







#### Summary

- a full service, 30 story boutique hotel with 305 rooms
- surrounded by corporate buildings, restaurant, shopping and theater district
- has two main competitive sets
- four relatively large competitors, the Sheraton, Crowne Plaza, Guest Suites and Millenium Properties
- had approximately 250 employees
- a non-union property in market where 96% of hotels are unionized
- occupancy level where much greater in weekdays
- customer retention rates had been consistently dropping over the past few years
- hotel's former HR manager had implemented sizeable budget cuts for employee training and hiring practices







# 1996-1998

## Mission

The Roccoco Hotel aims to be the preferred hotel in New York by providing high quality services, innovative products, inventive amenities, superior room service and giving an elegant and relaxing atmosphere to its customers.

### Vision

The Roccoco Hotel aims to become the number one hotel in New York that delivers high quality services that surpass expectations in every aspect of customer services while retaining its affordable rate.



# Statement of the Objectives

- IMPROVE COMPETENCY
by providing better and
quality services to their
existing clients as well as to
those potential clients.

# Central Problem

How could Roccoco New York Hotel keep up with the growing competitions by improving their services without sacrificing too much cost?

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# SWOT ANALYSIS

# Strengths

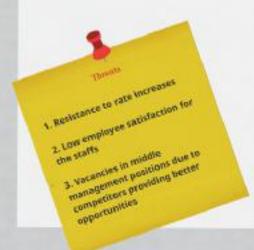
- 1. Eloquent design, good ambiance and good location for the building
- 2. Good management personnel
- 3. Non-unionized employees



3. Lack of business facilities

## **Opportunities**

- 1. Effective marketing thru the web
- 2. Many of their customers are business travelers
- 3. Customers that are looking for a quiet and convenient place to stay are easily attracted to the hotel's boutique orientation



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### Weaknesses

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### **Threats**

- 1. Resistance to rate increases
- 2. Low employee satisfaction for the staffs
- 3. Vacancies in middle management positions due to competitors providing better opportunities



# ATTIERNASIVE COURSES OF ACTION



# 1. Increase the rate of providing services



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pi

# **ADVANTAGES** - Ability to provide quality services

# DISADVANTAGES

- May result to decrease in market share

# 2. Reimplementing budget training programs and reward systems

DISADVANTAGES

- Costly

#### ADVANTAGES

- Improve employee performance
- Increase in customer satisfaction thereby increasing the future sales
- Increase in employee satisfaction

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# **DISADVANTAGES** - Costly

# 3. Implementing a rate increase to accommodate budget training programs and reward systems

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- Benefits exceed costs

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- 2. Proper recruitment of employees
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# Plan of Action

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- 2. Proper recruitment of employees
- 3. Proper training for the employees
- 4. Establishment of a good employeremployee relationship through reward systems



## Potential Problems

- 1. Unwillingness of the customers to avail another try on the hotel's services.
- 2. Rejection of the existing customers in the increase in rate.
- 3. Inability to hire motivated employees.
- 4. Inability to provide adequate and sufficient trainings for the employees
- 5. Inability to establish harmony between the employer and the employees due to poor employee satisfaction

### Contingency Plan

If the implementation of the rate increase and budget training programs and reward systems at the same time is too critical and costly for the Roccoco New York Hotel,

- choose to put into action first the implementation of a rate increase
- subsequently reimplementing budget training programs and reward systems

Eventually, step by step procedures can still achieve their desired targets.

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