



Renard Global Management



Renard Global Management is a worldwide management Organization with extensive experience in providing quality, audit services to Hotels, Clubs, Restaurants, Airlines and the Cruise industry.

SERVICES

- ◆ Hospitality Operations Audits(Mystery Shopping)
- ◆ Providing Standard Operating procedures for operations departments
- ◆ Operating manuals for front of the house departments
- ◆ Hotel facilities planning
- ◆ Hotel Operating Equipment listing
- ◆ Assistance in Hotel classifications
- ◆ Assistance in studying and guiding on Operating contracts/agreements

We have our offices and affiliates in Canada, United Kingdom, Egypt, Dubai and Hong Kong. We are specialists in determining excellence and quality standards in the hospitality industry, we therefore, have a superior knowledge of operations.

FOUR SAMPLE AUDITS

*A Hotel at Sheikh Zayed Road, Dubai
Audit initiated by General Manager of the Hotel*

The Challenge

Following a total revamp of Food & Beverage outlets at a cost of over 3.5 million US Dollars the turnover of Food & Beverage operations did not justify the investment in the first three months. In fact the Owing Company had started reconsidering continuing with the existing management company.

We were invited to make recommendations after an operations audit.

Audit Results

- On an audit of a total of five food & beverage outlets we presented facts reflecting deficiencies in following activities and disciplines:
- Database and Guest profile update for each of the outlets that served specialty cuisine including the bar.
- Staff was not trained for multi-skill, lacking knowledge of cuisine and related services resulting in guest dissatisfaction and increasing non-repeating customers.
- Supervisory staff was found indifferent in their approach to assist the staff on shop floor, causing service delays.
- Training systems and job descriptions not updated in line with the changing concepts, which were put in place at a tremendous cost.
- Staff found to be chaotic and confused at lack or insufficient communication sending wrong signals to guests and peers.
- Lack of clarity and knowledge causing inaccurate orders placed in kitchen resulting in bill voiding or return of dishes.
- In more than three cases cash improprieties were pointed out.

Above were but a few points, which were the reasons of presentation of our **Recommendations**

A meeting with the owner's representative and the General Manager was held. Our recommendations were followed to the 'T'. Key issues were discussed and a time bound implementation program was initiated.

Business Turnaround

In three months time the food & beverage business turned around with amazing recovery. Cover turnover and yield improved over four folds. Average guest check of restaurants improved by 15%. With the meals sale of wine replaced the beer. Food & Beverage departments turn over added 11% to the Gross Turnover in three months.

Since fixed costs could not be changed the variables were attacked along with improvement in turnover. Dormant wine stocks in the stores started to move. Various measures added to the savings to the hotel

The **profitability, high staff moral, satisfied management and happy owners** of the property reflected our efforts to assist the management to achieve its goals.

Finally it was most gratifying to hear from the General Manager that the Guest Satisfaction levels were on a rising graph.

Value of our Service

We are indeed proud of the General Manager with whom we were associated who took the brave step of inviting us investing in operations audit. We continue to do so every season to benchmark the highs and lows as a measure. Value of our service to this hotel was described as 'impeccable, unbiased and professional' by the Owing Company.

Comments by the General Manager

Your recommendations of operations audit and its outcome was like a much needed 'Rainbow' in our organization. We are very happy and look forward to a long-standing relationship with Renard Global Management.

A 4-Star Hotel in NY area, USA

The Challenge

This hotel had access of 100 rooms when the ownership changed hands. During the due diligence period we were asked to perform operations audit. Even though the hotel was a four star property, its services and food was comparable to a four star plus property. The rate structure needed revision and revenue management required to be plugged in. While Operations audit were being performed, the interim results were discussed on daily basis with the new owning company. The new owners were planning an additional 110 rooms, one Bar and an Asian European fusion cuisine restaurant to the property. We were asked to assist.

The profile of the hotel had to be upgraded and a new brand value was required to be attached. An up-market segment of business had to be attracted to the property.

Operations Audit

Thorough operations audit was initiated in the guest related services both at the back of the house as well as heart of the house. Initially only guest services were audited since this task had to be handled incognito.

The back and heart of the house audit was carried out along with a management representative.

Areas covered

Engineering, laundry, purchase, stores, receiving, all staff areas and facilities, internal security system. Kitchens, housekeeping operations system, front office operations, stewarding.

Audit Results

- The audit was performed and reviewed keeping in mind the new image of the hotel with additional facilities.
- A boost in service standards was imminent for which a new training plan was set up along with recommendations of training staff.
- The IT department operated with local software, which was not informative enough to the level of yield management.
- The service staff in Food & Beverage and Housekeeping department required a total revamp in service standards and styles.
- The hotel required review and updating of SOPs and certain operations manuals.
- A fresh HOE list was designed for the additional facilities.
- Revenue management was introduced as an essential driver for all the rates in the hotel.
- A review of hiring process was conducted and advised upon.

Recommendations

- The present staff to be retained and re-trained
- Quality of HOEs to be determined with the budgets provision of the same.
- Service standards core group (SSCG) was formed to follow up on service and facility recommendations.

Follow up

Once the hotel was ready with added accommodation and facilities we performed a follow up audit on a very strict and critical basis at request of the owning company. The results were a source of tremendous boost in morale of trainers and SSCG. We have followed up with operations audit from a quarterly frequency to a half yearly.

A comparison report is made and discussed with the General Manager on completion of every ops.audit. The management team ensures that Guest satisfaction levels and employee moral stays right on the top priority.

The turn over of the hotel in a proportionate ratio went up by 62% with Gross profit risen by 11% and net profit boost by 7%. A good system of profit control measures has added to the satisfaction of owning company by the operations of the hotel, which are handled by independent hotel operations rather than a hotel group.

Value of our Service

Our Operations audit service has added a good value to overall quality of service and has kept the hotel as a contender amongst the best properties in London.

A 382 rooms Hotel in South East Asia

Audit initiated by the Quality and Excellence Vice-President!

The Challenge

The occupancy of the hotel had been around 96% with ADR at US\$235. The renovation of the suites and the Club floor rooms was being planned to commence by the summer. A few key staff were exchanged between some of the group hotels including this Five Star property. Some corporate clients had started (also) patronizing other five star hotels. Though the ADR stayed at top levels. The demand being very high and not enough room supply being available. The Quality assurance department ordered an evaluation of the services of the hotel.

Audit Results

We performed a thorough operations audit of some of the services of the hotel as requested by the corporate excellence and quality department. We had received a good brief from the client on financial performance, operations and training programs. Our brief also required for us to find out the opportunities to improve the business.

Following is a gist of our report and findings of operations audit.

- Due to over booking more and more arrivals were required to wait for long period of time causing the inconvenience.
- The Check – In process of Airport courtesy and at the reception failed more than once.
- The product standard in rooms of similar configurations varied a great degree
- Many a times the employees seemed to be in a haste, ignoring guests and avoiding eye contact
- The housekeeping department was not equipped to handle the load of work. Many lamps around the hotel were found blown and public areas not cleaned
- Quite a few guest complaints did not reach the General Manager
- The Restaurant employees were not courteous and there was almost no up selling
- The supervisory staff behavior left more to be desired
- Untrained casual workers joined the work force bringing down the service standards
- On two occasions possible cash improprieties were suspected.

Our report reflected the service standards at 67%, which was far lower than the desirable standards. We were asked to give a first hand brief to the Heads of the Departments. To the surprise of the management certain facts related to the training, management attitude, replacement of HOE and misuse of cost control came to the light. A time frame for rectification of each activity was chalked out and followed. The renovation of certain areas was also postponed. The focus of top management was made sharp by the outcome of our Final Score.

Service Standards Improvement

In about six weeks time there was an overall improvement in staff attention and attitude. Two restaurants that were very pricey and not doing so well had started performing better. The menu engineering had positively effected the cost saving. The guest service standards improved which was evident from more GSTS cards received by the management.

Results

As a result there was a clear relativity between service standards and profitability levels. We were pleased to receive a letter from the Managing Director of the hotel group stating the following:

Quote

“We are very satisfied with the micro issues reflected in your report which significantly made the difference in levels of service before the Operations audit. We appreciate your time and efforts spent in staff meetings by you. Please schedule a review audit after a six months period. Thank You.”



Ashok Sharma, fhcima
Executive Vice President
Renard Global Management

Mr. Sharma's objective is to assist global hospitality players in consistently exceeding guest expectations and staying ahead in strategies and concepts.

He has been at the helm of pre-opening teams of resorts and countless city center hotels worldwide.

Michelin Star Restaurant at West End, London.UK

This is a 70-plus seat very classy Michelin Star restaurant of London city which has been frequented both by the royalty and elite of London.

The partner/manager invited us to perform an operations audit.

The Challenge

- The restaurant has its customers segmented. The top three from five segments saw a gradual decline in its customer base.
- Even though average check per cover differed a little on food but the wine check average was on a decline.
- The management had tried hard to invite back its customers but were finding it very difficult to balance out efforts vs. the outcome
- A food critic had published a report in a popular weekly which was not so complimentary
- The merchandise sale had almost come to a halt.
- The deputy operations manager had been replaced with a new player

Audit Results

- Most of the staff (66%) was old hands who were rather over familiar with the clients. This fact was taking its toll.
- The new staff was hired from the restaurants of not so similar standards
- Lack of brief and absence of an ongoing training program.
- Turn over of hostess very fast, resulting in delays in hospitality courtesies.
- Slowing down of service in general and some exclusive wines becoming unavailable, even though being on the wine list
- Some parts of ROE found to be old and not cared for, requiring replacement
- The Restaurant chef had replaced a pastry sous chef and a chef de partie on the range.
- Bad yield management had adversely affected the food cost and wastage.
- Having earned Michelin stars the establishment was sinking in a style of management by wish policy.
- Owners only felt the pinch when the Average check dropped from PS 128 to PS 106

Above results were only 60% of the key issues and the rest of 40% were rebounds and the snow balling effects.

Recommendations

We were requested to discuss the macro scenario before preparing a paper for discussion and submission of the audit report.

We were involved in a series of meetings in the following order:

- Owner/partners
- Partner/manager
- Manager/Senior Supervisors
- Manager/Executive Chef

A series of messages were conveyed from one session to the next one. After a series of discussions it was recommended that following issues needed action in immediately

1. The revenue needed to be managed very critically
2. Training methods and tools be improved
3. ROE to be looked in to and changed based on the 'document of understanding' and SOPs.
4. Individual responsibility of concerned Executives on yield management and cost Control measures without sacrificing quality of food, portions, presentation and quality of service.
5. Staff recruitment and retention processes.

With little capital investment and with immense motivational efforts the team was revived in to an aggressive yet most friendly team of employees. The up selling mode helped in bringing up the Av. Check. The new wine list and menu engineering along with team building exercises between operations and production departments gave a flip to the overall business. There was a definite business turn around in seven weeks time.

Value of our services was appreciated and ever since the first audit, we performed a half-yearly audit of two restaurants more of this small exclusive chain of top-class restaurants.