### KNOWLEDGE MANAGEMENT WITH PMS IN HOTEL INDUSTRY

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#### Abstract

The rapid growth of hotel industry has made the emergence of Knowledge management in this Industry. It deals with sharing information in a systematic procedure within the organization. The major benefit of knowledge management is the information is easily stored and shared between staff members; it is useful during recruitment and when an employee goes on vacation, gets sick, or leaves the organization, It comprise with procedure of work, duties and responsibilities, initiatives, performance, documentation, forming business strategies and systems which enhance the organization. Knowledge management is a way of managing skills which draws out tacit knowledge making it accessible for specific purposes, also to improve the performance of organizations by successful application of knowledge management practices which involves understanding and constructively utilizing organisational learning and the information politics of an organisation. This article describes about knowledge management in hotels with property management system (PMS) and the advantages of having PMS in hotel Industry. This paper also focuses on the advancement in PMS with cloud technology for future demands.

**Keywords**: Knowledge management, Property management system (PMS), Call accounting system (CAS), Energy management system (EMS), Global Distribution system (GDS), Central reservation system (CRS), Internet distribution system (IDS).

Methodology/ Analysis: Data comparisons collected from five star hotels in Chennai. Secondary Data has been collected by literature survey.

Findings: PMS are playing a primary role in developing hotels business and Guest satisfaction with their unique features and facilities with the help of yield management and knowing the guest feedback. Selection of PMS should be with need analysis of the hotel; Results are based on the interpretation of data collected by the hotels in Chennai.

Novelty: Future PMS will be through cloud technology.

## Introduction

The business landscape is changing rapidly and the competitive environment is no longer predictable nowadays. Survival and success depend entirely on the organization's ability to adjust to the dynamics of the business environment by making effective decision-making and proper utilization of skills and knowledge of employees. PMS is one of the recent developments that represent the recognition of knowledge as a key competitive tool in hotel Industry and it has to be upgraded according to their guest service with a much higher facilities and also have access to all staffs with proper rights in their respective departments, in order to survive in this competitive environment. Knowledge management widely in <a href="hotel-industry">hotel industry</a> is work with a property management system also known as a PMS, it is a comprehensive software application used to cover some basic objectives of hotels. These property management systems are not only storing and sharing the data's of hotel also acts as an important tool in developing hotel business.

### **Property Management Systems PMS**

There are many property management systems are available in market which could be designed according to the size and type of the hotel but not all hotels are afford to buy due to its expensive cost, However, some generalization about property management systems may illustrate the nature of front

office application. A property management system consists of set of automated software packages that can support a variety of activities in front and back office areas. Four common front office software packages are designed to help front office employees perform functions related to

- Reservation management
- Room management
- Guest account management
- General management

# Reservation management module

The reservation management module provides room status records when the date of guest arrival, date of guest departure and the type of room opted by guest. A reservation module enables a hotel to rapidly process room request and generate timely and accurate rooms, revenue, and forecasting reports. This is helpful in knowing room availability and reservation status and automatically transmits confirmation of a reservation via email, fax or by other Internet media. Most lodging chains participate in remote reservation networks known as global distribution systems (GDSs), Internet distribution systems (IDSs) central reservation systems (CRSs).

GDSs capture, process and forward reservation information generated mostly by travel agents and Airline Company. The largest and best known worldwide GDSs are sabre, Galileo international Amadeus, and world span. IDSs are intermediary website that represents hotel companies and sell overnight accommodations on a commission on a mark up fee basis. IDSs capture guest reservation data and automatically connected the hotel management system through a GDSs or CRSs.

Reservation management module can also tract deposit due, request deposit, and record deposit payments made and also it helps in posting advance deposit towards room.

### **Room Management module**

Room management module maintains current information on the status of rooms; it allows the staff to manage hotel rooms and floor plan with a entire layout of a hotel, also it shows the rooms under maintenance schedule, rooms in long term stayovers, provides information on rates, assist in room assignment during registration, and helps front office personal coordinate with guest services. A room management module can also be used to provide rapid access to room availability data during certain aspects of reservation process. Room management software also assists the reservations function. When rooms are being temporarily taken out of inventory for maintenance or cleaning, the number rooms in the reservation office is automatically reduced. This helps control future room inventory and ensure that all guests have rooms ready when they arrive.

## **Guest Account Management Module**

Guest account management module increases the hotel control over guest accounts. The guest accounting module monitors predetermined guest credit limit and provides flexibility through multiple folio format and eliminating the need of a manual folio and cards. During checkout, previously approved outstanding account balances may be automatically transferred to an appropriate back office accounts receivable file. When the hotels revenue outlets are connected to the front office system remote point of sale terminals can communicate guest charges to property management system.

## **General Management Module**

General management application used to generate the reports of various modules like general ledger accounting software, consisting of accounts receivable and accounts payable application packages, which monitors guest billing and accounts. This is also relate with human resource module which include payroll accounting, personal records of employees, performance evaluation of employees, pay distribution and tax withholdings and deductions, Training and development, duties and responsibilities

according to the employee's position.

Property management system is integrated with other stand alone automation systems like point of sale, energy management system, call accounting system, and electronic locking system. This has becomes a most useful application in hotel nowadays.

#### **Point of Sales**

The point of sale accepts transaction other than accommodation. These includes restaurant, bar, banquets, business centre, discotheque, health club, night club etc. Each point of sale equipped with a stand-alone automated support for billings. Data's are also transferred to other modules for processing master folio in front office.

### Call Accounting System (CAS)

Hotels provide telephone facility to their guest. The room guest can make local and international calls from the comfort of their rooms. The call accounting system is a stand-alone automated system which tracks all outgoing and incoming calls. The calls are automatically posted in the respective caller's account and electronic guest folios.

# **Energy Management System (EMS)**

Energy management system is a typical function which shut down the operation of equipments those are not in use and automatically controls the temperature, humidity, and air movements in public spaces and guest rooms through a rooms management interface. An EMS is a computer based control system designed to automatically manage the operation of mechanical equipment which consume energy. EMS also gives suggestions and prioritises which room has to sell to save energy For example, a hotel has 400 rooms and 70 percent of occupancy is forecasted where rooms are assigned in lower floors and the top floor is not occupied then the power consumption in the top floor is fully minimized.

## **Electronic Locking System (ELS)**

An electronic locking system is interfaced with room management module. This system helps the hotel to control access to guest rooms. Only a person with a proper key card coded for the specific room can enter that room. The coding made in key are unique and only function till the guest stay in that room, after the guest check out it will become non functional. This electronic key locking system is networked with PMS, the key code generated will also be deleted and a front desk person is able to code the room key for the next guest arrival.

#### **Selection of PMS**

A system that works well for one down town hotel may not meets the needs of a down town hotel in another city or a resort in same area. An inappropriate PMS will produce control reports that are not useful to management. A Selection of PMS is done by knowing the facilities and requirements of hotel operations. After management has collected relevant data concerning to operational needs, It must objectively determine how the PMS helps in guest service. The importance of software training and planning is required; how quick the vendor will provide service in case of emergency. Hotels have to focus on PMS because it is a source of providing overall guest experience. The whole concept of understanding your guest and understanding their preferences and behaviours to enhance the experience goes along with a hotel's ability to market to the guest in a better way is only with PMS.

There are several companies that provide PMS software to hotels, with their own unique features according to the need of the hotel and its requirements, to name the few major PMS software providing companies to their clients in the market.

Micros this is PMS software it provide solutions to hotel industry through:

Opera Enterprise solution

### Micros Fidelio

Amadeus PMS can be integrated with hotel front office, sales/marketing, and financial management functions.

IDS Fortune PMS provides centralised data, colourful displays, a single database keeps all aspects of management, ensuring transparency and flexibility.

SHAWMAN PMS is integrated front office management software that can host multiple properties and handle guest reservations simultaneously and with auto confirmation manager.

The future of hotel property management system, as a cloud-based system, hoteliers benefit from improved PMS accessibility and flexibility, while reducing overhead expenses and technical frustrations.

## **Recent Development in hotel PMS**

- User friendly Operation
  - It will runs via the Internet, so there is no need to install or maintain computer software. Users always have access to the system's latest features and updates.
- Integrated Web Reservations
  - Featuring an integrated online reservation system, there is no need to allocate separate room inventory for Web bookings. When a booking occurs from the hotel website or via the GDS, the room inventory is updated in real time.
- Automatic Data Backup
  - The reservation data is automatically stored in a secure computer facility with redundant Internet connections, 24-hour monitoring and diesel-powered electrical backup. This helps to protect your data from theft, physical damage and computer viruses and malware.
- Mobile Access
- It is accessible from any mobile device (tablets and smart phones) connected to the Internet, allowing you to manage your property anytime and from anywhere. Bookings, check-ins and housekeeping reports are always at your fingertips.
- Set up special rates for corporate clients, travel agents and preferred guests
- ❖ Package room reservations with other services such as tours and activities
- Reserved Allocation

It allows you to set aside blocks of rooms at special rates for affiliated tour operators, group bookings or special events. Release dates may also be setup so that your inventory is returned automatically if the allocation is not used.

# **Group Bookings**

Organize all your reservations for an incoming group in one spot. Apply charges to a master invoice or to individual reservations. Apply payments to the group or as separate payments to individual reservations. Assign an access code to a group, and let them book online through the booking engine.

### **Electronic Signature Capture**

This feature allows guests to sign check-in receipts or registration cards using an electronic signature capture device such as a tablet or Smartphone. Front desk personnel only need to log into their PMS system with a tablet or Smartphone to access the electronic signature capture feature.

# **Centralized Administration Module (Optional)**

Designed for hotel groups, this optional module centralizes availability searches, guest profiles, and reservation and accounting reporting across multiple properties. By providing real-time access to data across locations, the Centralized Administration Module streamlines back-office administration and improves internal communication and customer service.

## **Housekeeping Reports**

Housekeeping reports ensure rooms are ready prior to guest arrival and that any special requests are fulfilled.

# **Back-end Accounting**

Accounting module allows you to track receivables, POS invoices, investor payouts, profit/loss, deposits, customer profiles, vendors, taxes and more.

#### Social Media

As the prevalence of social media has expanded, the hospitality industry has recognized the need for systems to integrate with social sites' information and capabilities. The PMS increasingly will be expected to enable hotels to stay on top of ratings and respond to guest comments on sites such as Facebook, Twitter, TripAdvisor, Yelp and more. Guests often expect immediate interaction and reaction on social sites. Online/social branding and interaction will be a requirement to compete, and not just from one social expert on property, but rather a variety of designated employees will be expected to have the tools to manage, monitor and analyze social media happenings.

## Conclusion

Knowledge management become a major task in hotel industry as the line between data entry from the PMS and data entry from guests on the web will be specific, PMS systems will have to adapt to allow the guest to specify their preferences, requirements and also hoteliers must know which PMS is suitable for their property. By having proper PMS hotel can make good profit and earn guest satisfaction. The PMS providers should recognize the importance on expanding and improving their cloud-based technology because the next generation products from PMS vendor will focus on cloud delivery and interoperability with all hotel departments. Micros is also focusing on cloud capabilities of its OPERA PMS, focusing on increased security and reduction of costs of system adoption to hotel. Training is needed for the managers and other employees to get up to speed on a new PMS relatively quickly; others may need some hand-holding, if necessary is able to provide the requisite training support and that sufficient time is allotted for staff to become comfortable with the new system.

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