

---

## HOSPITALITY MANAGEMENT

### Overview

Hospitality is an important aspect of business and society. This event provides recognition to FBLA members who have the ability to help other people enjoy both leisure and business-related events.

This is a team event composed of two or three members. This event consists of two parts: an objective test and a performance. The objective test is taken collaboratively by the team members, and the top fifteen teams scoring the highest on the objective test will advance to the final round and participate in the performance component.

This event is a team event of two or three members.

### Competencies

<http://www.fbla-pbl.org/docs/ct/FBLA/HOSPITALITYMANAGEMENT.pdf>

### Website Resources

- American Hotel & Lodging Association  
<http://www.ahla.com/>
- Hospitality Management Resources  
<http://library.osu.edu/find/subjects/department-of-consumer-science/hospitality-management-resources/>
- National Restaurant Association  
<http://www.restaurant.org/>

---

## HOSPITALITY MANAGEMENT SAMPLE QUESTIONS

1. \_\_\_\_\_ is **not** part of the Marriott brand.
  - a. Springhill Suites
  - b. Courtyard by Marriott
  - c. Fairfield Inn
  - d. Hampton Inn

**Competency:** Current Hospitality Industry Trends

2. \_\_\_\_\_ means applying marketing principles and the components of the loyalty circle to the people who serve the customers.
  - a. Lifetime value marketing
  - b. Loyalty marketing
  - c. Frequency program
  - d. Employee relationship marketing

**Competency:** Current Hospitality Industry Trends

- 
3. \_\_\_\_\_ are thoughts that we think are fact, which we derive from perceptions.
- Attitudes
  - Values
  - Perceptions
  - Beliefs

**Competency:** Types of Hospitality Markets and Customers

4. Our \_\_\_\_\_ influence(s) how we judge and react to beliefs.
- integrity
  - values
  - intentions
  - attitudes

**Competency:** Types of Hospitality Markets and Customers

5. Keeping highly motivated, service-oriented employees does **not** require:
- complimenting or rewarding employees frequently
  - maintaining regular communications with employees
  - large budgets for human resource management
  - setting clear objectives and performance standards for employees

**Competency:** Types of Hospitality Markets and Customers

6. \_\_\_\_\_ means giving employees the authority to identify and solve guest problems or complaints on the spot, and to make improvements in work processes when necessary.
- Delegation
  - Job specification
  - Empowerment
  - Modification

**Competency:** Types of Hospitality Markets and Customers

7. \_\_\_\_\_ involve buying a specific time period (one or two weeks) to spend at a vacation resort.
- Time shares
  - Duplexes
  - Condominiums
  - Resorts

**Competency:** Environmental, Ethical, and Global Issues

8. Hotel guests buy:
- a place to stay
  - safety
  - the expectation of a great experience
  - basic needs

**Competency:** Environmental, Ethical, and Global Issues

- 
9. Energy management systems save massive amounts of money by controlling and monitoring all of the following **except**:
- a. heating units
  - b. security procedures
  - c. air conditioning units
  - d. lights

**Competency:** Environmental, Ethical, and Global Issues

10. Personnel from hotels attend trade shows around the world to:
- a. work with the competition
  - b. attract new business
  - c. enjoy time away from the hotel
  - d. learn new procedures

**Competency:** Environmental, Ethical, and Global Issues

11. \_\_\_\_\_ management includes all the activities necessary to plan, research, implement, control, and evaluate the marketing efforts of a hospitality and travel organization.
- a. Property management
  - b. Human resource
  - c. Financial
  - d. Marketing

**Competency:** Legal Issues, Financial Management, and Budgeting

12. \_\_\_\_\_ is the percentage relationship of an organization's sales to total industry or sector sales.
- a. Efficiency ratio
  - b. Market share
  - c. Sales analysis
  - d. Marketing cost analysis

**Competency:** Legal Issues, Financial Management, and Budgeting

13. Which of the following is **not** used to measure sales-force efficiency?
- a. number of inquiries generated per ad
  - b. average revenue per sales call
  - c. average sales-call time per contact
  - d. average cost per sales call

**Competency:** Legal Issues, Financial Management, and Budgeting

14. Advertising efficiency is **not** based on:
- a. cost per inquiry
  - b. conversion rate
  - c. cost per thousand persons reached
  - d. percentage of sales through various distribution channels

**Competency:** Legal Issues, Financial Management, and Budgeting

- 
15. What is a multinational hotel?
- addresses the needs of multicultural groups
  - has property in more than one country
  - employs citizens from foreign countries
  - has international guests

**Competency:** Human Resource Management

16. What are the responsibilities of the human resources department in a hotel?
- remuneration, event planning, and maintenance
  - sales, job interviews, and special events
  - employee benefits, accounting, and reservations
  - recruiting, training, and employee compensation

**Competency:** Human Resource Management

17. One form of non-traditional marketing is:
- quality marketing
  - service marketing
  - relationship marketing
  - loyalty marketing

**Competency:** Human Resource Management

18. A front desk agent informs the guest of the availability of a room with better accommodations or amenities. This process is known as:
- promoting
  - discounting
  - facilitating
  - upselling

**Competency:** Human Resource Management

19. \_\_\_ protects businesses from losses or damage claims by customers or guests.
- Liability insurance
  - Property insurance
  - No fault insurance
  - Risk management

**Competency:** Legal Issues, Financial Management, and Budgeting

20. The hotel or other hospitality venue pays a \_\_\_\_\_ for insurance coverage.
- rider
  - deductible
  - service fee
  - premium

**Competency:** Legal Issues, Financial Management, and Budgeting

- 
21. The \_\_\_\_ environment tells restaurateurs to whom they can sell liquor and when.
- sociocultural
  - ecological/natural
  - regulatory
  - physical

**Competency:** Legal Issues, Financial Management, and Budgeting

22. Workplace safety at a hotel is regulated by:
- USDA
  - PEDA
  - OSHA
  - U.S. Lodging Association

**Competency:** Legal Issues, Financial Management, and Budgeting

23. The last step an organization should do when they run a sales promotion is:
- measure the results
  - communicate the promotion to employees
  - make sure to fulfill the demand
  - define the promotion's target market

**Competency:** Hospitality Marketing Concepts

24. What is RFM analysis?
- recentness, frequency, and monetary value
  - relationship marketing
  - the percentage of room occupancy
  - the break even analysis of the promotion

**Competency:** Hospitality Marketing Concepts

25. The component of the hospitality product that management has almost direct control over is the:
- service product
  - physical product
  - service delivery
  - service environment

**Competency:** Hospitality Marketing Concepts

26. Perishability and fixed capacity affect product:
- size
  - life span
  - availability
  - heterogeneity

**Competency:** Hospitality Marketing Concepts

- 
27. The plan of action set forth in a marketing plan that includes time frames and who will implement the plan describes the:
- implementation plan
  - marketing action plan
  - objective action plan
  - segment action plan

**Competency:** Operation and Management Functions

28. Thorough data collection and analysis will allow determination of:
- data analysis
  - opportunities
  - target market
  - competitive advantages

**Competency:** Operation and Management Functions

29. What do Mission statements indicate?
- community goals for a company
  - the purpose of the company
  - profit analysis for a company
  - who is leading the company

**Competency:** Operation and Management Functions

30. Hospitality gaps that can be filled with property needs analysis include all of the following **except**:
- occupancy
  - market share
  - food sales
  - property taxes

**Competency:** Operation and Management Functions

---

## HOSPITALITY MANAGEMENT SAMPLE ROLE PLAY

### PARTICIPANT INSTRUCTIONS

- You have twenty minutes to review the case.
- Presentation time is seven minutes. At six minutes the timekeeper will stand and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
- The presentation is interactive with the judges who will ask questions throughout the presentations. The judges will play the roles of franchisee owners (Michael and Delaney) who operate twelve popular fast-food restaurants in Kentucky. The team's role as an outsourcing payroll company is to convince the judges to outsource their payroll to your company.
- Each team member will be given two note cards.

- 
5. Cover all the points described in the case and be prepared to answer questions posed by the judges.
  6. All team members must participate in the presentation as well as answer the questions.

### **PERFORMANCE INDICATORS**

- Explain the advantages of outsourcing services to another business for more efficient operation
- Demonstrate the ability to make a convincing businesslike presentation
- Demonstrate an understanding of the case and explain recommendations
- Display self-confidence through knowledge of content and articulation of ideas
- Explain the rationale for outsourcing work

### **CASE STUDY SITUATION**

Your team specializes in outsourcing payroll services. Rapidly growing restaurant franchises do not have enough time to keep up with payroll issues. Some of the most challenging payroll issues include federal and state payroll taxes, garnishment of wages, health care requirements, and 401k plans.

Founded in 1979 by Michael and Delaney Anderson, McDonald's of East Kentucky, Inc. owns and operates twelve Subway restaurants in nine communities throughout the mountains of southeastern Kentucky. The franchise which prides itself on presenting quality meals and being one of the area's preferred employers has approximately 600 employees.

McDonald's of East Kentucky, Inc. is challenged to sustain employee satisfaction. While the franchisee's profit-sharing plan was a significant benefit for its full-time employees with 30 percent of its employee base participating in the plan. The 401(k) was especially cumbersome and time-consuming to administer. The consensus was a 401(k) plan would be a better benefit because it empowered employees. The big challenge faced by Michael and Delaney was administering the 401(k) plan.

One of the most important things for any employee is getting paid accurately for every minute on the job. For a business, timely and accurate paychecks help to create a culture of employee satisfaction, which leads to better employee retention. For a business, timely and accurate paychecks help to create a culture of employee satisfaction, which leads to better employee retention. "In a service business, you don't have time to process your own payroll. There are too many other things to do. Your team must convince Michael and Delaney to alleviate employment related regulatory risks by outsourcing payroll tax filing, wage garnishment, tax credit process, and health care requirements for McDonald's of East Kentucky, Inc. In addition to being responsible for filing Federal, State, county, and city payroll taxes, the franchisee also faced the time-consuming tasks associated with wage garnishment processing and complicated health care laws. Compliance with all tax laws has become overwhelming for Delaney and Michael.

---

Possible Questions to Address:

- How will our employees feel assured that they will have quick resolution of payroll issues?
- What will be the management advantages associated with outsourcing our payroll to your company?
- How will changing national health care requirements be addressed by your company?
- What type of promotional campaign would you propose for domestic automobile
- Will your company provide payroll strategies in advance for our company to save money?



**Hospitality Management Answer Key**

1)D	11)D	21)C
2)D	12)B	22)C
3)D	13)A	23)A
4)D	14)D	24)A
5)C	15)B	25)B
6)C	16)D	26)C
7)A	17)C	27)B
8)C	18)D	28)B
9)B	19)A	29)B
10)B	20)D	30) D

**Overview**

Hospitality is an important aspect of business and society. This event provides recognition to FBLA members who have the ability to help other people enjoy both leisure and business-related events.

This is an individual objective test.

**Competencies**

<http://www.fbla-pbl.org/docs/ct/FBLA/HOSPITALITYMANAGEMENT.pdf>

**Web Site Resources**

- American Hotel & Lodging Association  
<http://www.ahla.com/>
- National Restaurant Association  
<http://www.restaurant.org/>
- 

---

**HOSPITALITY MANAGEMENT SAMPLE QUESTIONS**

1. Table-service dining refers to:
  - a. only four-star restaurants
  - b. high-cost restaurants
  - c. restaurants that employ servers
  - d. fast-food places
  
2. \_\_\_ are the major activities of the marketing process.
  - a. Manufacturing, promotion, distribution, and pricing
  - b. Research, production, promotion, and consumption
  - c. Identification, production, distribution, and consumption
  - d. Planning, pricing, promotion, and distribution
  
3. \_\_\_ is where a business stands in relation to other similar businesses.
  - a. Mission
  - b. Market share
  - c. Market position
  - d. Target objective
  
4. \_\_\_ travel involves traveling within the United States.
  - a. Interstate
  - b. International
  - c. Domestic
  - d. Global
  
5. Niche marketing involves which one of the following?
  - a. concentrating on a smaller, uniquely defined group of people
  - b. international travel to multiple locations
  - c. focusing on the widest possible population
  - d. avoiding complaints of discrimination

- 
6. Travel agents will:
    - a. not be affected by airline rate changes
    - b. prefer individual to corporate clients
    - c. provide the same service as online systems at a lower cost
    - d. earn commissions on reservations they make
  7. Yield management is:
    - a. the ratio of occupied to available rooms
    - b. not directly related to occupancy rates
    - c. a way of ensuring customer satisfaction
    - d. concerned with maximizing revenue from room sales
  8. \_\_\_\_ is an effective objective that a hotel supply business might develop before proceeding with the marketing planning process to achieve the objective.
    - a. Reduce prices on seasonal products
    - b. Develop advertising to appeal to a broad audience
    - c. Increase sales this year by 10 percent over last year
    - d. Hire more salespeople
  9. What amount is a hotel gift shop losing in a year if two employees give their friends the 25 percent employee discount on goods that sell for a total of \$1,500?
    - a. \$525.00
    - b. \$675.00
    - c. \$450.00
    - d. \$375.00
  10. \_\_\_\_ is an example of a housekeeping productivity standard for a hotel.
    - a. Four minutes to check in an arriving guest
    - b. Three minutes to unload a supply shipment
    - c. Five minutes to park a guest's vehicle
    - d. Six minutes to change sleeping room bedding
  11. Hotels that dedicate marketing personnel to build customer loyalty are called:
    - a. customer-centric
    - b. independent operators
    - c. single-image
    - d. franchise marketers
  12. Large hotels and resorts \_\_\_\_ to enhance their guests' experience during their stay at the facility.
    - a. offer discounted packages
    - b. sell related products
    - c. plan various activities
    - d. make dining reservations
  13. When a fax arrives that requires a guest's immediate attention, the hotel employee should:
    - a. have the document delivered to the guest right away
    - b. place the fax in a folder for the guest to pick up later
    - c. ask the bell staff to place the fax in the mail pick-up rack
    - d. call the guest's room and advise him/her about the fax
  14. Anytime that an employee has contact with a customer or when the service product meets the service delivery is referred to as:
    - a. service delivered
    - b. guerilla marketing
    - c. moment of truth
    - d. marketing differentiation

- 
15. Job shadowing is:
- not available for high school students
  - an Internet privacy issue
  - following a worker to learn about his or her job
  - usually a paid internship
16. Jon just received a letter informing him that someone else was hired for a hospitality job for which Jon had been interviewed. Since Jon didn't get the job, does he need to write an interview follow-up letter to the company?
- No, since Jon wasn't hired, he doesn't need to write.
  - Yes, the company will be expecting to hear from Jon.
  - Yes, he should have already sent the follow-up letter.
  - No, it's too late to send a follow-up letter.
17. One of the main reasons why people develop a network of friends and business associates is to:
- organize social activities
  - increase their educational level
  - identify career opportunities
  - understand the work environment
18. \_\_\_ is the department primarily responsible for communicating with guests and coordinating interrelated activities among the hotel's various departments.
- Front office
  - Housekeeping
  - Maintenance
  - Bell staff
19. A legal agreement to operate a business under the name of an already established business trade name or brand is a:
- corporation
  - sole proprietorship
  - franchise
  - management contract
20. \_\_\_ involves evaluating demand and selling prices that result in maximum revenue.
- Yield management
  - Room management
  - Customer feedback
  - Occupancy rate
21. When a hotel experiences a fire, earthquake, or tornado the motel staff should:
- not panic guests with details
  - call the local law enforcement agency
  - follow appropriate emergency procedure
  - call all rooms individually
22. The Internet:
- offers intermediaries to reserve hospitality and tourism services
  - has very little impact on the hospitality industry
  - has made a slower impact on society than television
  - has not proven to be an effective sales tool

- 
23. Hotels keep records of customers and their preferences using:
- business programs
  - sales records
  - guest-history database
  - purchased mailing lists
24. Hotels want to be included in the database of intermediaries because:
- they earn more commission from Internet business
  - they can reach more potential customers
  - they can collect information about customers
  - rooms can be rented for reduced rates
25. Hotel supply companies that operate at the international level should be aware of political factors such as civil unrest or \_\_\_\_\_ that affect trade.
- competitors
  - currency rates
  - business cycles
  - embargoes
26. The key feature of resort marketing is:
- presenting an economical package
  - marketing the experience more than the space
  - effective use of timeshares
  - taking advantage of off-peak rates
27. What is one of the greatest advantages of collecting primary data for a hotel marketing research project?
- Primary data can be gathered quickly.
  - Collecting primary data is inexpensive.
  - The data collected is most closely related to the project.
  - The market researcher may influence the consumer's response.
28. Personal selling is:
- creating and maintaining extensive partnerships with other companies in the same industry
  - a one-on-one presentation to encourage a customer to buy a product or service
  - an outdated strategy for maximizing sales in the hospitality industry
  - a promotion or set of promotions to encourage customers to buy products
29. \_\_\_\_\_ is a combination of related services in a single-priced product.
- Joint venture
  - Partnership
  - Alliance
  - Package
30. A company that sells high-ticketed industrial goods for large convention hotels will make the greatest impact with:
- advertising
  - personal selling
  - sales promotion
  - publicity

---

---

Hospitality Management Answer Key

1) C	11) A	21) C
2) D	12) C	22) A
3) C	13) A	23) C
4) C	14) C	24) B
5) A	15) C	25) D
6) D	16) C	26) B
7) D	17) C	27) C
8) C	18) A	28) B
9) D	19) C	29) D
10) D	20) A	30) B



# FBLA HOSPITALITY MANAGEMENT

## Performance Rating Sheet

Final Round

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Content</b>					
Problem is understood and well defined	0	1-5	6-10	11-15	
Alternatives are recognized with pros and cons stated and evaluated	0	1-5	6-10	11-15	
Logical solution is selected with positive and negative aspects of its implementation given	0	1-5	6-10	11-15	
Anticipated results are based on correct reasoning	0	1-3	4-7	8-10	
<b>Comments:</b>					
<b>Delivery</b>					
Statements are well organized and clearly stated; appropriate business language used	0	1-5	6-10	11-15	
Participants demonstrate self-confidence, poise, and good voice projection	0	1-5	6-10	11-15	
Demonstrates the ability to effectively answer questions	0	1-5	6-10	11-15	
<b>Comments:</b>					
<b>Subtotal</b>					<b>/100 max.</b>
<b>Dress Code Penalty</b> Deduct five (5) points when dress code is not followed.					
<b>Final Score</b>					<b>/100 max.</b>
<b>Objective Test Score</b> (to be used in the event of a tie)					

Name(s): \_\_\_\_\_

Educational Institution: \_\_\_\_\_ State: \_\_\_\_\_

Judge's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Judge's Comments:**