

Second Year BSc HS (2019 Pattern) Third Semester

HS 303 Accommodations Operations I

Section I Housekeeping - Chapter 1 – Contract Cleaning

Course Outcomes

- C1. Establish the importance of Rooms Division Principles within the hospitality Industry
- C2. Learn basic skills and knowledge necessary to successfully identify the required standards in this area
- C3. Understand all aspects of cost control and establishing profitability

Learning Objectives

- To be able study the definition of contracts and outsourcing
- To be able to identify the list of services which can give on contract in housekeeping.
- To be able to decide the steps for outsource a particular service for the hotel
- To Understand the Significance of contracts and outsourcing
- To Contract Specifications & Pricing of contracts
- To look at the Advantages and Disadvantages of contract services

Definitions

- Outsourcing is a ‘conscious business decision to move internal work to an external provider’.
- A contract is ‘an agreement between two parties negotiating a business deal’.

Why Contract?

- Costs involved in providing services
- Time, resource or expertise constraint
- Credibility of the service provider
- If the activity is a part of core business then can be given on contract
- Effective management of contract

Contract Services in Housekeeping

- Complete cleaning program
- Regular, selecting cleaning eg. Public area cleaning at night.
- Periodic cleaning eg. Window cleaning, cleaning of walls and ceilings and cleaning of carpets.
- Linen
- Equipments
- Laundry services
- Leasing contracts for equipment, furniture and furnishing, which are drawn up for given no. of years
- Pest Control
- Flower arrangement
- Horticulture / Gardening
- Eco friendly garbage disposal

Steps for deciding the contractor

- Tenders
- At least 3 contractors and compare quotes.
- Market credibility
- Reliability
- Check whether the contractor is registered and licensed under the contract labor act 1970 of the government of India.
- Select a contract provider with a local office
- Degree of supervision by supervisor
- Detailed contract specifications, including the
- Exact number of working hours
- Areas of operations and responsibility
- Processes to be used

- Frequency of service
- Time table or cleaning Schedule
- Any special projects

Contract Specifications

- Duration of contract
- Date of signing the contract.
- Review of specification.
- Schedule of areas to be services
- Frequency of cleaning
- Description of the cleaning method,
- Equipment, and material required.
- Penalty and cancellation clauses.
- Security requirement
- Adequate supervision
- Storage areas lockers and accommodation for contracted staff.
- Time expectation for the job
- Covering sickness and annual leave
- Verification of the insurance coverage for workers, guests, hotel employees and assets.
- Frequencies of inspection
- Remuneration for the job
- Terms and conditions of payment
- Termination procedure

Advantages of Contract

- No capital outlay for equipment
- No equipment lying idle
- Alleviate the necessity of buying and supervising staff
- Difficulty of finding, training, organizing and supervising staff is passed on to the service provider
- Skilled laborer
- Extra work may be carried out at certain times
- Accurate budgeting
- Uniformed workers and take responsibility
- Contractors are accountable for results.
- Independent contractors are required to carry their own liability and workers compensation insurance.
- Alleviate problem between the management and workers unions.
- Terminated faster and more easily than the services of regular employees

Disadvantages of Contract

- Weakens the authority of the management over the quality and loyalty of staff.
- Not representative of the hotel
- Loss of flexibility in effecting changes
- Use cheaper products
- Poor supervision
- Problem regarding security.
- Problem regarding liaison and cooperation between departments.
- Clients usually accept the lowest priced tender, which do not enable the contractors to employ a sufficient number of employees of the right caliber to do the job properly.

Pricing a Contract

- **A Unit Rate Agreement**
- **A Cost-plus Fixed Fee Basis**

Unit Rate agreement

Man hours = areas x time x frequency

For example, if a contracted firm has to clean five different areas, taking two hours each, twice a week, then man-hours will be calculated as.

Man hours = 5 x 2 hours x 2

A Cost-plus Fixed Fee Basis

The contractor is paid for the costs of the job and given a fixed fee.

There is no point in the contractor's cutting costs, as he has a guaranteed profit margin.

The same calculation could be worked out using area instead of work hours.