GUESTHOUSE AND SMALL HOTEL TRAINING GUIDE

ILO - ASEAN Small Business Competitiveness

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About C-BED

Community-Based Enterprise Development (C-BED) is a low cost, innovative training programme designed by the International Labour Organization (ILO) to support skills development and empowerment in local communities for improvements in livelihoods, productivity and working conditions.

As an approach to training, C-BED is unique in that the programme is built around peer-to-peer, activity based learning methods with no role for teachers, experts, or external consultants specialised in the skill area. Instead, C-BED participants work together through a series of activities and discussions guided only by simple step-by-step instructions in the training manual. New knowledge, skills and competencies are developed through the interactions between participants and sharing of existing local knowledge and experience. In this way the programme is a low cost, sustainable option for any organization or community.

The C-BED programme is structured around two core training packages designed to develop competencies for business start-up and operation through a focus on marketing, financial management, and action planning. These are the C-BED for Aspiring Entrepreneurs and C-BED for Small Business Operators. Additionally, a growing suite of tools to strengthen business competencies and enhance skills for specific sectors is in continual development. These packages can be implemented as either stand-alone trainings or integrated in modular format into existing programmes.

About The Guesthouse Package:

The Training Package:
The guesthouse package should be used to help aspiring and current guesthouse managers and owners start and improve their businesses. It focuses on key business principles to build on from what participants already know from managing their guesthouses and helps them to learn more. It can also build on from the learning in other C-BED tools namely SBO or AE. Participants bring experience to share and leave with a priority action plan (at least 3 actions to introduce improvements to their business). At the end of the training participants will have:

- Enhanced and advanced existing knowledge on guesthouse development
- Strengthened critical competences to analyse job prospects or current conditions of work
- Affirmed the potential of enterprise development
- Identified steps and actions to improve a business or launch a business idea
- Decided on actions for the future
- Started planning effective collaborations and associations
The Good Practice Guide:
During the training day participants will be introduced to and become familiar with the Good Practice Guide (GPG), which they will then be able to use to further their learning and to support them in setting up or improving their businesses. The GPG contains best practices, tools and extra activities that supplement those covered in the training to further support the participants in setting up or improving their businesses. The exercises may depend on the GPG but if the participants do not have this guide this should not prevent them from moving forward, if necessary skip that activity. Look out for this icon:

Here you should refer to the Good Practice Guide for more information.

Message to the Group

At the end of this C-BED training you will have a clear plan for the practical steps you can take to start or improve your business. Your understanding of the basic principles of doing business will be much stronger and you will have begun relationships with others in your community that can potentially support or cooperate with you to achieve mutual success in the future.

The style of this training is different to traditional education approaches. There will be no teacher, trainer or expert to assist you. Instead, you will work together as a team to follow the simple step-by-step instructions for discussions and activities in your training guide. Because there is no group leader, all group members should take a turn reading the information and instructions out loud to the group, and all group members share responsibility for monitoring time. In this new style of training, we will learn from each other by sharing ideas and opinions, skills, knowledge and experience. For this to work, all group members must participate in discussions.

Before and after the training you will be asked to complete a survey to understand the impact of the training. This information will be kept confidential and is used to improve the training materials and organization of future programs. Some trainees may also be contacted in the future after 3, 6 or 12 months for another survey to learn about your business plans.
The instructions in the training guide are easy to follow and suggested timing for each step is provided. Look out for these signs:

- **When you see this sign, read aloud**
- **When you see this sign, you are reading instructions and doing activities**
- **When you see this sign, share with the group**
- **This sign gives you the estimated time for the session**
- **Use the flipchart as outlined in Appendix 1, if you don’t have a flipchart use extra paper or the Training Guide**

Before you begin the training, follow the simple steps below to get organized.

Fill out the pre-training survey. Ask the organizers if you don’t have a copy or have not already filled it in.

Organize into small groups of 5-7. The organizers will guide you in how best to do this. Identify one group member to volunteer to start the training as ‘Group Reader’. The ‘Group Reader’s’ role is to read the information and activity instructions out loud to the group. Any group member with basic literacy can be the ‘Group Reader’ and you should aim to share this role among group members throughout the training.

All group members are responsible for monitoring time but one group member should be nominated for each session to remind the group when the suggested time for a step has been reached. You do not strictly need to follow the suggested timing but you will need to manage your time for the total training. If one activity lasts longer than the suggested timing, try to save time in other activities to keep the balance.

All group members will receive the same training guide. Individual work can be completed in these guides as well as group work. Groups may also like to complete activities together on flipchart paper if available.

Enjoy The Training!
Session 1: Introductions
Session 1: Introductions

20 Mins

Session overview:

In this session you will get to know one another and the style of learning in this training. We learn without teachers. You help each other by sharing your different experiences and ask questions if you don’t understand an activity. The objectives of this session are to:

- Know the names of some of the trainees
- Understand the style of learning for this course, including activities and group work
- Understand the importance of contributing ideas and suggestions

Activity 1A: Getting to Know Each Other

In Activity 1A, you will do some brief introductions so you can get to know one another.

20 Mins

1. Each person introduces themselves by providing:
   - Full name and any nickname you prefer to use during the session
   - Guesthouse address
   - How long your guesthouse has existed (if applicable)
   - Your purpose for attending this session and how you expect it to help your business

2. Each person shares a photo, business card or drawing of their guesthouse for others to see. Place this on the wall or in the middle of the table, or allow others to see it on your mobile phone.

3. Fill in this sheet below (if not now, then during tea breaks and lunch time
In this activity you have gotten to know who your peers are and a little about their businesses.

<table>
<thead>
<tr>
<th>Participant name</th>
<th>Guesthouse address</th>
<th>Phone number / Email address</th>
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<tbody>
<tr>
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Session 2: Creating System
Session 2: Creating Systems

In this session you will look at the value of using systems to ensure smooth operation of your guesthouse or hotel. You complete 3 activities. The objectives of this session are as follows:

- Identify the benefit of a systems-based approach to management
- Identify businesses failing to adhere to a systems-based approach
- Become familiar with the GPG
- Learn that the GPG will help them create systems to improve your businesses.

Activity 2A: Examples

In Activity 2A you will hear the stories of two guesthouses as told by some recent guests to help you to understand the value of systems in guesthouse and hotels. You should listen carefully to their experience to help you complete the next activities. Is there someone who would like to read us the first story? We have 10mins for this activity.

[5mins] The Story of the Blue Guesthouse

Two years ago, Ms Kim became the manager of the Blue Guesthouse, a beautiful old house with 10 guestrooms near the centre of town. Ms Kim was very happy. She had always enjoyed walking by the Blue Guesthouse, and she was looking forward to working there. But during her first week, Ms Kim was sad to hear so many complaints from customers. Here are some of the comments she heard from them:

- “Why was there no hot coffee this morning? Doesn’t breakfast include coffee?”
- “Why are there spider webs on the ceiling in my room? I’m afraid of spiders!”
• “Why couldn’t someone help me find my sunglasses?”

When Ms Kim asked her staff why was there no hot coffee this morning, they did not know why. There was no one assigned to making the coffee and while anyone could make it, no one did. She then asked her staff why are there spider webs on the ceilings of the guestrooms? The Housekeepers did not know why but explained that because of the climate there were always spiders. When Ms Kim asked about the sunglasses the employees reported having seen some in the breakfast room but not knowing what happened to them.

Ms Kim was curious that the guests were complaining but the staff did not seem bothered. The Receptionists and Housekeepers simply said that customers always complained.

Now, two years after she became the manager of the Blue Guesthouse, Ms Kim is not so happy about her job. She hears the same complaints all the time and now she also says also adopted the attitude that customers simply complain and that there is nothing to be done.

Is there someone who would like to read us the second story?

[5mins] The Story of the Yellow Guesthouse

Mr Lee is the manager of the Yellow Guesthouse. It is a 10-room guesthouse in a quiet neighbourhood, a few blocks from the centre of town. The Yellow Guesthouse is small, and the rooms are small, and it has a lovely flower garden. Everyday, Mr Lee puts fresh flowers in all the rooms. As he walks through the guesthouse, he smiles. He enjoys listening to the comments from his guests.

• “I don’t want to leave. I’ve enjoyed staying here so much.”
• “The staff are incredible! The housekeeper even took my shoes to be repaired.”
• “Our room is small, but it’s so clean and comfortable, I don’t mind.”
• “I’m going to recommend the Yellow Guesthouse on the Internet.”

After he distributes fresh flowers throughout the guesthouse, Mr Lee walks to the kitchen. It’s time for breakfast, and many guests are dining, but the kitchen is clean and neat. Mr Lee looks at the checklist posted on the back of the kitchen door. He looks around and notices that every task on the list has been done.

The senior Housekeeper is the cook, and he watches with pride as he quickly and efficiently prepares the food. Before the breakfast service started, she arranged everything she needed. Now she can concentrate on cooking, and she doesn’t have to look for anything as it is all there.
In the dining area, before he starts to chat with the guests, he takes a quick look around and sees that everything is in order. There is plenty of coffee and hot water for tea. The condiments and napkin holders are clean and on every table. The floor and tablecloths are clean and everything has been done.

Mr Lee has managed the Yellow Guesthouse for ten years. He still loves his job. He treats his employees very well, and they are very loyal to him. He knows he can count on each one of them to do exactly what they need to do. In fact, Mr Lee knows that they will do even more than that. For instance, they have taken a guest’s shoes to be repaired, helped a guest mail a package and found soymilk at the market when a guest requested it.

The guests are happy meaning that the employees are happy and Mr Lee is happy. Mr Lee is convinced that the secret and root of his success is the systems he has in place.

In Activity 2A you have heard stories from two different guesthouses and the perception of the guests. You heard how systems helped to improve guest, employee and manager experience.

**Activity 2B: Group Discussion**

In Activity 2B you will review the term system, and discuss the value of systems in guesthouse and hotels.

What is meant by “systems?” Let’s look at Flipchart 2. A system: A set of detailed procedures created to:

- Do a specific activity
- Perform a duty
- Solve a problem efficiently and with consistent quality

If you want your guesthouses to run efficiently and with consistent quality, one of the best things you can do is create systems. The Good Practice Guide (GPG) will help you do this. The GPG has many suggestions for creating systems for guesthouses and hotels. They will help you create systems to improve your managerial skills, help you train your staff, and to help you impress your guests. Let’s take a brief look at section 1.

Do systems have to be complicated? Let’s look at Flipchart 2. No. A good system
often starts with a clear, easy-to-follow written checklist. It does not have to be complicated. A simple checklist will clearly let employees know exactly what is expected of them and that is the sign of effective management.

25 Mins

1. In your groups discuss the value and importance of systems in guesthouses and hotels
2. Discuss and answer the questions in Table 2A together. Record your thoughts and the discussion in the spaces provided
In Activity 2B you reviewed the term system, and discussed how systems can help you. You also looked the GPG where you found some tools that could help you implement systems in your own businesses.

**Table 2B: Value of Systems**

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Give some examples of established systems (if you have them) in your guesthouse or hotel.</td>
<td></td>
</tr>
<tr>
<td>2. How do employees feel about having systems in place?</td>
<td></td>
</tr>
<tr>
<td>3. How could you improve your business by creating more systems (for pricing, budgeting, sales and marketing, emergencies, greening your guesthouse, etc.)?</td>
<td></td>
</tr>
</tbody>
</table>
Activity 2C: Personal Action Plans

In the final activity of this session you will decide on some concrete actions to improve or create systems in your guesthouses. Keeping in mind all the things you’ve discussed so far about creating systems, take a few minutes to record your thoughts.

1. Each of you uses Table 2C: Personal action plan to write 1-3 changes that you would make to improve systems in your businesses. Are there any improvements you would like to make based on what you have learned in the previous activities? If so, decide what systems you will implement or improve.
2. Record how you will make these changes.
3. Record by when will you make these changes.
4. Finally, state who will be responsible for this change.

Table 2C: Personal Action Plan

<table>
<thead>
<tr>
<th>My changes</th>
<th>How will I make the changes?</th>
<th>When?</th>
<th>Who is responsible?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

You have completed the final activity of session 2. In this session you looked at what systems you need in a guesthouse and the important role that they play in guest experience. You can refer to Section 1 of your GPG for more about systems.
Session 3: Marketing
Session 3: Marketing

40 Mins

Session overview
In this session you will get an overview of a critical aspect of marketing, determining price. You complete 2 activities. The objectives of this session are as follows:
• Understand the importance of pricing
• Become familiar with tools for determining price such as analysis of current customers and competitors

Activity 3A: Surveys

A detailed analysis of current guests or customers is key for your business. In this activity you will look at how to conduct a survey before planning one of your own.

[10mins]

In order to ensure you provide the right options to your customers, it is crucial to undertake a survey of existing guests in your working area. The data from the survey should also help challenge your assumptions, adjust your ideas and support the development of the business. Ask yourself the following questions:

• Do you know how much do other guesthouses charge for their rooms, in different seasons? What does that cover? □ Yes □ No
• Do you know what makes customers choose your guesthouse over the other guesthouses? What would make them willing to pay more to your guesthouse?
  □ Yes □ No

Refer to Section 2 of the GPG and to marketing tool 3 for guided survey questions. This can be used to capture crucial information, which will provide data for your business plan. The survey should be taken at 3-4 different locations in your locality, preferably capturing information from existing customers as well as your target customer base. Make sure you seek permission from the relevant authorities if you are collecting data within a public space. Follow these pointers:
• Introduce yourself to the participant
• Inform the participant that the data is anonymous
• Describe the reason behind the data collection
• At the end of the survey, always thank the participant for their time

Selecting participants:
• Identify 3-4 locations in your working area
• Select 1 period of the day and collect the data at the same time (e.g. midday)
• Ensure there is an equal representation of men and women
• Ensure that the participant has not undertaken the survey once before
• Select an equal number of participants from each location
• Select locals and visitors and weight the sample size according to your target group. So if you want to target visitors as your customer base then select 2 persons visiting from 3 surveyed
• Total survey participants should not exceed 60 persons

20 Mins

1. In Table 3A design a survey for your guesthouse. Select 3-4 locations to survey
2. Record some key questions you would like to ask. Look at the tables below and in the GPG section 2 for some ideas
3. Record when would be best to do this survey

Table 3A: Pricing Surveys

<table>
<thead>
<tr>
<th>Locations</th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
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<table>
<thead>
<tr>
<th>Key questions</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>When?</th>
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<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Competitor Survey</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Price</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Single room</td>
</tr>
<tr>
<td>Twin room</td>
</tr>
<tr>
<td>Extra bed</td>
</tr>
<tr>
<td>Similar accommodation &lt;1km from your business</td>
</tr>
<tr>
<td>Similar accommodation &lt;5km from your business</td>
</tr>
<tr>
<td>Similar accommodation close to rail/bus/air ports</td>
</tr>
<tr>
<td>Smaller accommodation &lt;5km from your business</td>
</tr>
<tr>
<td>Average price from customer survey</td>
</tr>
</tbody>
</table>