



# ICM

JUNE 2016

STRATEGIC MANAGEMENT IN HOSPITALITY

**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.
    - a) List FOUR methods of classifying services for the hospitality industry. [4]
    - b) With the aid of suitable examples, explain TWO of these services. [8 each]
  2. For a hospitality organisation of your choice, analyse whether the nature of the service delivery process or the strategic orientation of the company is more influential in the design of its service delivery systems. [20]
  3.
    - a) Define the main determinants on which pricing strategy can be based, i.e. cost, competitor and customer. [3 each]
    - b) Evaluate the most appropriate approach to pricing strategy for a large chain of hotels. [11]
  4.
    - a) Describe the main communication tools used when designing a communications strategy. [8]
    - b) Appraise the most important communication tools for a chain of pub restaurants. [12]
  5.
    - a) Identify the TEN components of service quality. [10]
    - b) Evaluate the significance of FIVE of these components to a new franchised fast food outlet. [10]
  6. 'People are considered to be the most valuable assets of any hospitality organisation.' Consider this statement and analyse the consequences of this statement for competency management within a suitable hospitality organisation of your choice. [20]
  7. The franchised coffee shop chain that you work for is considering the implementation of employee empowerment throughout the organisation.
    - a) Describe the main pre-requisites required to introduce employee empowerment into the organisation. [8]
    - b) Discuss how the style of leadership may change with such implementation. [12]
  8. With the aid of suitable examples of your choice, appraise the necessity for a small independent gourmet restaurant to adopt a business strategy which is more innovative than its larger competitors, to retain their market position. [20]