Title	Plan and develop business strategies for a hospitality establishment
Level	6	Credits	30

Purpose	This unit standard is for experienced people who are responsible for managing hospitality establishment operations. People credited with this unit standard are able to: review and manage financial management processes; research, develop price for, and monitor the success of products; plan and organise marketing activities; and implement continuous improvement systems and processes, for a hospitality establishment.

Classification	Hospitality > Hospitality Management

Available grade	Achieved

Guidance Information

1   Definitions
     Business strategy – the long-term direction and scope of an organisation, which aims to achieve advantage for the organisation through the configuration of resources within its operating environment, to meet the needs of markets and to fulfil stakeholder expectations.
     Establishment requirements refer to applicable procedures found in the following: establishment performance guidelines and standards; equipment manufacturer's procedures and specifications; Government and local body legislation.
     Hospitality establishment – any venue specifically operated to provide accommodation, conferences, food and beverage service, or other activity related to the provision of hospitality service to customers and users.
     Stakeholders – parties that have an interest in a company, and can either affect or be affected by its business. The primary stakeholders in a typical corporation are its investors, suppliers, employees, and customers.
     Yield – the income return on investment.

2   Evidence generated during assessment against this unit standard must be in accordance with establishment requirements. This includes:
     • policies, procedures and requirements
     • ethical codes of relevant professional bodies
     • any relevant legislative or regulatory requirements.

Outcomes and performance criteria

Outcome 1

Review and manage financial management processes for a hospitality establishment.

Performance criteria

1.1   Areas relevant to generation of profit or loss in current financial data are reviewed and analysed to establish initiatives for new plans.

> Range   may include but is not limited to – business plan, initiatives for the next financial cycle, cash flow trends.

1.2   Existing and potential accounting software is evaluated to ensure that it meets financial management requirement of the hospitality establishment.

> Range   may include but is not limited to – integrated data, ease of extraction, graphics options, report writing, what-if analysis options, flexibility.

1.3   Budgets are prepared and circulated to manager and supervisors.

> Range   includes but is not limited to – allocations of resources, estimates, delegations, tax requirements, compliance with due diligence.

1.4   Risks are managed.

> Range   may include but is not limited to – checking there are no opportunities for misappropriation of funds, checking systems are in place to properly record all financial transactions; evidence of two is required.

1.5   Financial records are reviewed and budgets are revised and amended where necessary to deal with contingencies.

> Range   includes but is not limited to – profit and loss statements, cash flows, ageing summaries.

1.6.   Audit trails are maintained to ensure accurate tracking and to identify discrepancies between agreed and actual allocations.

1.7   Financial reports and recommendations are prepared to establish financial viability of the organisation.

> Range   includes but is not limited to – structure and format of reports are clear, reports conform to organisational and statutory requirements.

Outcome 2

Research, develop price for, and monitor the success of products for a hospitality establishment.

Performance criteria

2.1   A proposal for a product is researched, developed and analysed according to establishment objectives.

          Range   analysis may include but is not limited to – evaluation of information sources, identification of product or service gaps, hospitality sector, hospitality market trends, distribution networks, marketing networks;
                      evidence of three types of analysis is required.

2.2   Internal and external stakeholders are consulted.

2.3   Distribution and marketing networks that support proposed hospitality product are identified.

          Range   may include but is not limited to – new technologies;
                      evidence of two distribution and marketing networks is required.

2.4   Product preferences and quality expectations of different consumer markets, including those with special needs, are analysed.

          Range   evidence of three consumer markets is required.

2.5   Issues that impact on establishing a product are identified and assessed.

          Range   may include but is not limited to – establishment's capacity to provide proposed product, any additional resources required, life cycle of the product, perishability.

2.6   Expected income and profitability are assessed and yield is estimated.

          Range   may include but is not limited to – nett delivery cost, product distribution network, commission structures, mark-up structures, required profit margin, mark up for profit, cost adjustments to ensure product is price competitive.

2.7   Pricing structures are clearly and accurately documented.

2.8   A product development plan is created and implemented.

          Range   may include but is not limited to – strategies, actions for marketing, communications, product testing, implementation.

2.9   Product development initiatives are monitored and any changes are identified
           and actioned.

           Range   changes may include but are not limited to – feedback, timeliness,
                       contractual obligations.

Outcome 3

Plan and organise marketing activities for a hospitality establishment.

Performance criteria

3.1   Innovative marketing opportunities are investigated and their suitability is
           evaluated.

           Range   may include but is not limited to – new technologies and media.

3.2   A project for marketing activities is developed according to marketing plan or
           other organisational systems.

           Range   includes but is not limited to – analysis of relevant market
                       information, legal issues, ethical issues, sustainability issues.
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3.3   Action plans are developed and implemented to address operational details.

3.4   Positive relationships with industry and media colleagues are established and
           conducted.

           Range   may include but is not limited to – use of networks, media
                       releases, media support packages.

3.5   Activities are reviewed according to agreed evaluation methods and incorporate
           results into future planning.

3.6   Reports are prepared in accordance with establishment requirements and
           required timeframes.

           Range   may include but is not limited to – market intelligence data.

Outcome 4

Implement continuous improvement systems and processes for a hospitality
establishment.

Performance criteria

4.1.   Systems are established to ensure continuous improvement processes are
           communicated to stakeholders.

4.2.   Change and improvement processes are established and entrenched to ensure
           sustainability.

4.3   Insights and experiences from business activities are captured and made accessible through knowledge management systems.

4.4   Strategies are developed to ensure that systems and processes are used to monitor operational progress and to identify ways in which planning and operations could be improved.

4.5   Strategies are adjusted and communicated to stakeholders.

4.6.   Strategies are developed to involve team members in decision-making processes.

4.7   Processes are established which include recording of work team performance to assist in identifying opportunities for improvement.

4.8   Effective mentoring and coaching processes are developed to ensure that individuals and teams are able to implement and support the organisation's continuous improvement processes.

4.9   Areas identified for further improvement are recorded.

Planned review date	31 December 2027

Status information and last date for assessment for superseded versions

Process	**Version**	**Date**	**Last Date for Assessment**
Registration	1	16 March 2017	31 December 2024
Review	2	2 March 2023	N/A

Consent and Moderation Requirements (CMR) reference	0112

This CMR can be accessed at http://www.nzqa.govt.nz/framework/search/index.do.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.