Unit 202: Understand business success

# Worksheet 12: Understand the importance of profitability to hospitality (Tutor)

**Why do businesses monitor financial performance?**

One of the most important tasks successful business owners undertake is monitoring organisational and financial performance on a regular basis. Management who understand where the business currently stands from a performance standpoint as well as where it’s heading hold a huge advantage over those who choose not to.

**Why do businesses monitor customer service ratings?**

Guest satisfaction is key to any hospitality business and is a great indicator of how well your business is performing. Using guest satisfaction to dictate your business will allow you to take a long-term approach which will pay off in the end.

**Identify the three ways guests can feedback to the hospitality business:**

1. Verbal or face-to-face feedback: Important for dealing with complaints or issues, offers an opportunity to change a guest experience for the better
2. Guest surveys: Good for regular surveying and keeping track of responses
3. Online reviews: Invaluable resource with the ability guest personalisation.

**What does KPI stand for?**

Key performance indicator

**Describe the purpose of performance reviews within the hospitality business:**

A performance review is an evaluation process that promotes communication and useful feedback about job performance. It can facilitate better team working relationships, provide a historical record of performance and contribute to professional development.

**Identify three opportunities for members of staff to discuss during a performance review:**

Any of the following examples:

* discuss career development and growth aspirations
* suggest how to make improvements within the team
* learn about the aspirations and goals of the organisation and how you fit in
* share feedback on the manager’s performance.