

Australian/New Zealand Standard

Excellence in Hospitality

Quality System Guidelines— Guide for the Hospitality Industry

The following organizations are represented on Joint Standards Australia/Standards New Zealand Committee QR/2, Quality of Service, the Committee responsible for this Standard:

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Australian Bus and Coach Association
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Australia Post
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Motor Inn, Motel and Accommodation Association of N.S.W.
Restaurant and Catering Association of N.S.W.
Testing Laboratory Registration Council of New Zealand
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Excellence in Hospitality

Quality System guidelines Part 3: Guide for the hospitality industry

PREFACE

This Standard was prepared under the direction of the Joint Standards Australia/Standards New Zealand Committee QR/2, Quality of Service.

It is issued as a Joint Standard under the terms of the Active Cooperation Agreement between Standards Australia and Standards New Zealand.

This Standard provides guidance only and is written so that it does not require reference to other Standards. However, it is recommended that users are aware of AS 3904.2/NZS 9004.2/ISO 9004-2, *Quality management and quality system elements*, Part 2: *Guidelines for services*, which provides a comprehensive overview of quality systems for services. Also, companies or individuals considering contractual situations or quality system certification should refer to AS 3901/NZS 9001/ISO 9001, *Quality systems for design/development, production, installation and servicing*, which establishes requirements for quality system elements that can be used for audit of the quality system, external quality assurance and quality system certification; this Standard does not add to, diminish or in any way alter these requirements.

This Standard was developed as a ‘user-friendly’ introduction to quality systems, using language and examples of applications relevant to the hospitality industry. It therefore represents a well-considered departure from normal Standards style and presentation, and is included in SAA/SNZ HB51, the ‘Excellence in Hospitality’ Handbook. Throughout this Standard reference to ‘the Standard’ should be interpreted as reference to the AS 3900/NZS 9000/ISO 9000 series of quality systems Standards. The language used is not intended to be gender-specific.

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AN INTRODUCTION TO QUALITY SYSTEM STANDARDS

Standards for quality management systems are a series of documents that provide organizations with a framework through which to—

- determine if an organization has a management system that will lead to the consistent delivery of products and services that meet customers' expectations; and
- establish a management system that will lead to the consistent delivery of quality products and services.

Organizations that follow the requirements of the Standards through implementation and ongoing management can be confident that they will achieve consistent delivery of quality products and services to customers.

Additionally, organizations can request appropriately-authorized third parties to audit their management systems against the requirements of the Standards and, if deemed to meet the requirements, can be certified accordingly. Third party certification can be specified as a contractual requirement by purchasers of products and services, such as government agencies.

The structure of Standards

Standards, including AS 3901/NZS 9001, *Quality systems for design/development, production, installation and servicing*, are divided into four Clauses, as follows:

- 1 Scope and field of application.
- 2 References.
- 3 Definitions.
- 4 Quality system requirements.

This Guide strictly follows the sequencing of these Clauses and provides examples of applications of each Clause in a hospitality context. The number of each Section in this Guide corresponds to the appropriate Clause number in AS 3901/NZS 9001.

The hospitality industry has selected AS 3901/NZS 9001 as the basis for this Guide because it identifies and describes all 20 key elements of a quality system, including those relating to design of services.

This supports the concepts of service specification, delivery and control as part of the 'service quality loop' developed in AS 3904.2, *Quality management and quality system elements, Part 2: Guidelines for services*. Much of the guidance in this Guide is drawn from AS 3904.2/NZS 9004.2.

The 'Excellence in Hospitality' Handbook, SAA/SNZ HB51, has been published jointly by Standards Australia/Standards New Zealand and Tourism Training Australia. The Handbook includes this Guide and is cross-referenced to and complementary to the Guide, providing a process for implementing AS 3901/NZS 9001 in a hospitality organization.

SCOPE AND FIELD OF APPLICATION (Clause 1)

This Guide identifies systems and operating methods that a hospitality organization should have in place to ensure that the quality of goods and services provided (such as food, and reception at the front desk) meets the expectations of customers.

The key to providing a standard of service that *consistently* meets the expectations of customers mostly lies in managing the processes that deliver the service. Accordingly, this Standard will focus attention on the management systems that underlie the business activities. It covers—

- service delivery activities provided by people;
- service delivery provided through the application of technology (such as gaming machines); and
- the preparation and service of food, beverage, accommodation and entertainment.

The Standard requires that the systems and methods be well defined and documented so that the organization can demonstrate to potential customers (and other interested parties) its capacity to produce quality goods and deliver quality services.

The main outcomes from applying the requirements of the Standard are as follows:

- The likelihood of below-quality goods and services being produced is minimal.
- Should quality problems occur
 - they are detected before reaching the customer; and
 - the means to prevent future problems are implemented.

In short, both the organization and customers can have confidence that goods and services will turn out ‘right first time’.

Four benefits result from this. These are—

- satisfied customers;
- high productivity for the business;
- employee satisfaction; and
- improved competitiveness for the hospitality industry in the international marketplace.



SERVICE AND SERVICE DELIVERY CHARACTERISTICS

Organizations should take a number of key elements into account in deciding how they design and manage service delivery. These elements are identified below.

Outcomes for the customer

The requirements of a service need to be clearly defined in a way which—

- is observable;
- describes the competencies that a service provider should demonstrate; and
- is able to be evaluated by customers.

NOTE: Service standards should only be seen as setting minimum acceptable levels and not as a barrier to higher levels of service.

Service delivery processes

The processes that directly affect service delivery need also to be defined.

Evaluation

The organization providing service needs to be able to evaluate the actual service delivery against a set of defined standards. These standards should state the outcomes and processes that are acceptable.

These aspects must be measurable—some may be measured by customers and some may be more appropriately measured by the organization. Records of these measurements should be kept.

CONTROL OF SERVICE AND SERVICE DELIVERY CHARACTERISTICS

Once a service is in the course of being delivered to a customer, it is usually impossible to correct any errors which may occur. In most cases, the control of service and service delivery characteristics can only be achieved by managing the process that delivers the service. Therefore, measurement and control of the process are essential to achieving and maintaining the required service quality.

The more defined the preparation and service delivery process is, the greater is the opportunity to apply quality improvement principles.



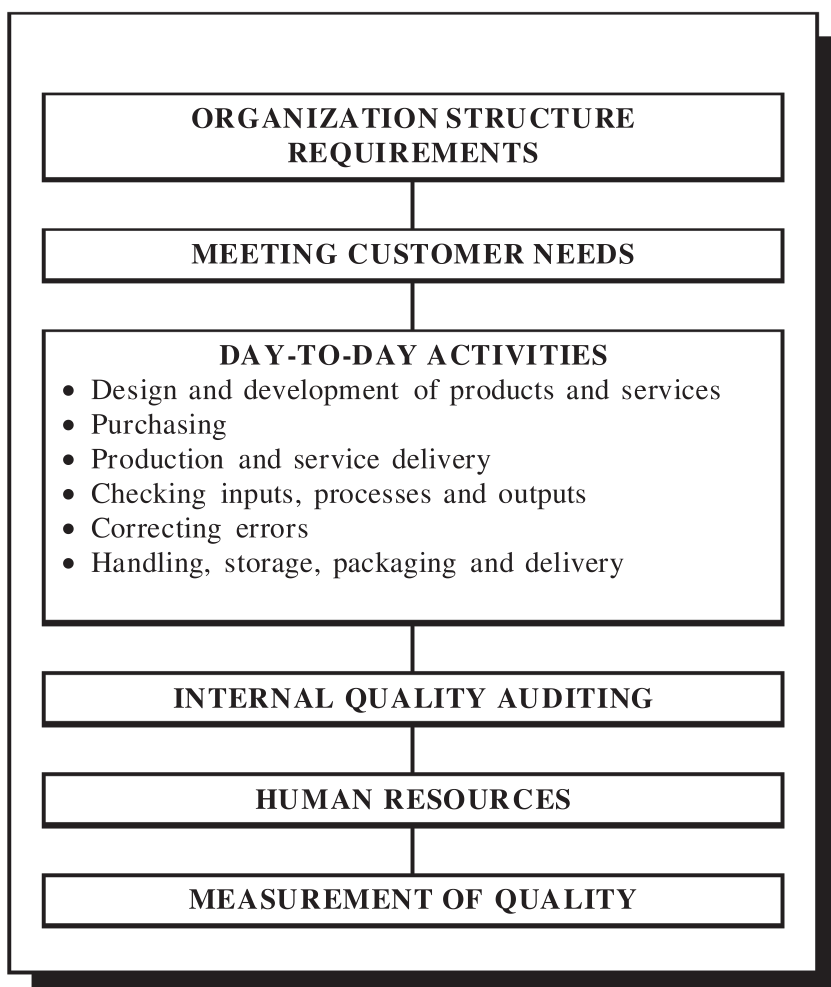
REFERENCES AND DEFINITIONS (Clauses 2 and 3)

In AS 3901/NZS 9001, these Clauses list references and cover definitions for quality that are used and published by Standards Australia and Standards New Zealand.

QUALITY SYSTEM REQUIREMENTS (Clause 4)

The remainder of this Guide defines the procedures and practices a hospitality organization should have in place in order to ensure that its products and services will meet defined quality standards.

These procedures and practices can be broadly classified as follows:



4.1 MANAGEMENT RESPONSIBILITY

4.1.1 QUALITY POLICY

A hospitality organization can consistently deliver quality goods and services to customers only when all staff understand and accept their responsibilities for achieving defined standards in their work.

Central to this understanding is a clear statement by management covering the following points:

- The importance of quality and the organization's commitment to delivering it on all occasions to customers.
- The grade of service to be achieved.
- The image and reputation the organization wants to portray.
- Specific service quality objectives to be achieved.
- An outline of how the objectives are to be achieved.
- The roles and relationships of personnel and work units in implementing the quality policy.

Such a statement forms the basis of a Quality Manual—a written document that defines and displays corporate commitment to quality. The Quality Manual can be the result of a team effort, in which case the opportunity for input from all people in the organization will maximize 'ownership'.

The Quality Manual revolves around a quality policy which should, of course, be set within a strategic framework that takes into account a marketing perspective.

In other words, quality customer service should be adopted as a means through which the organization's primary business objectives are achieved.

Further, the service that is delivered should be what existing and potential customers want and, by achieving service delivery standards, the organization should be able to obtain a reasonable share of the market.

The quality policy should be relevant to the organization, its other policies, the products or services provided and the organization's people.

A primary outcome of the policy should be that all personnel know what is expected of them in terms of their responsibilities and it should give them the freedom to act and make decisions to bring about the delivery of quality service.

Given that management is usually absent when a service provider is in the act of delivering service to a customer, it is essential that policy conveys a sense of decision-making freedom to the service provider. This is necessary so that the service provider can maximize the quality of the customer's experience and minimize the impact of problem situations.

The Quality Manual should be issued under the signature of the General Manager¹ and made available to all staff.

Detailed procedures and work instructions should also be prepared to complement the broad guidelines of the policy statement.

¹ The term General Manager is used throughout this Guide to refer to the Chief Executive of the organization and, unless otherwise specified, this term includes General Manager, Manager, Owner, Licensee, Club Secretary/Manager.

4.1 MANAGEMENT RESPONSIBILITY

4.1.2 ORGANIZATION

RESPONSIBILITY AND AUTHORITY

Everybody in the organization should agree to his or her responsibilities and authority as defined in a written format. 'Everybody' includes both management and line staff.

This definition of responsibility is usually in the form of a Job Description which should specify at least the following particulars:

- Scope of the work covered by the position.
- Responsibilities of an incumbent in the position, covering activities and customer outcomes.
- Authority limits, particularly in the areas of decision making and expenditure of money or resources.

All employees should have copies of their Job Descriptions. Managers should communicate to their staff what they expect of them; in particular, the quality standards to be achieved while performing work.

The primary method of such communication should be written—by way of the Job Description. Oral communication should be used as a secondary method of communication, perhaps to temporarily modify Job Description elements or to address ad hoc situations. Whichever method is used, people need to know and understand their responsibilities in terms of what they should do to—

- identify products and services that do not meet defined quality standards;

- record the details of quality problems so that analyses of causes and corrective action can be implemented;
- determine how to solve quality problems and prevent future occurrences;
- check to ensure that problems are, in fact, fixed; and
- identify opportunities to
 - improve the quality of products and services delivered to customers;
 - improve the range of products and services made available to customers; and
 - improve the efficiency with which the organization prepares products or delivers service.

Organization charts should be produced, kept up-to-date and published.

NOTE: Although personnel with defined responsibilities can be instrumental in the attainment of quality, they do not create it. Quality is a product of the organization's quality management system, which should encompass all of the resources, functions and interactions of the organization, its policies and its objectives for quality improvement.

MOTIVATION

The ways in which organizations are structured and function influence many aspects of human performance. The overall goal should be to create a work environment in which all staff—

- want to provide a quality of service that consistently meets customers' expectations; and
- have the skills, goods, equipment and time to provide the service.

People will usually be motivated to achieve high levels of performance under one or more of the following conditions:

- **Objectives and strategies**

When staff understand both the organization's objectives and the key strategies for achieving these objectives.

Application:

Conduct orientation training programs. Orientation usually works best when the General Manager (or a senior manager) personally welcomes new employees and tells them what the organization considers important—particularly in terms of service delivery.

- **Expectations and responsibilities**

When staff know what is expected of them and understand their responsibilities.

Application:

Job Descriptions are a very useful tool to communicate expectations and responsibilities.

- **Skills usage and upgrading**

When staff have the opportunity to use their skills for career development and are recognized accordingly.

Application:

Job Descriptions should be available to all staff. The contents of Job Descriptions should provide the criteria for appointing staff to positions within the organization. In this way, people can identify the skills and personal attributes needed for career development.

Performance reviews are an ideal way of recognizing staff performance and should occur on a regular basis. When tied back to Job Descriptions, they provide an objective form of measuring performance.

- **Organization**

When work is organized within work units and flows systematically between work units.

Application:

Establish a structured review of work practices, with the involvement of management and staff at all levels.

- **Contribution and recognition**

When staff have a genuine opportunity to contribute to the improvement of service quality, and are recognized and rewarded appropriately.

Application:

Ask staff to identify problems with, and to suggest how to improve, work processes and service delivery.

COMMUNICATION

An organized and systematic approach to communication processes is a key element of all successful service organizations. The following dimensions of communication usually need to be addressed:

- **Individual dimension**

Service delivery personnel need to be skilled communicators so that they can successfully serve customers.

Application:

Interpersonal skills training programs should be established for all service staff.

- **Within-team dimension**

Communication within work groups should flow openly and freely among members.

Application:

Within-team communication can be facilitated by work group quality improvement forums involving participation and contributions by all staff. Quality improvement forums meet on a regular basis and focus their activities on identifying—

- *existing problems with service preparation and delivery processes;*
- *means of overcoming the problems; and*
- *opportunities to provide an even better quality of products and services.*

- **Team interface dimension**

Communication should flow openly and freely between work groups.

Application:

Regular information exchange and problem-solving meetings should be held between management and/or representatives of interacting work groups.

- **Management dimension**

Communication at the management level should be constant and comprehensive.

Application:

Regular management briefings should be held at the executive management level. Meetings should address at least three dimensions, namely—

- strategic planning and coordination of between-department activities;*
- information sharing on within-department activities; and*
- review of performance against objectives for quality of service.*



Verification resources and personnel

Desired standards of service quality will seldom be achieved without a formal system of checking that the defined procedures are in place and are followed.

Those charged by management with this responsibility need sufficient resources (e.g. money, equipment and time) to do their job. They should also be trained in methods of checking and should be independent of the people who actually do the work.

Checking is usually necessary in the following areas:

- Design and development of new products and services.
- Production of food and beverage products.
- Preparation for service delivery.
- Delivery of service to customers.
- Updating products and services to meet the latest standards.

Application:

- (1) *A member of the management team who does not have direct responsibility for the housekeeping department would be charged with the responsibility for checking that room attendants have sufficient linen to make up bedrooms to the defined standards.*
- (2) *Management meetings would regularly review and action responses on customer comments cards which seek feedback on the quality of products and services delivered to customers.*

On a day-to-day basis, staff who perform specific tasks should check their own work wherever possible. Of course, there will be times where the checking should be done by a supervisor.

Application:

Room attendants check their own work.

When implementing the provisions of Clause 4.17 Internal Quality Audits, the person doing the internal audit must be appropriately trained and independent of the tasks performed.

Management representative

The General Manager should allocate to a senior manager responsibility for ensuring the implementation and ongoing maintenance of the provisions of this Guide (and the associated Handbook, if applicable). This senior manager should have the required authority and power to act on all aspects of quality management.

Application:

If the senior manager works full-time in the area of quality the position would normally be titled Quality Manager. Alternatively, the senior manager may assume this responsibility in addition to existing responsibilities.

Experience has shown that it takes up to two years to make significant progress in effecting a major organizational change program designed to achieve the maximum benefit from implementation of Quality Standards. Accordingly, this responsibility should be set in at least a two-year time frame. Also, there is an ongoing requirement to maintain standards which will need continued senior management input and involvement of all personnel. An approach to quality management based on teamwork is more likely to succeed than one which tends to isolate quality as a separate function.

4.1 MANAGEMENT RESPONSIBILITY

4.1.3 MANAGEMENT REVIEW

Management should regularly review the adequacy of the organization's quality system to ensure that it is suitable and effective. The review process and outcomes need to be documented.

The management review is the peak control mechanism in the whole quality management process. Key senior management must be actively involved in the review process.

The following sources of information may provide appropriate indicators of suitability and effectiveness:

- Results of service performance analysis information.
- Customer complaints.
- Customer comment cards.
- Staff suggestions and requests for improvement.
- Review of training given and training needs.
- Monitoring quality improvement through data and statistics.

- Findings of internal and external audits on the implementation and effectiveness of the quality system.

Quality management Standards require that a person or persons independent of the actual preparation and service delivery processes regularly takes an audit of the processes. This is to ensure that the requirements are, in fact, being followed.

The results of the audit are reviewed by management to ensure the quality system is effective and suitable for the organization's objectives for quality of service. From time to time, this review will lead to changes in the system.

In the hospitality industry, management needs to continually review service delivery performance. Sources of information, methods of communication and feedback are discussed in Sections 4.1.2 and 4.3.

Application:

(1) Management meetings to review responses on customer comments cards should assess trends in the nature and basis of problems identified to determine if the existing quality system is adequate.

(2) Independence of the internal auditor would be achieved if, for example, the Food and Beverage Manager were to audit the quality assurance processes of the front office; or if the Front Office Manager were to audit the quality assurance process of the Sales and Marketing Department.

