



ICM

SEPTEMBER 2017

FUNDAMENTALS OF THE HOTEL & CATERING INDUSTRY

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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1. Firms operating within the hotel and catering industry display characteristic features of economic significance that distinguish them from other organisations. Examine the role in the economy that the hotel and catering industry plays in EACH of the following areas:
 - a) Provision of outlets for the products of other industries
 - b) Attracting visitors to the area
 - c) Provision of facilities
 - d) Employers of labour
 - e) Provision of amenities for local residents[20]
 2. When backed by buying power, wants will become demands.
 - a) Discuss the main types of demand generating source which a hotel may experience. [10]
 - b) Describe the characteristics that will distinguish between various types of hotel guest. [10]
 3. A record for every guest will be maintained by front office staff commencing with the process of an enquiry for a room reservation.
 - a) Explain what information is recorded on EACH of the following front office documents:
 - i Guest list
 - ii Room status board
 - iii Hotel register
 - iv Daily arrival list
 - v Reservation chart
 - vi Reservation form[18]
 - b) Determine which of the records listed above is complimentary to the distribution of guests' incoming mail. [2]
 4. The food and beverage operating cycle comprises a number of progressive stages. Examine activities that will be expected to take place at EACH stage listed below in relation to food and beverage operations:
 - a) Purchasing
 - b) Receiving
 - c) Storing and issuing
 - d) Preparing[20]
 5. Training is a sequential part of the recruitment, selection and induction process of employees.
 - a) Examine how a hotel will benefit from ensuring staff receive appropriate training. [14]
 - b) Discuss how a hotel manager may develop the quality of existing staff, and thereby increase sales revenue. [6]
 6. Costs associated with each process in a hotel must be calculated correctly and allocated to the appropriate department. Examine how variable costs in a hotel may be reduced. [20]

continued overleaf

7. The financial department in a hotel will be involved in keeping a daily record of all asset and liability transactions.
- a) Specify information that may be found in an operating statement. [5]
 - b) Discuss the main operating ratios that are monitored during the day-to-day control of a business. [10]
 - c) Differentiate between departmental net profit and departmental gross profit. [5]
8. The hotel and catering industry comprises a wide range of hotels of different sizes, many of which are privately owned smaller-sized establishments. Examine how a small hotel may gain a greater share in the market place. [20]