



Pre-opening

A unique model for the
international hotel industry

Hotel Solutions Partnership
Unlocking your strategic advantage

This presentation

- In compiling our pre-opening model, we, perhaps like many others in the industry in the past and present, started thinking from a departmental or functional point of view.
- However, in our view, a checklist that was developed only from such thinking would fail to recognise four critical matters.
- The enterprise, or business, viewed from the board room, seeks to address these matters in a holistic and integrated manner that adds long-term value to the brand and business.

In finalising and our work, we present the checklist under four broad themes:-

- Building a pipeline of demand
- Building operational capabilities
- Building corporate capabilities
- Building relationships with the owners / landlord / joint venture partners

This presentation

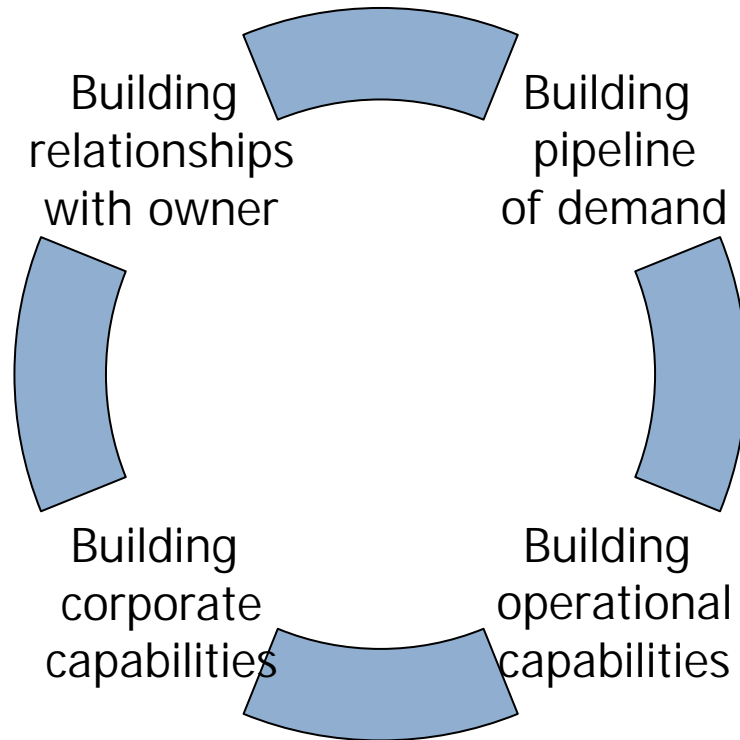
- Added value comes from professional project planning - the co-ordination of the right people, the right processes and right technologies to produce the required products and services on time. The Board needs to recognise and separately resource the project planning effort that is as critical to the company's future success as both its development and operational teams.

- The tasks required to open a hotel are likely to be very similar regardless of whether the hotel is
 - a resort or a city centre
 - managed or owned
 - new build or conversion

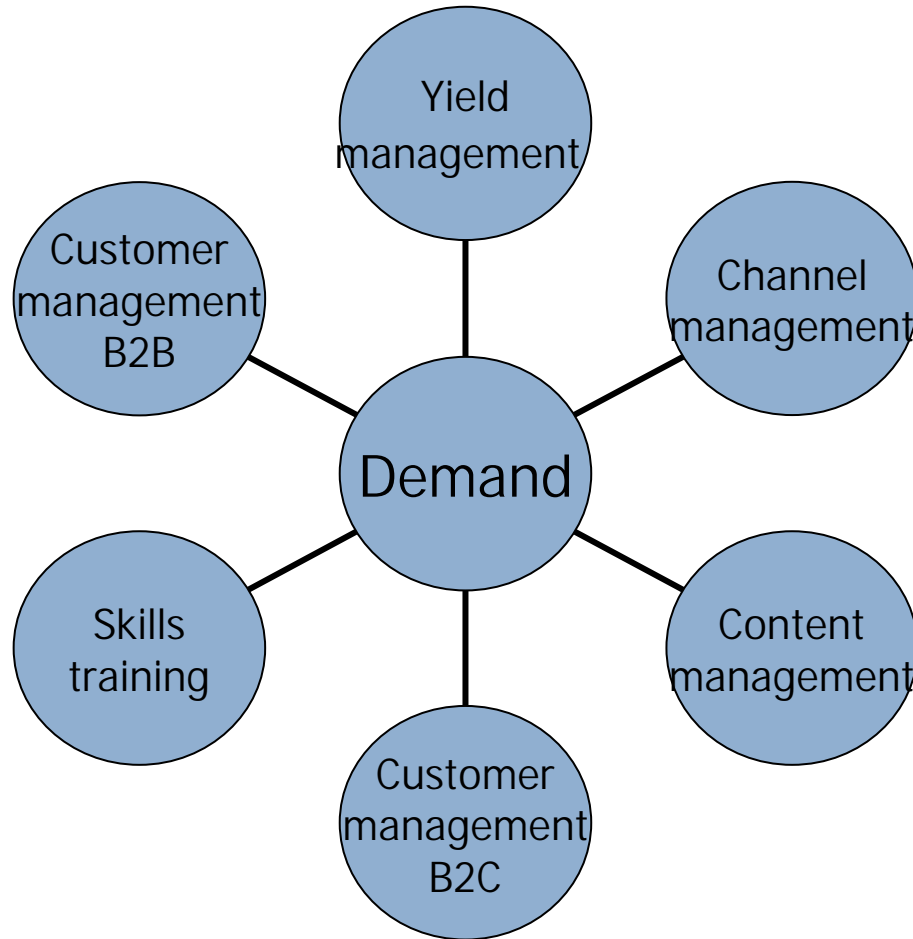
The tasks are likely to be largely the same whether there is a two year or a two month pre-opening period.

- The skills and competencies required during this phase are so significantly different to either development or operations that the Board would be well advised to staff the project pipeline completely separate from, and in a different manner to, either the development of the brand or the operation of the brand and hotels. The people required to complete the vast majority of the tasks of opening a hotel, or a pipeline of hotels under development, need not be either the members of the team(s) that will eventually operate the hotel(s) nor indeed from the management and staff of the brand / operator at all but could be independent consultants and contractors.

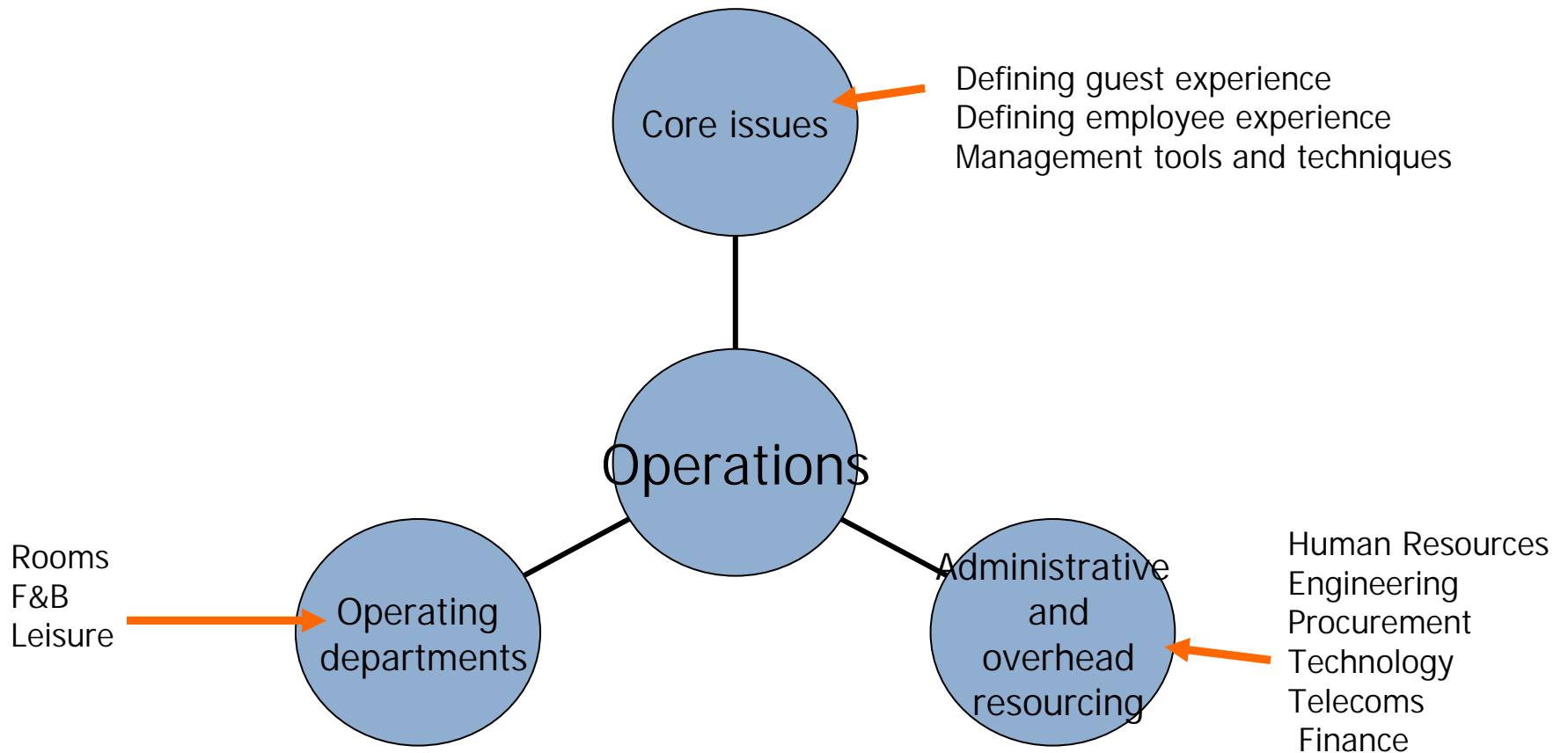
Four core processes



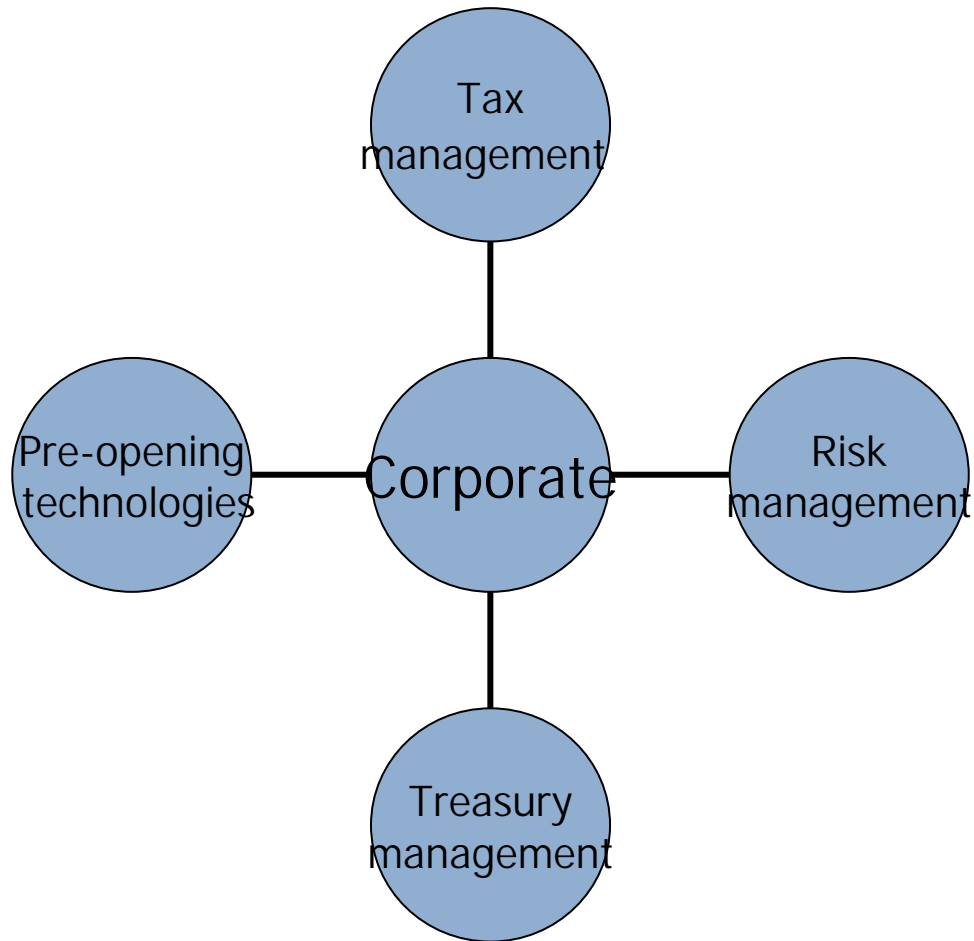
Building a pipeline of demand



Building operational capabilities



Building corporate capabilities



Mapping of processes

- We have developed a unique Gantt Chart capturing the scope, complexity and inter-dependencies of almost 300 separate sub-processes. We show the elapsed time that would be required for each sub task assuming a 12 month period of pre-opening.
- We drill down from the sub-task level shown in the above diagrams to the process level. We define the task and offer an indication of the elapsed time that can be anticipated for each. Importantly we also indicate those dependencies – which tasks need to pre-date later ones.
- We have had regard to each process or task - those that must be performed by the brand / operator and those that can be accomplished by either the brand / operator or by an external resource such as The Hotel Solutions Partnership Ltd acting under the guidance of and on behalf of the brand and operator.

Process map for a hotel pre-opening - summary

ID	Task Name	2004												2005		
		1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			1st Quarter		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
1	MANAGING PRE-OPENING	[Gantt bar spanning Dec 2004 to Dec 2004]														
2	BUILDING A PIPELINE OF DEMAND	[Gantt bar spanning Dec 2004 to Dec 2004]														
3	General	[Gantt bar spanning Dec 2004 to Dec 2004]														
9	Customer Management	[Gantt bar spanning Feb 2005 to Dec 2004]														
19	Content Management	[Gantt bar spanning Mar 2005 to Dec 2004]														
23	Channel Management	[Gantt bar spanning Mar 2005 to Dec 2004]														
28	Yield Management	[Gantt bar spanning Feb 2005 to Sep 2004]														
35	Advertising and Promotion Management	[Gantt bar spanning Feb 2005 to Dec 2004]														
42	Skills training	[Gantt bar spanning Aug 2004 to Dec 2004]														
44	BUILDING OPERATIONAL CAPABILITIES	[Gantt bar spanning Dec 2004 to Dec 2004]														
45	Core Issues	[Gantt bar spanning Dec 2004 to Dec 2004]														
49	Management Tools and Techniques	[Gantt bar spanning Dec 2004 to Dec 2004]														
55	Administrative and Overhead Resourcing	[Gantt bar spanning Dec 2004 to Dec 2004]														
190	Operating Departments	[Gantt bar spanning Dec 2004 to Dec 2004]														
270	BUILDING CORPORATE CAPABILITIES	[Gantt bar spanning Dec 2004 to Dec 2004]														
271	Tax	[Gantt bar spanning Dec 2004 to Dec 2004]														
275	Treasury	[Gantt bar spanning Dec 2004 to Dec 2004]														
283	Risk	[Gantt bar spanning Dec 2004 to Dec 2004]														
295	Legal	[Gantt bar spanning Dec 2004 to Dec 2004]														
313	PreOpening Technology	[Gantt bar spanning Dec 2004 to Dec 2004]														
321	BUILDING RELATIONSHIPS WITH OWNERS / LANDLORD / JOINT VENTURE	[Gantt bar spanning Dec 2004 to Dec 2004]														
322	Aligning Brand and business partner	[Gantt bar spanning Dec 2004 to Dec 2004]														

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