

# Small business enterprise

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## **Introduction**

The hospitality industry is the sector that aims at providing the best services to the customers. Also, to survive and ensure long term sustainability in the market of the small business, identification of the customer requirements is very important (Magruk, 2017). Furthermore, determining the key strengths and weakness is also a way to ensure the growth and success of the small business.

The present analysis is based on the small business, i.e. The Portobello hotel situated in the United Kingdom (The Portobello Hotel, 2019). The study outlines the strengths, weakness, objectives, etc., of the hotel. It further reflects the ways and measures that can be adopted by the hotel to attain objectives and ensures growth and success.

### **Lo1**

1.1 Produce a profile of a selected small business (type, size, structure and objectives of the chosen hospitality business) identifying its strengths and weaknesses.

The selected small business is The Portobello hotel situated in London, United Kingdom. The hotel operates within the hospitality industry. The hotel offers various facilities such as antique furnishings, good ambience, air conditioning, TVs, upgraded rooms, high ceiling, exotic scenes, etc. The vision of the selected hotel is to be recognized by the product and service quality standard, and the mission is to inspire and motivate employees and achieving financial results.

The Portobello hotel has a hierarchical structure where employees have one clear supervisor.

The main objectives of the hotel are to enhance the overall market share and achieving customer satisfaction in order to enhance customer loyalty (Mika, et al. 2017).

The hotel has various strengths, and these strengths are appropriately used by The Portobello in order to attain the objectives. One of the major strength that has been identified is its brand name, and image in the market. The company has established a market position of an excellent hotel in London, and the positive and strong brand value has been considered as a key strength.

Another major strength is its clear organizational structure. A clear and structured hierarchy is essential in the smooth functioning of the business. Because of this, the employees become aware of the reporting authority and their roles and responsibilities (Alasadi and Al Sabbagh, 2015). The top management always emphasizes keeping clarity regarding the roles and duties of the staff members of the hotel. Apart from the strengths, there are some key weaknesses too of this hotel, and that includes poor customer service and low employee morale. It has been

assessed that the confidence and motivational level of the staff members of the cited hotel are quite low and that is the reason that the employees are unable to provide excellent customer service. In order to attain the objectives of the hotel, it is important to identify the weaknesses and overcome them (Blair and Marcum, 2015).

1.2 Carry out an analysis of the business using comparative measures of performance.

After the analysis, it has been identified that there is a slight difference between the performance of the current year and previous year of the hotel.

The comparative analysis of the selected hotel is presented below:

	<i>2017-2018</i>	<i>2018-2019</i>
<i>Revenue per available room (REvPAR)</i>	4,500	2,000
<i>Occupancy percentage</i>	74%	52%
<i>Overall cost</i>	5,55,000	4,34,000
<i>Revenue</i>	9,00,000	6,12,000

Thus, from the above analysis, it has been assessed that the financial performance of the year 2017-2018 was quite good in comparison to the year of 2018-19. The revenue per available room has been calculated by dividing the number of rooms available to the room revenue. The occupancy percentage in the previous year was 74%, and in the current year, it has reduced to 22%. There can be several reasons for such a decrease in the performance of the hotel, and there is an urge need to resolve it as soon as possible in order to attain the objectives and goals.

**Lo2**

2.1 Recommend with justification, appropriate actions to overcome the identified weaknesses in the business

The identified weaknesses of the hotel are low motivational level of the employees of the hotel and dissatisfied customers. The objectives of The Portobello hotel are to enhance the overall market share and achieving customer satisfaction and to attain this proper use of the strengths and addressing weaknesses is significant. Furthermore, it has been identified that the hotel is needed to deal with the weaknesses (Wille, et al. 2017).

The first and foremost weakness of the selected hotel is the low morale of the employees or staff members of the organization. In order to enhance the low confidence of the staff members, the top management of the hotel can take several steps. Taking corrective actions are very important

in order to attain the predetermined goals and objectives. Moreover, the management of the hotel can deal with this weakness by properly communicating to the staff members regarding their issues, providing them training (if required), asking their suggestions and feedbacks, etc.

Apart from all these steps, identifying the motivational needs of the staff members and then motivating them is the key solution to address this weakness. The motivation for the employees can be provided in terms of monetary as well as nonmonetary benefits. The need of every employee is quite different, and that is why the way they are required to motivate also differs in several ways (Ayandibu and Houghton, 2017).

The other weakness, i.e. poor customer's service can be overcome by analyzing the needs of the customers and their expectation level. After this evaluation, on the basis of such expectation, the services must be provided to the customers. Also, the feedback, suggestions, and review of the customer visiting the hotel must be encouraged, and this can be done by various ways such as by conducting a survey, asking directly, social media platforms, etc. Asking their suggestions and reviews will make them feel like they the hotel values the customers and their requirements.

## 2.2 Analyze ways in which existing performance could be maintained and strengthened

The hospitality industry is a wide sector. There is a huge competition in the industry, particularly in luxury aspects. There are several ways of analyzing to maintained and strengthened. Following are the ways –

**SATISFACTION-** To keep customer happy and satisfy do whatever it takes, The Portobello Hotel has to work to maintain customer satisfaction on a priority basis, providing them services like taxi, food facility, laundry, and many other services (Rhodes, 2015).

**ORGANISED-** Being a hospitality employee has to be multitasking and organized in each and every manner. Portobello Hotel is a small enterprise still yet it is on the list. They are very organized and maintain time management. Time is only a precious thing, and Portobello hotel knows it well. Every work at Portobello hotel is organized on time.

**HYGIENE /SAFETY ISSUES-** Hotel should know all the rules and regulation about hygiene and safety issue because they apply to places where they serve foods, washroom, gardens, kitchen, and rooms. Portobello knows how to maintain cleanliness in the hotel.

**TECHNOLOGY-** To be a part in today's world. Hotels have to maintain the latest technology to getting work done faster or make the guest more comfortable. Portobello must find this area to be more powerful.

Portobello Hotel is doing well in these aspects to maintain them to be stronger in this sector (Burns, 2016).

### 2.3 Recommend with justification, new areas in which the business could be expanded.

There are many ways to expand business in the area through which business will grow. First of all, there is a need for capital behind. Before making any expansion work, the amount will depend on the business size. Hotels like Portobello who is small enterprises will start from managing the social media. Not only from the local area people also from other city or country too will know about the hotel, for this, but management also has to maintain effective social media to get high ratings and presence on all social media platforms like Twitter, Facebook, Instagram, and local websites. Infrastructure is the key to attracting more guests, make board rooms for meetings, conferences, and seminars, a place for small celebrations, dining hall, make the hotels not only for staying but for celebration and meetings too from this business will expand in the new area and make more revenue as well. Tie-up a contract with company's who do online marketing; from the past years booking patterns are subject to change dramatically (Bridge and O'Neill, 2017). Websites like make my trip, Hoteliers, etc. make a contract with them for online bookings. Now a day's guest will check on a click to make sure availability and rates. Make a special offer on festive season and celebration. Hotels like Portobello will give a special discount on Sunday stay offer and give discount up to 25%, gift vouchers. The membership card is also a new aspect to expand business guest; they build a healthy relationship with the guest and ensure that the guest will come again and again. There is a huge scope to expand the business but have to choose the right one (Burns and Dewhurst, 2016).

## **Lo3**

### 3.1 Produce an assessment of existing business objectives and plans.

The Portobello hotels have many objectives, but the main objectives of them are –

**Customer satisfaction-** The primary purpose of every business is to earn, and the primary source of earning is a customer for this hotel have to keep a customer satisfied whatever it takes. This is a cycle of making a profit. Customer satisfaction leads a hotel business high on demand.

**Enhancing market share-**Every sector wants to make their share high on demand in the market same as hotel industry also. We can enhance our market share through innovation, building a healthy customer relationship, acquiring competitors, etc. Market share is calculated by

measured by industry total revenue of the year. Higher market share will give industry many advantages (Cocks, et al. 2018).

For meeting, this objectives hotel like Portobello makes their plans to achieve them are as follow-

**BUILD REFERRAL CODES**-It takes a long time to make new guest, so many hotels using referral programs on their website through social media platforms and email. From this, we can increase our share in the market. Some guest will do according to their wish, but some need motivation Offer a giving a discount on next trip or gift amount it's a good motivator.

**SERVICES**- Hotels is a kind of industry where services are not enough. Provide new services and innovation to it will work better to satisfy guest, services like laundry wake up call, do not disturb, new technology, complimentary breakfast, room facility, soft-spoken and helping staff work great. Most especially maintain the dignity of the hotel simultaneously maintain cleanliness as well.

### 3.2 Revise plans to incorporate appropriate changes.

Changing is the rules of the world .More often say nothing is permanent. We have to change plans time to time or according to their necessity (Goss, 2015). To give a competitor better competition in the market to offer innovative services, new products, to gave something bigger and more valuable. Innovation makes business grow; Portobello plans to incorporate appropriate changes to develop business the plan.

The changes of plan are to make more revenue simultaneously to give more benefit and satisfaction to guest.

1. **PACKAGES**-Make a reasonable package of stay like honeymoon package, holiday package,tour package we can serve on website or social media platforms
2. **OFFERS** -Offer a special discount on birthday and anniversary.this will build a warm relationship with customer it makes guest to come again. This make a connectivity with guest on a long term.
3. **EVENTS**-Create an program on every weekend or festive dates with live music band,theme party,etc. if hotel follow new trends guest will follow , create new ways of celebration like color code theme, accodinf to celebration theme will decide.
4. **TRANSPORT FACILITY**-Pick and drop facility from airport , railway station and bus stand. cabs are also available for sight seeing or any other purpose of the guest.



5. TECHNOLOGY- Hotel industry is the business who never stop growing guest will demand for new technology and services. To update in the market, use latest technology
6. GIFT VOUCHER- Provide gift voucher, for stay or on a monetary term. we can gift voucher to our dear one on their special day (AlKhajeh and Khalid, 2018)

3.3 Prepare an action plan to implement the changes.

<b>Changes</b>	<b>Action plan</b>	<b>Financials</b>
PACKAGES	In order to get in action, management has to plan first how many days and night available in each package.	£150-£200
OFFER	First of it is required to make a card that is filled by guest to take advantages of special offer on their special day.	£190-£200
EVENTS	To implement these schemes we can put on social media platform so that more people can know about the events and celebration. Make hoarding in hotel so guest can read automatically on special event. Like new year eve.	£1000-£1500
TRANSPORT FACILITIES	Guest has to select that option on website so management will contact to the guest to know the details of the visitor of arriving time.	£300-£400
TECHNOLOGY	Prepare a list of new technology which is essential in the hotel. According to revenue brought them one by	£10000-£15000



	one.	
GIFT VOUCHER	Guest has to buy from hotel to give another one as a gift. It has some limitation over a people used only once and a defined time period.	£200-£270

## Lo4

### 4.1 Report on the impact of the proposed changes on the business and its personnel

The impact of the plans on the business and its personnel is negative or positive too. Business is all about risk-taking the risk for the important. Some plans create a positive impact on the business such as after installing the package system in the hotel people are more likely to stay in the hotel if their work finished in 2 day but package is for 3 days guest will take because its discounted price and hotel get advantage and hotel get benefits from over a food, laundry, etc. hotel get benefit (Thoresen, et al. 2018). Applying the event plan has impacted both in a positive way off course more people more profit but it also a negative impact because more guest also has responsibility. Transport facility is a benefit to the hotel; the guest feels happy from this service because to find a hotel after a journey is a task or in a new city or without cab facility is more challenging to enjoy the holiday. Building a healthy relationship with special customer offer is a part of their memorable celebration. And also make the guest come again and again. Mouth to mouth advertisement is the best advertisement if the customer is happy they must tell their friends and family. Gift voucher works less in the business but not in loss. Who will not like luxurious facility if the technology in the hotel is up to date then every guest will be happy and satisfied.

### 4.2 Plan how the changes will be managed in the business

PORTOBELLO HOTEL faces many challenges in its journey; some are good, or some are bad; everything comes with bane or boon. The team of the management has to manage all the difficulties which come in a way. Before creating event management, one has to plan each and every aspect of the event from start to end such as create a pass for the event so the team will know the number of guests is coming up, there will be no shortage of food such as quantity. Maintain the quality of the food. There is a certain amount to buy passes so everyone cannot

come only the real one will come (Hillary, 2017). Their categories are divided into four part such as for a couple, for single, for group or for family .The receptionist has the responsibility to know the guest timing when they are coming; there is no chance for any delay. There is a fixed time from morning to night when the cab is available except pick or drop facility or having some emergency. Special discount is not being given to everybody those are regular customer or guest who has to cross the target bill so that they get this voucher. If any guest cross the target bill will get a gift voucher which will use in next stay. It has some limitation only once it will be used on a fixed time or for the person who gets.

#### 4.3 Monitor improvement in the performance of the business over a given timescale

Portobello Hotel management team makes a strategy to monitoring the improvement in the performance of the business over a given timescale. The strategy is divided into part –first is employee feedback and second is make a team. Getting feedback management plan to create a questionnaire it will distribute to every employee of the firm to those whose feedbacks matters. Question is like their view on a particular activity, it is correct for the better performance if it is then how and why? If it is not it's also how and why? Any other suggestion and name of the employee. After viewing or study on the feedbacks the team will create among them. Employees who have knowledge of the activity or plan who has to be monitor. There are various points that have to follow like it is for a fixed period over a month or 6 month whatever it decided. Performance will judge by profit or public image (Copley, 2018). Team work is not only for monitoring it is for judging also keep eye on every employee is working according to the plan and strategy if there is a problem arise to accomplish the plan will solve by team only. Team has to notice every employee and every aspect. After the period complete they have to make and report which shows the plan or strategy is useful to the hotel if it useful then how and why if not then same. Measure the total expenses with revenue (Devins and Jones, 2017). The performance of the employee who is working in the plan and strategy after complete research report will make by team.

#### **Conclusion**

Hence, from the overall study, it has been identified that the small business enterprise has to take various steps in order to satisfy the needs of the customers and establish a strong position in the market. Furthermore, the weaknesses of the hotel can be addressed by enhancing the motivation

level of employees and enhancing the quality standards of the services provided to the customers.

MIRACLE SKILLS

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