

## Unit 202: Understand business success

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

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#### 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.