

# **Introduction to the Hospitality Industry**

## **Assignment 4**

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### **Question 1: The Main Characteristics of Extended Stay Hotels**

Extended stay hotels are a very specific, well-established segment of the lodging industry, serving guests who need accommodations for longer periods of time – typically defined as five or more consecutive nights. These properties have been growing steadily in popularity since the 1980s, drawing a broad clientele including corporate travellers on long-term assignments, relocating professionals, families in transitional housing situations and people undergoing medical treatment away from home.

The key differentiator for extended-stay hotels is the presence of kitchen facilities within the suite. Unlike standard hotel rooms, extended-stay units typically have a full or partial kitchen that includes a stovetop or microwave, refrigerator, dishwasher and basic cookware. This arrangement allows guests to cook their own meals, which can significantly reduce daily living costs during a long stay and create an environment more like a private apartment than a temporary room (Higley, 2019). This self-sufficiency is a big selling point for budget-conscious corporate clients and families alike.

Another key feature is spacious, apartment-style floor plans. Extended-stay rooms tend to be larger than those in regular transient hotels, often with separate sleeping and living areas, a work desk with reliable connectivity, and plenty of storage space. The spatial generosity refers to the practical reality that guests are in essence living in the property rather than simply sleeping there (O'Neill & Carlback, 2011). Housekeeping services are usually provided once or twice a week, making it ideal for guests who like privacy and routine, as opposed to the daily housekeeping services common in full-service hotels.

Extended stay property pricing structures are designed to be competitive over longer commitments. Typically, properties have weekly and monthly rates that represent significant savings over the standard nightly rate, and this results in a stable, predictable occupancy that operators appreciate. Marriott's Residence Inn, Hilton's Homewood Suites, and the budget-conscious WoodSpring Suites are all brands with large portfolios built on this principle,

serving different income brackets, but still featuring the core extended stay format (American Hotel & Lodging Educational Institute, 2021).

Amenities on site are generally for living rather than recreation. Typical features that contribute to the residential feel include laundry facilities, a simple fitness center, free breakfast, and social or communal spaces. The overall service philosophy is lean and convenience-oriented: front desk staffing may be reduced during late hours, and the absence of a full-service restaurant is frequently compensated by proximity to grocery stores or dining options.

## References

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## Question 2: Management Structures of Large, Mid-Scale, and Small Hotels

Management structures in hotels differ greatly based on hotel size, ownership type, and market positioning. To appreciate the differences among big, medium, and small hotels, one needs to examine how each structure allocates human resources, assigns authority, and manages its operations departments.

### Large Hotels

Large hotels, which can be defined as those having more than 300 guestrooms, but not necessarily so depending on the source

, function according to a hierarchical and multi-tier system of hotel management. At the top of the hierarchy, there is a General Manager (GM), who is responsible for the company's financial performance, its brand image, and strategic decision-making. Below him work heads of various functional departments: Rooms Division Manager, Food and Beverage (F&B) Director, Director of Sales and Marketing, Human Resources Manager, Financial Controller, and Chief Engineer are common positions at this tier (Hayes & Ninemeier, 2016).

Each of these departments is again subdivided into smaller units. For instance, the Rooms Division includes Front Office, Housekeeping, and sometimes Concierge or Guest Relations. These separate departments have their own chain of supervision. On one hand, it ensures high levels of specialisation and control,

which facilitates the development of specialists in particular fields. On the other hand, such structure may lead to fragmentation of departments and low efficiency of interdepartmental communications. Moreover, large hotels belonging to international hotel brands such as Hilton or Marriott operate under corporate governance models and brand standards manuals (Rutherford & O'Fallon, 2007).

### Mid-Scale Hotels

Mid-scale hotels, broadly defined as properties in the 75 to 300-room range and positioned in

the three-star or select-service market, tend to operate with a flatter and more consolidated structure than their full-service counterparts. A General Manager remains central, but the number of direct reports is smaller, and individual managers frequently oversee multiple functions simultaneously. A Front Office Manager may also carry responsibility for reservations; a Food and Beverage Supervisor might manage both the breakfast service and any ancillary catering without a dedicated director above them.

This is partly due to financial limitations and the simpler operation of a hotel that can serve breakfast but not a fully-fledged restaurant and that can provide accommodation services but no conference or recreation services. Often, mid-range hotels are affiliated with franchises like Holiday Inn Express or Courtyard by Marriott, allowing these establishments to gain access to centralized reservation systems and brand marketing while at the same time retaining on-site decision-making power (Powers & Barrows, 2012).

### **Small Hotels**

Small hotels (typically those with less than 75 rooms, including boutique hotels, bed-and-breakfasts, and independently-owned properties) usually have a very simple organisational structure without much formality in terms of management hierarchy. There is often an owner-manager structure, whereby one person, or a couple, assumes all the duties of general manager, front desk receptionist, housekeeping coordinator, and marketing manager himself/herself or with a tiny team. Although formal titles exist, there is no bureaucracy in decision-making procedures and reporting lines are not formalised at all.

The flat structure of management allows for great flexibility, personalized interaction with guests, and quick adaptation to changes. It does impose a lot of burden on a small number of managers, however, and may become problematic in case of succession or growth. According to Jones (2002), small independent hotels tend to compete successfully by offering personalization and local charm, aspects in which their informal organisational culture becomes an advantage.

To summarize, the evolution from the large to small hotel management takes us from specialized, hierarchical, and formally codified to integrated, flexible, and relationship-oriented structures.

### **References**

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