

Hotel management and hotel owner - when you wear both hats



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There's a terrible misconception by hotel management companies that hotel owners are interfering, ill-informed nuisances who should leave hotel management companies to do what they do - manage their hotels. Being a hotel owner and a hotel operator, I find myself in a quandary with this one; I wear both hats.



Hans via <u>pixabay</u>

We have recently been approached by a senior property consultant who advises hotel owners on the 'best fitting' management company to suit hotels. The consultant, in quite a tizz understandably, is at the eleventh hour, looking for a hotel management company to appease a hotel owner who has already driven away three major hotel management groups by his 'interfering and difficult' demands.

I understand that an owner who wishes to be actively involved poses an irritation to hotel management companies, but we have found – because we can comment from both ends of the deal – hotel management companies who are not prepared to negotiate the involvement of an owner often impede a good deal.

The Owner's Bill of Rights

This is precisely why BON Hotels, in our founding days as hotel owners who were forming a hotel management company, developed the "Owners' Bill Of Rights", a document which, as part of our contract, allows passionate owners guidelines for active involvement. Our Owners' Bill of Rights maps out the relationships between owner, representative, and operator. We are open to input from our owners: our strategy is to form relationships, to form a matrix of responsibilities and to make, collectively, a success of a property.

As an owner, I want to get involved; after all, it's my business isn't it? A rigid and inflexible relationship often sends owners running; this is when they decide to do things themselves, and that's when things go pear-shaped.

As we at BON Hotels move forward in attaining management contracts, we realise that now – more than ever – we have got to be better than other hotel groups in looking after our owners. Many of the large South African hotel groups own or have owned their own properties, and are not accustomed or equipped to owner involvement.

One critical question

During sticky negotiation stages with hotel owners, the best way to diffuse conflicts between owner and operator is to ask one critical question: "Is it in the best interest of the business?" Think about it - a primary reason outsourcing hotel management is not attractive to hotel owners is because neither party is thinking of what is in the best interest of the business. The owner wants the highest possible profit and the operator wants to extract the highest fees with the least input and service to the owner.

The reputation of hotel management companies in this country stems from refusing to do what is in the best interests of the business.

Views expressed in this article are solely that of the owner.

ABOUT GUY STEHLIK

Guy Stehlik is the CEO and founder of BON Hotels and Director of BON Hotels International West Africa. Having vast experience in all aspects of Hotel Management as well as having owned his own hotels, Guy created BON Hotels as an "owner-staff-community-guest" centric company to herald in and define an exciting new era in hotel management.

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