

Introduction to the Hospitality Industry

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2. The Functions and Departments of a Hotel
3. The Management Structure of Hotels



1- Hotel Classification Based on Service Offered

Service Offered-Based Hotel Classification



- Hotels can also be classified based on service offered
- Hotels offer a wide range of facilities and services
- Many features are similar to luxury hotel standards

1- Hotel Classification Based on Service Offered

A- Full-Service Hotels



- Classified based on degree of service offered

- **Part of broader categories:**

- Full-service
- Economy
- Extended-stay
- All-suite hotels

- **Key Characteristics:**

- Offer a wide range of facilities, services, and amenities
- Comparable to many luxury hotel features

1- Hotel Classification Based on Service Offered

A- Full-Service Hotels



Food & Beverage Services:

- Multiple outlets, including:

- Restaurants
- Lounges
- Bars

- Dining options:

- Formal dining
- Casual dining

- Additional services:

- Catering
- Meeting and convention services

1- Hotel Classification Based on Service Offered

A- Full-Service Hotels



Business Facilities:

- Designed for business travelers
- Common features:
 - Business center
 - Secretarial services
 - Fax and communication tools
 - In-room technology (computer/internet access)

1- Hotel Classification Based on Service Offered

B- Economy / Budget Hotels



- Part of the low-cost hotel segment
- Experienced strong growth over the past decades

Market Characteristics:

- Highly competitive segment
- Influenced by supply and demand

- When oversupply occurs:

- Price wars may develop
- Hotels compete to attract guests

- Some hotels focus on:

- Value differentiation instead of heavy discounting

1- Hotel Classification Based on Service Offered

B- Economy / Budget Hotels



- Offer:

- Clean, comfortable rooms
- Basic furnishings
- Limited services (no frills)

- Focus on:

- Affordability and efficiency
- Food and Beverage

- Generally:

- No full-service restaurants

- Provide:

- Continental breakfast
- Served in lobby or lounge

1- Hotel Classification Based on Service Offered

C- Boutique Hotels



- Offer a distinct lodging experience compared to chain hotels
- Focus on style, individuality, and personalized service
- **Key Characteristics:**
 - Smaller properties than chain hotels
 - Typically 25–125 rooms
 - High level of personalized guest service

1- Hotel Classification Based on Service Offered

C- Boutique Hotels



Design and Identity:

- Emphasis on:

- Unique architecture
 - Distinct interior design and décor
 - Strong theme or character
 - Artistic and local cultural influence
- Each hotel aims to feel individual and non-standardized

1- Hotel Classification Based on Service Offered

C- Boutique Hotels



Guest Experience:

- Focus on creating a:

- Stylish
- Intimate
- Experiential environment

- Designed to:

- Help guests relax, think, and work productively
- Offer a refreshing alternative to large hotels

1- Hotel Classification Based on Service Offered

D- Extended-Stay Hotels



- Designed for long-term guest stays
- Accept short-term guests when space is available
- Offer discounted rates for longer stays

Guest Profile:

- Mainly:
 - Business travelers
 - Technical/professional workers
 - Relocating families

1- Hotel Classification Based on Service Offered

D- Extended-Stay Hotels



- Key Features:

- Provide a “home-like” environment
- Offer larger rooms and more living space
- Focus on comfort for long-term stays (5+ nights or more)

- Typical Services:

- Full kitchen facilities in rooms/suites
- On-site convenience store or grocery services
- Complimentary continental breakfast
- Evening social receptions / cocktails (in some properties)
- Business and recreational facilities (varies by brand)

1- Hotel Classification Based on Service Offered

D- Extended-Stay Hotels



- All-Suites Extended-Stay Hotels:

- Provide all-suite accommodation only
- Offer approximately 25% more space than standard hotel rooms

- Include:

- Separate living area
- Kitchenette or full kitchen

- Design and Guest Experience:

- Designed to feel like a temporary home
- Encourage a community atmosphere
- Promote informal interaction among guests

1- Hotel Classification Based on Service Offered

E- Condotels and Mixed-Use Hotels



- Condotels is a combination of condominium + hotel
- Developed by selling hotel units as individual condo units
- **Ownership & Operation:**
 - Units are owned by individual investors
- **Owners may:**
 - Use the unit for a limited personal period (month/year)
 - Allow the hotel operator to rent it out as hotel accommodation
- **Revenue is typically shared between:**
 - Unit owner
 - Hotel operating company

1- Hotel Classification Based on Service Offered

E- Condotels and Mixed-Use Hotels



- Key Characteristics:

- Functions like a hybrid ownership model

- Combines:

- Real estate investment
- Hotel rental income
- Flexible use depending on ownership agreement

- Mixed-Use Hotels:

- Developed as part of a larger integrated property development
- Combine hotel operations with other real estate functions

1- Hotel Classification Based on Service Offered

E- Condotels and Mixed-Use Hotels



- Components of Mixed-Use Developments:

- Hotels
- Residential units (real condos, not rental units like condotels)
- Office buildings
- Convention centers
- Shopping malls
- Sports and entertainment facilities
- Spas and wellness centers

1- Hotel Classification Based on Service Offered

E- Condotels and Mixed-Use Hotels



Key Difference: Condotel vs Mixed-Use Hotel:

- Condotel:

- Units are sold and used as hotel inventory when not occupied by owner

- Mixed-use hotel:

- Includes separate residential ownership + hotel operations within one complex
- Integrated with broader urban or resort development

1- Hotel Classification Based on Service Offered

F- Bed and Breakfast Inns



- Definition and Concept:

- Also known as B&Bs
- Originated in Europe
- Based on lodging in a private home setting

- Typically includes:

- Overnight accommodation
- Breakfast service
- Usually operated by a live-in host (owner on or near property)

1- Hotel Classification Based on Service Offered

F- Bed and Breakfast Inns



- Guest Experience:

- Provides a homelike and personal atmosphere

- Hosts often assist with:

- Directions
- Restaurant recommendations
- Local sightseeing and entertainment tips
- Often described as a “home away from home”

1- Hotel Classification Based on Service Offered

F- Bed and Breakfast Inns



- Property Characteristics:

- Highly diverse property types, such as:

- Cottages
- Villas
- Cabins
- Lighthouses
- Farms
- Townhouses
- Mansions
- City homes

- Typically small-scale operations

- Usually 2–10 rooms

1- Hotel Classification Based on Service Offered

F- Bed and Breakfast Inns



- Why B&Bs Are Popular:

- Increasing demand from business travelers
 - Tired of formal hotel procedures
- Attractive for budget-conscious travelers
- Appeals to leisure travelers seeking:
 - Personal touch
 - Unique experiences

1- Hotel Classification Based on Service Offered

F- Bed and Breakfast Inns



- Key Features:

- Personalized service by owners
- Home-style breakfast included
- Informal community atmosphere
- Shared breakfasts with other guests

- Unique décor based on:

- Owner's taste
- Regional style

2- The Functions and Departments of a Hotel

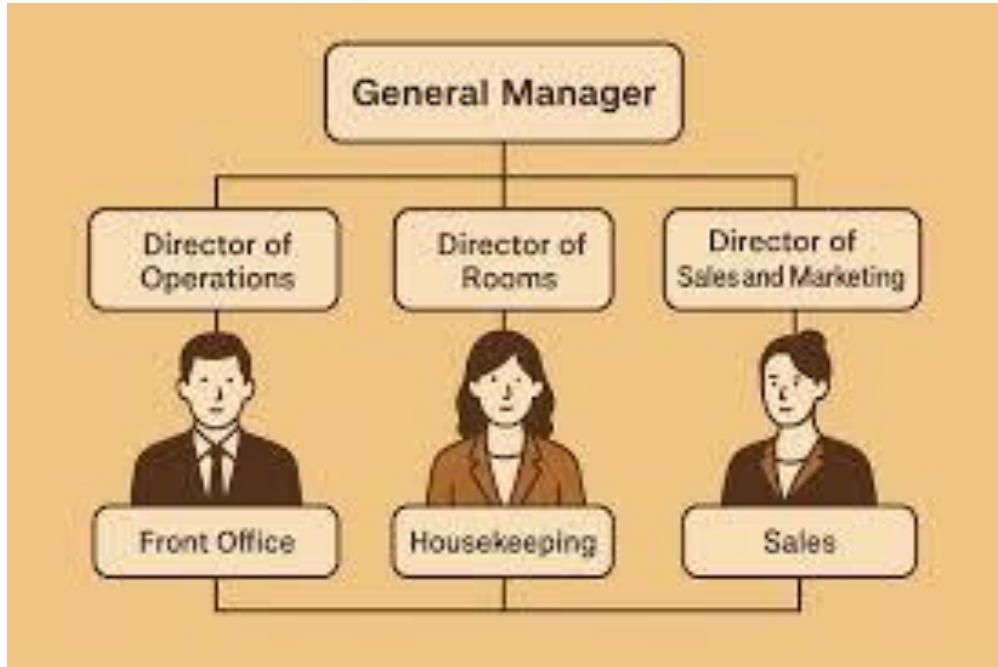
Primary Function of Hotels:



- The main function of a hotel is to provide lodging accommodation for guests.
- Hotels also offer additional services such as:
 - Food and beverage services
 - Recreation and entertainment
 - Business and conference facilities
 - Guest assistance and hospitality services

2- The Functions and Departments of a Hotel

Management Structure of a Large Hotel:



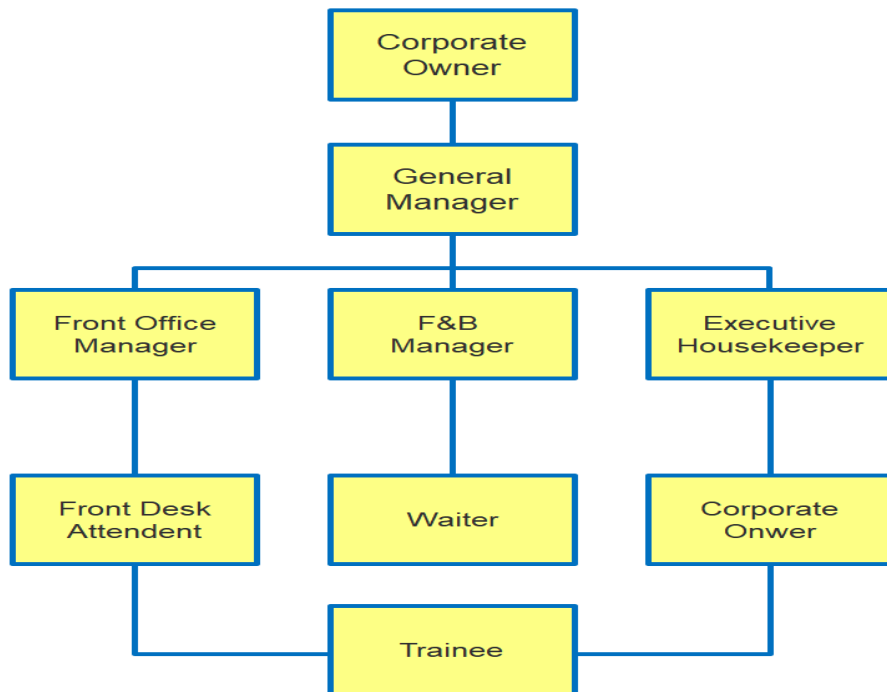
General Manager (GM):

- The hotel is usually managed by a General Manager.
- The GM is responsible for:
 - Overall hotel operations
 - Strategic planning
 - Coordination between departments
 - Achieving guest satisfaction and profitability

2- The Functions and Departments of a Hotel

Executive Committee in a Hotel:

Small Hotel Organizational Chart



- Large hotels often have an Executive Committee composed of department heads.

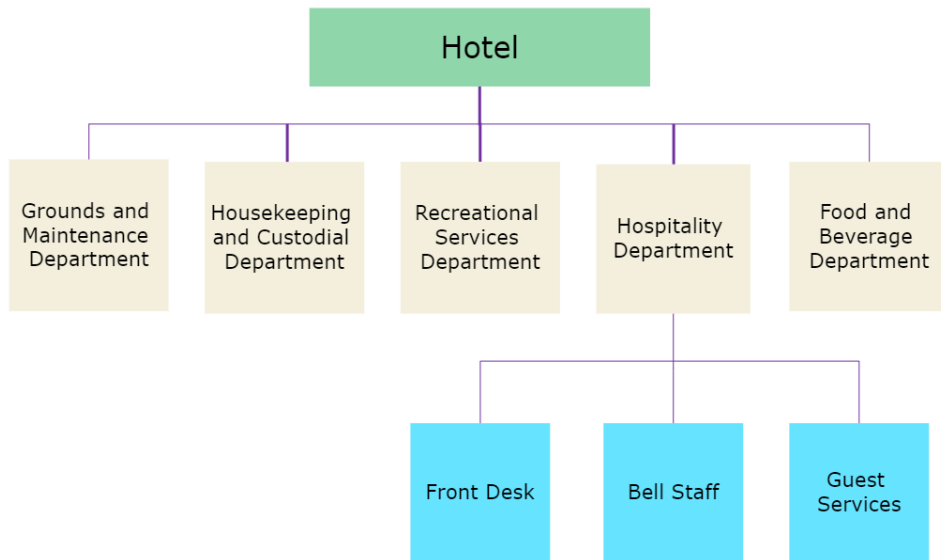
➤ - The Executive Committee can include:

- Rooms Division Director
- Food and Beverage Director
- Marketing and Sales Director
- Human Resources Director
- Chief Accountant / Controller
- Chief Engineer / Facility Manager

3- The Management Structure of Hotels

Variation in Hotel Management Structure:

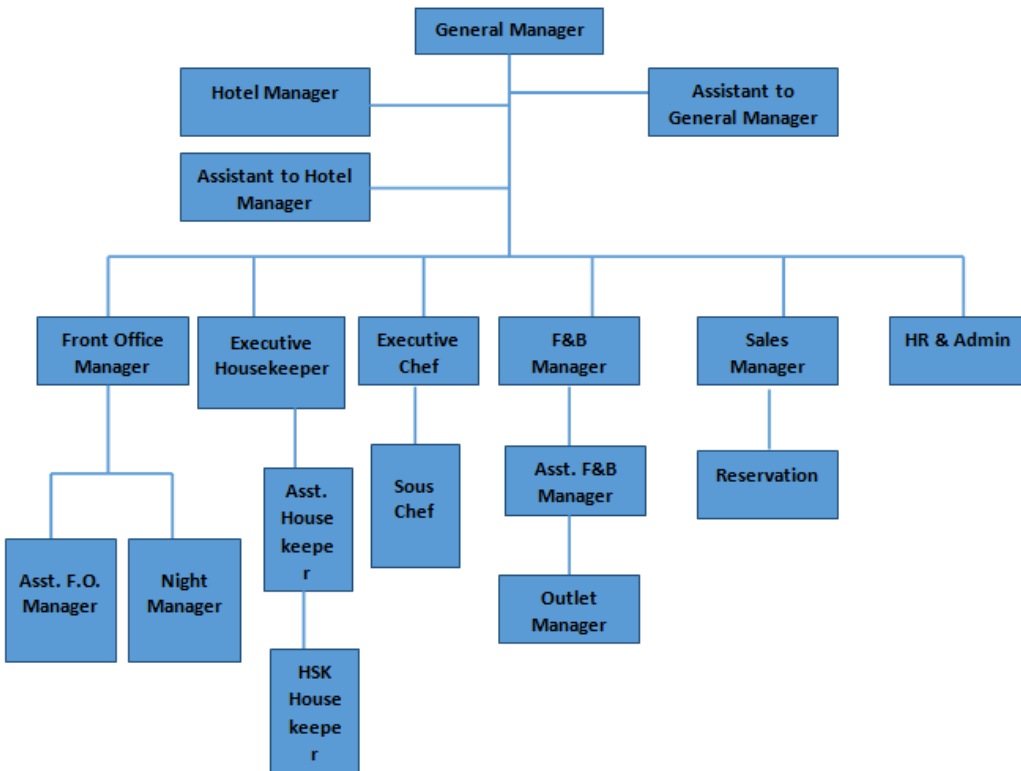
Medium Hotel Organizational Chart



- Hotel management structures vary according to:
 - Hotel size
 - Scale of operations
 - Services offered
- Large hotels usually have more complex organizational structures than mid-scale and small hotels.

3- The Management Structure of Hotels

Large Hotels:



- Characteristics:

- Specialized departments
- Clear division of responsibilities
- Department heads for each operational area

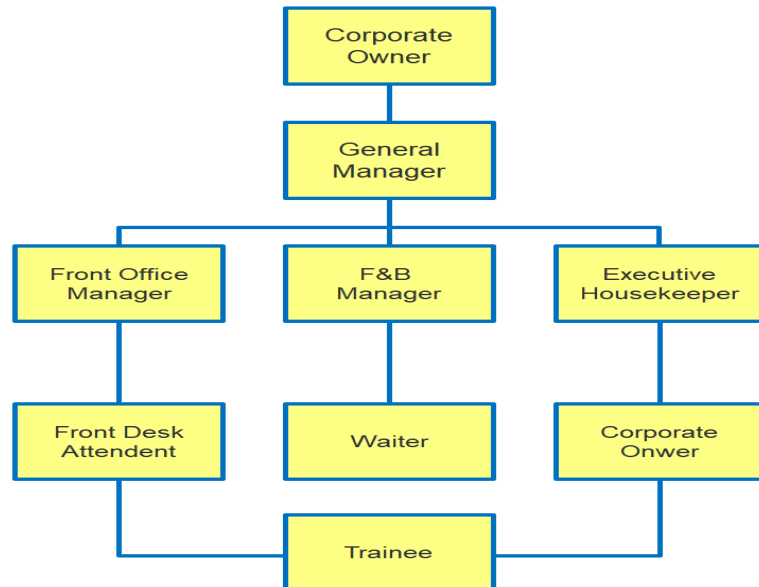
- Typical Departments

- Human Resources
- Engineering and Maintenance
- Food and Beverage
- Accounting and Finance
- Marketing and Sales
- Rooms Division

3- The Management Structure of Hotels

Mid-Scale and Small Hotels:

Small Hotel Organizational Chart



- Characteristics:

- Simpler organizational structure
- Fewer managerial positions
- Employees and managers often perform multiple roles

- Example:

- A small hotel may not have a dedicated Human Resources Director.

- Department heads manage:

- Staff scheduling
- Recruitment
- Daily employee issues

- **The hotel manager retains overall responsibility for:**

- Human resources decisions
- Staff supervision
- Operational performance

3- The Management Structure of Hotels

Role of the Hotel GM

5 Responsibilities of a Hotel Manager



Day-to day
operations



Financial
responsibilities



Leading a team



Providing a great
guest experience



Reputation
management

- The Hotel General Manager is the highest executive responsible for the overall operation and success of the hotel.
- The GM coordinates all departments and ensures that the hotel operates efficiently while maintaining high guest satisfaction and profitability.

- Main Responsibilities of the Hotel GM:

1- Ensuring Profitability

- Provide owners and investors with a reasonable return on investment
- Control operational costs
- Increase hotel revenue and occupancy rates
- Monitor financial performance

3- The Management Structure of Hotels

Role of the Hotel General Manager (GM)

2- Guest Satisfaction

- Ensure high-quality guest experiences
- Handle guest complaints and service recovery
- Encourage repeat business and customer loyalty
- Maintain hospitality standards

3- Employee Management

- Motivate and supervise employees
- Maintain positive employee relations
- Support staff training and development
- Create a productive work environment

3- The Management Structure of Hotels

The Executive Committee in Hotels:

- The Executive Committee consists of the senior managers and department heads who assist the GM in making major operational and strategic decisions for the hotel.
- **The committee plays an important role in:**
 - Planning
 - Coordination
 - Problem-solving
 - Financial management
 - Improving hotel performance

3- The Management Structure of Hotels

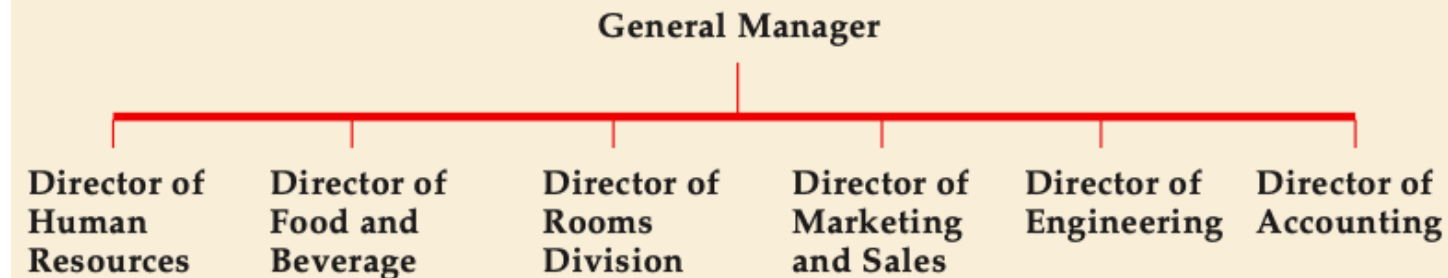
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- The Executive Committee consists of the senior managers and department heads who assist the GM in making major operational and strategic decisions for the hotel.

- **The committee plays an important role in:**

- Planning
- Problem-solving
- Improving hotel performance
- Coordination
- Financial management

Executive Committee Chart for a 300-plus-room Full Service Hotel



Thank you



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