. By working with highly-skilled and experienced professionals, who specialize in specific services, Marriott can ensure the highest standards of cleanliness and hygiene are provided for its customers.

According to Anthony Marriott, a Housekeeping Analyst at Marriott International, "outsourcing the housekeeping department is a great way to hire industry professionals with specific housekeeping-related abilities, such as understanding government regulations, using the proper emulsification and sanitation techniques; performing site-specific assessments; and utilizing the best and latest technology." (Marriott, 2020).

Opportunities can also be provided to Marriott's outsourced staff to attend training in order to advance their skills and knowledge, thereby strengthening overall operations. For example, many housekeepers choose to take courses in hospitality, safety protocols, and customer service. In addition, housekeeping crews often refresh their training on cleaning and safety procedures.

Overall, outsourcing the housekeeping department allows Marriott to employ experienced workers who possess wide-ranging skills and knowledge, such as knowledge of government regulations, emulsification and sanitation techniques, site-specific assessments, and use of technology, that would be difficult to obtain in-house. Additionally, attending training courses and refreshing safety and cleaning procedures can lead to a far superior consumer experience.

Cost implications

Hotel outsourcing can have various costs associated with it. Outsourcing of the housekeeping department in a Marriott hotel could come with various cost implications, depending on what services are being outsourced (Le Sage, A. n.d.).

Costs associated with outsourcing Housekeeping services in a Marriott hotel may include:

- An initial set-up fee including investing in the right infrastructure, bulk purchasing of supplies or chemicals, and other relevant items
- Equipment such as vacuum cleaners, mops, brooms, etc.
- Additional costs for maintenance and repair, as well as the installation of new necessary equipment
- Training and recruiting of new staff and/or providing additional training for existing staff
- Payroll costs, including taxes and benefits
- Software investments for managing the operations
- Contractual fees including cost for outsourcing, insurance, and liability issues

These costs can vary greatly depending on the size of the hotel, the number of staff needed, and the services needed by the outsourcing service provider. For example, a larger hotel may require more staff and services than a smaller hotel, thus, incurring more costs.

In addition, a hotel choosing to outsource its housekeeping staff necessitates a change in the staff's roles and responsibilities. As such, the hotel may incur additional costs such as providing additional training for existing personnel and recruiting and onboarding new personnel to assume the housekeeping roles (Niamh, K. 2019).

Outsourcing Housekeeping services in a Marriott hotel can come with various cost implications. Thus, to ensure financial and operational success, hotel managers must carefully assess and evaluate the pros and cons of outsourcing their housekeeping staff, and must carefully consider the initial and recurrent costs associated with the process (WearDaily. 2020).

Results

Outsourcing the housekeeping department in a Marriott Hotel can result in a variety of benefits. The main points of argument are often around cost savings, improved professional service, and increased efficiency.

One potential advantage of outsourcing housekeeping services is cost savings due to lower labour costs. For example, a 2016 study by the University College London found that outsourcing housekeeping services at Marriott Hotels would offer a “cost efficiency gain of nearly 37%,” compared to an in-house housekeeping department (Yan, 2016). This cost efficiency was primarily attributed to lower wages that hotels can pay out-sourced workers, versus employees with salaries and additional benefits. Additionally, outsourcing housekeeping services saves Marriott Hotels from having to pay for additional employee-related expenses such as uniforms, linens, and other duties (Ahanonu, 2017).

Outsourcing housekeeping services also provides better professional services for guests, as outsourced housekeeping staff often come with their own resources and abilities beyond those of regular hotel housekeepers. Outsourcers frequently provide quality control and management services that cannot be provided by hotel staff (Tolkacev & Anchenko, 2007). Additionally, the fact that out-sourced housekeeper staff are typically loyal to the out-sourcing company translates to a higher level of consistency and professionalism for guests staying at the Marriott Hotels.

Finally, outsourcing housekeeping services at Marriott Hotels can increase efficiency. Since outsourced housekeeping staff are often qualified for the job, they are usually able to complete their duties with greater speed and proficiency than regular hotel housekeepers. This ensures that the task of cleaning and maintaining hotel rooms can be completed quickly and efficiently, without sacrificing quality.

In short, outsourcing housekeeping services at a Marriott Hotel can lead to cost savings, improved professional services, and increased efficiency. Considering all of these advantages, it is easy to see why outsourcing is seen as a viable option for housekeeping services by Marriott Hotel managers.

Why sustainability is a key focus

Outsourcing the housekeeping department of Marriott Hotel is ultimately beneficial to its sustainability. As one of the leading hospitality groups in the world, Marriott is making efforts to reduce its ecological footprint, and outsourcing housekeeping services is one step toward achieving this goal.

Studies have shown that outsourcing housekeeping services can help Marriott achieve enhanced sustainability. Outsourcing is a cost-effective and efficient approach to managing tasks related to housekeeping services. In comparison to in-house housekeeping, outsourcing external housekeeping services can save considerable amounts of costs, for instance, they don't need to pay wages, handle sickness leaves, overtime payments, training and equipment, pensions, etc. As such, the overall cost for Marriott can be significantly reduced (Friedman & Silverberg, 2018).

Furthermore, outsourcing housekeeping can reduce waste. Third-party outsourcing companies typically have more centralized offices and can take steps to optimize the use of electricity and water. Using fewer resources can assist hotels to reduce their eco-footprint. This means that houses can manage the environmental impact of cleaning a hotel while still maintaining their high standards of cleaning (Bokal et al., 2017). Additionally, outsourced housekeeping services simplified the process of ordering cleaning elements in bulk. This can increase the efficiency of ordering housekeeping elements since external services can bulk order items such as sponges, towels, and chemicals from a single supplier, eliminating redundant orders from multiple suppliers (Barbosa & Struijs, 2011).

Moreover, the process of outsourcing housekeeping services can result in better quality services and enhanced sustainability standards. This is because external housekeeping services typically have their own rules and regulations that they must abide by, such as proper waste disposal and chemical usage. While in-house housekeeping departments may lack these standards due to insufficient training and resources, third-party services tend to prioritize resource conservation, waste management and employee training to ensure the highest standards of quality (Hervani & Juwaheer, 2013).

Outsourcing housekeeping services to external companies is ultimately beneficial for Marriott's sustainability. It reduces waste, saves costs, and results in better quality and higher sustainability standards. As such, Marriott's sustainability can be significantly improved through outsourcing.

The Benefits of Consistency Hospitality

Outsourcing the housekeeping department of Marriott hotels could prove to be an unfavourable decision as it can potentially reduce the level of control and quality assurance. According to Kane, Gurbaxani and Wind (2004), the success of any service-oriented enterprise highly relies on the ability to maintain the consistency of service delivery. The housekeeping staff's familiarity with the guests, guests' quality-related expectations, details of the services provided and required standards, and the communication channels to the rest of the hotel staff, combined with the necessary expertise, all contribute to the consistency of the goods and/or services provided.

Moreover, Levy and Schlesinger (2005) state that the implementation of a successful system of quality management in the housekeeping department requires a staff of highly qualified and experienced personnel. Outsourcing such sensitive service does not ensure that the same level of excellence will be achieved. If the outsourcing company fails to possess the know-how necessary to maintain and possibly exceed the current standards, the quality of the service provided is most likely to suffer.

Finally, Pearl and Levy (2019) emphasize that outsourcing can potentially lower control costs and grant access to extraordinary specialists, but at the same, it requires close monitoring and the implementation of consistent procedures in order to achieve effective results.

Guest experience

Outsourcing the housekeeping department of Marriott Hotel carries several cons and risks. Outsourcing is known to lead to the weakening of customer loyalty and dissatisfaction among both the employees and guests staying in the hotel (Suchiti, 2019). They are outsourcing housekeeping results in a loss of job security and job satisfaction for the existing employees of the hotel (Murphy, 2020). Moreover, outsourcing the housekeeping jobs puts at risk the safety and security of the hotel due to the lack of employees' familiarity with the job roles, responsibilities and the premises of the hotel (Cousins and Gali, 2017). One of the main negative impacts of outsourcing the housekeeping departments is the enormous amount of communication loss between the management team, the employees and the guest (Bouris, 2015). If the management team aren't aware of the activities of the housekeeping staff, they'll lack a better understanding of the needs of the guests and will lose out on catering better customer experience (Suchiti, 2019).

Due to the negative impacts of outsourcing the housekeeping department, Marriott Hotel should reconsider its decision and provide better incentives and job opportunities to its employees. Marriott Hotel should adopt advanced customer service and employee experience strategies in order to maintain customer loyalty and satisfaction (Bouris, 2015). In addition, the management team should conduct regular feedback sessions with employees with the aim of implementing better experience programs. Lastly, Marriott Hotel should consider having a flexible and virtual staff to cover the holidays and peak times of the hotel as it will result in a better customer experience (Cousins and Gali, 2017).

Conclusion

Based on research, there is evidence that outsourcing the Housekeeping department at Marriott Hotel can be beneficial to the business in terms of sustainable revenue generation. By outsourcing to companies that specialize in hotel housekeeping services, Marriott can gain efficiencies and cost savings, increase customer satisfaction, and improve employee morale (Davis, 2011). However, it is important that Marriott takes due diligence into consideration before outsourcing, as there are potential risks in terms of quality of service, liability, and legal requirements (Master Stone, et al., 2018). In conclusion, while there are potential benefits to outsourcing the Housekeeping department within Marriott Hotel, it is important that the organization weighs the associated risks with potential rewards in order to maximize its sustainable revenue generation.

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