

## Operational Impact of ICTs in Front-Office of Selected Hotels in South-East and South-South Nigeria.

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### Abstract

*The operation of Front-Office of a hotel or a holiday centre is dependent on the effectiveness and efficiency of services rendered. When hotel services are predominantly manual, timely services may not be witnessed at all. But with the deployment of ICTs in front-office department of hotels services are rendered speedily and first impression of efficient service are created in the mind of the guest. This paper x-rayed the operational impact of deployment in front-office of selected hotels in South-east and South-South zone of Nigeria. The paper took an empirical study of selected hotels in the two zones, using a primary data collection technique via questionnaire to ascertain the level of deployment of ICTs in hotels and its operational effects in the service-delivery of concerned hotels. The result showed a concordance of the positive contribution of ICT in front-office with a Regression coefficient (R) of 0.841 (84.1%) coefficient of determination and the stated null hypotheses were rejected with sig. value of 0.000 alpha of 95% confidence interval. Therefore, it can be concluded that ICT is a positive contributor to efficiency in hotels and hospitality industries should encourage its installation and deployment.*

**Keywords:** *Front-office, Hotels, ICTs, South-East, South-South, Nigeria.*

### 1.0 Introduction

Information technology is becoming a common place around us and everywhere, with possibilities of deployment to several areas of organizational operation for the betterment and efficiency of services.”Information and Communication Technology (ICT) involves the use of computer hardware, software and telecommunication devices to store, manipulate, convert, protect, send and retrieve data” (Olifer and Olifer, 2006). The major essence of introducing technology is not to displace humans, but to enshrine efficiency. When business really knows their customers and serves them well, the way, they want to be served’, the customers generally respond by returning and buying more from the firm, this raises revenue and profit. It is against this background that Customer Relationship Management (CRM) was introduced. CRM is a comprehensive strategy and process of acquiring, retaining and partnering with the selected customers to create superior value for the company and the customer. The instrument for delivering effective and efficient customer satisfaction is use of technology. Computing Technology has expanded and converged with other technologies; such as communication Technologies and created a merged concept and

system known today as Information and Communication Technologies (ICTs). While developed countries are pushing the technological frontiers, developing countries are moving towards that frontier imitation allows for investment in non-traditional sectors and for the application of new technologies to be broader variety of economic activities. A wired hotel front-office can evaluate, analyze, and process units of organizational data for production of meaningful and useful information based on set goals. According to Wikipedia (2016) information can be recorded as signs or transmitted as signals. Information is any kind of event that affects the state of dynamic system that can interpret the information. Conceptually, information is the message (utterance or expression) being conveyed, it is knowledge communicated or received concerning a particular facts or circumstance. According to Knowles(1998) cited in Albert et al (2012) Technology is used to push slower moving businesses by providing better service, improved decision making and increasing revenue. Hotel operators are now realizing that a brand in itself is not enough. Odom (2007) posit that networks are used to link together computers, storage devices, printers, telephony and other electronic devices. The delivery of businesses today is exposed to Information and Communication Technologies either directly or indirectly. Hotels as subsector of the hospitality and tourism industry traditionally runs manual system of operation in their front-offices as from occupancy of the guest rooms, accounting through to the departure of guest needs a change to this newest technology. The trend of utilizing ICT in front-office operations of hotels, other hospitality and tourism industries is fast becoming a norm, making work easier, efficient, reliable and effective for the operational units of front-office, the hub and heart, eye and ear of the care-spots.

## 2.0 Literature Review

Our society is gradually becoming dependent on modern technology known as Information and Communication Technologies (ICTs). The technology that has permeated every facets of our society, cutting across all professional boundaries, converging disciplines and merging departments and making communication and service oriented businesses much more timely, secured and profitable. ICTs applicable in this era include web marketing, mobile marketing, web services, online reservation, online calls, booking and wireless fidelity (Wi-Fi) oriented services within and outside the business environment. Life and living

has become easier and less boredom for businesses and clients due to application of technology, people now found time for leisure and relaxation in tourist centre and hotels. Thus the hotel's front-office has witnessed an influx of tourist and holiday makers and hence demands effective and efficient services to create a lasting impression. This has given room for the deployment of ICTs in the hotels. In the hotels are Wi-Fi devices, telecom units, computer systems, ipads, tablets, online booking units, Point of Sales (POS) machines, Automatic Teller Machines (ATM), Cash Account Registers (CAR) etc. for accounting, payment, remittance, communication, reservations and ticketing.

In hospitality industry, the front-office department is believed to be the core spot of a hotel where the guest-cycles occurred, encompassing from pre-arrival, arrival, occupancy until departure. Moreover, the front-office department, specifically the reception desk is considered a vital unit in generating guest's first impression towards the hotel itself (Baker et al, 2000) At hotels, front-office refers to the front-desk or reception area or the core operations department of the hotel. The front-office department is the central point of entire hotel activities. As the name implies this department of every hotel is situated in the "frontage" of the foyer. It is the first point of contact for all guests entering a hotel establishment and it is the last point of contact for all departing guests. It is here that the first impressions are created and/or changed for departing guests. (Igbojekwe, 2009).

The front-office department is the most noticeable department in the hotel. It is the focal point of most activities within a hospitality business, whether it is a large or small hotel, a cruise liner, a holiday centre, a time-share resort or a youth hotel. The front-office is a term accepted as including responsibilities such as switchboard, accounts, cashier and night audit, front-desk, concierge and guest services (Edexcel Limited, 2010). This department may have the front-desk, reservations, telephony and the concierge, which provides guests with services and facilities. The main functions of the front-office department is to support and smooth the progress of guest transaction and services through all the four stages in the guest cycle, that is pre-arrival, arrival, occupancy and departure (Baker et al, 2000). A well-organized front-office department is important due to the fact that this particular department is known as the largest source of hotel room revenue (Kasavana and Brooks, 2009). Functionally the front-office is referred to as the "hub" and "heart"

of the hotel, the “eye” and “ears” of hotel. It is indeed, the nerve centre of guest activity, from it emanates instructions for the service of the guest .it takes charge for final billing and settlement. Front-office department does all the guest transactions such as reservations, check-in and registration, mailing and information dissemination, uniformed service and baggage handling, telephone calls and messages, guest accounts, check-out and bill settlement (Ansah et al, 2012; Baker et al, 2000). Trizno and Manurung (2000) group the front-office department into six sections namely:

- i) Reception
- ii) Reservation
- iii) Information
- iv) Front-office cashier
- v) Telephone operator and
- vi) Concierge

### **The Importance of Guest’s First Contact**

“First impressions are lasting impressions” seems equally true among tourism and hospitality facilities (Wuest, 2001). As it is stated the approach in creating guest’s first impressions towards a hotel is important. Guest percept an extensive various aspects of the hotel just by experiencing the first contact provided by the hotel. This is not limited to the direct contact made between the staff and the guest, but also the way the staff perform and behave into the smallest detail, for instance, a guest coming at the sometime with a big group of people. When entering the hotel, he built an expectation, assuming that the hotel is doing a great business as so many people are coming there. However, due to a peak time, throughout the first minutes, he received neither warm-welcome from the staff nor assistance, until he goes directly to the front desk. This leaves a feeling of not being prioritized, consequently leads to a negative impression throughout his stay though he still receives the 5-star-level of service later on.

### **ICTS in Front-Office Operations**

Until in 1990’s, nearly all hotels were operating under the manual or analogue system. Most of the works in the hotel were dependent on paper and need a lot of time to finish but now, because of development and

deployment of Information Technology (IT), most works are finished faster and certainly saves time. With the introduction of computers, hotels are shifting to automated systems. Most five star hotels and four cum three star hotels operate under fully automated system. The fully automated systems are computer-based. This is the best system used in the hotel industry and it is characterized by excessive use of departmental software packages programmes integrated and connected to a main server or host situated at the front-office department (Olifer and Olifer, 2006, Ritchie, 2003).

In hotels, computers are used in accounting for guest bills, data management, forecasting guest demand for reservations, management of guest services, revenue and reservation management and yield management. These functions could be performed with the aid of management software (Abbott and Lewing, 1999). The delivery of businesses today is exposed to information and communication technologies (ICTs) either directly or indirectly. Hotels being a subset of the hospitality industry traditionally practice manual system of operation in their front offices as from occupancy of the guest rooms, recording of guest expenditure through to the eventual departure of the guest. Today, these operations are done using the electronic system. The use of information technology in the front-office operation of the hospitality industry is fast growing, gaining ground and thus making work easier. Computerization is becoming very important for the efficient and effective operations of the front-office (Albert et al, 2012).

### **Justification**

The justification for the literature review is to provide further evidence by analyzing the casual relationship between deployments of ICTs in the front-office services of hotels and hence identify a trend of growth or decline in implementation of these technologies for effective and efficient service delivery in hospitality industries in the south-east and south-south region of the country. The review can serve as a basis for comparative analysis, in terms of level of service, efficiency measurement and revenue driven mechanism for greater profitability.

### **Research Questions**

- i) Is there any difference in service rendered by the Front-office to guest using ICT facilities?
- ii) Is there any correlation in operational speed in front office using ICT facilities?

- iii) Is there any difference in efficiency and effectiveness of front-office service personnel with ICT facilities?
- iv) Have ICT deployment contributed in the promotion of hospitality industry in Nigeria?
- v) Are there negative or positive implications of deploying ICTs in hospitality industries?
- vi) Are more players in the industry likely and willing to deploy ICTs in their front-office?
- vii) Have ICTs generally added required value in the overall productivity and profitability of hospitality industries.

### Statement of Hypotheses

H<sub>1</sub>: There is no significant difference in service rendered by the Front-office to guest using ICT terminals than manual service.

H<sub>2</sub>: There is no significant correlation in operational speed in Front-office with the use of ICT facilities.

### Methodology

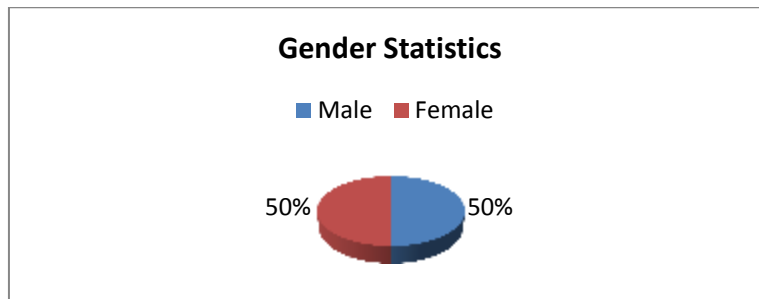
Data were collected from selected hotels in South-East and South-South geopolitical parts of the country. Hotels were selected using simple random sampling techniques. This technique gives equal chance for any hotel to be selected. A sample frame of 20 hotels was selected for the two zones based on equal allocation of 10 hotels per zone, with a specimen of five (5) respondents to receive from each selected hotel, giving a total 100 respondents in all. Hotels within the historic towns like Aba, Port Harcourt, Calabar, Enugu, Uyo and Owerri were selected for the research. Out of 100 Questionnaire distributed 64 were completed properly and used as basis for analysis. Respondents were instructed to tick the appropriate check box. Unstructured interviews were also conducted to corroborate findings from questionnaire. The data analysis was done using of questionnaire and interviews analysed using computer analysis package - SPSS version 16, while the graphical presentations were done using Excel 2007.

### Data Analysis and Discussion of Findings

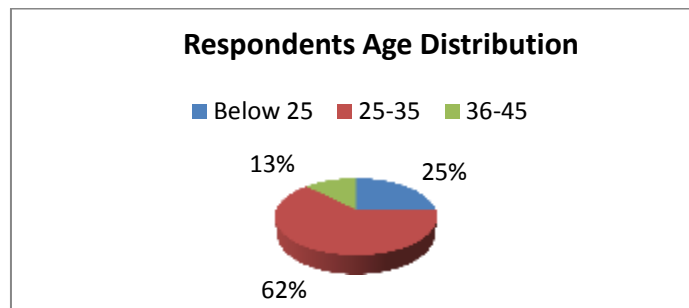
Demographic data of the respondents are analyzed here. Hundred questionnaires were given to hundred respondents comprising of five (5) staff each from the 20 hotels used in two selected geopolitical zones, which was collected after fortnight. Sixty four (64) questionnaires were recovered out of 100. This is about

64% of the total questionnaire shared and that male respondents were 32 and females 32 which are about 50% respectively. The analysis done tested for the Pearson's Moments Regression Coefficient (R) of the responses. Tables below shows the Analysis of Variance (ANOVA) and Model Summary table of the analysis. The hypotheses were tested at 95% confidence interval with alpha value of 0.05 to ascertain the acceptance and rejection of the hypothesis. Results were presented in two parts, A and B. While part A used graphical illustrations to show Personal demographic statistics of respondents labelled Figures 1.1, 1.2, 1.3, part B shows the tables of Regression analysis.

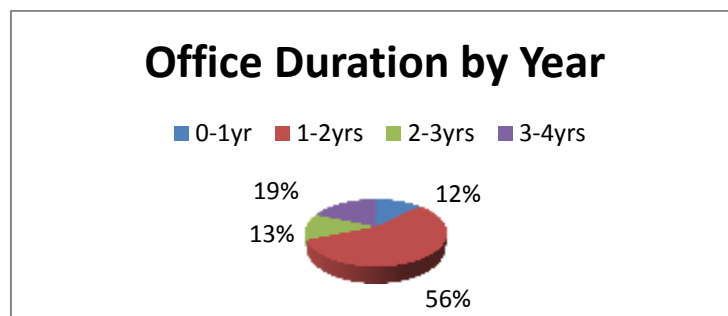
**Part A: Personal Demographic Statistics of Respondents**



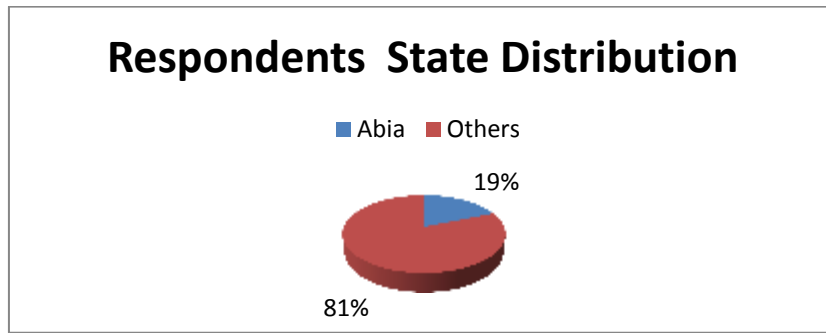
*Figure 1.1 Population Distributions by Gender*



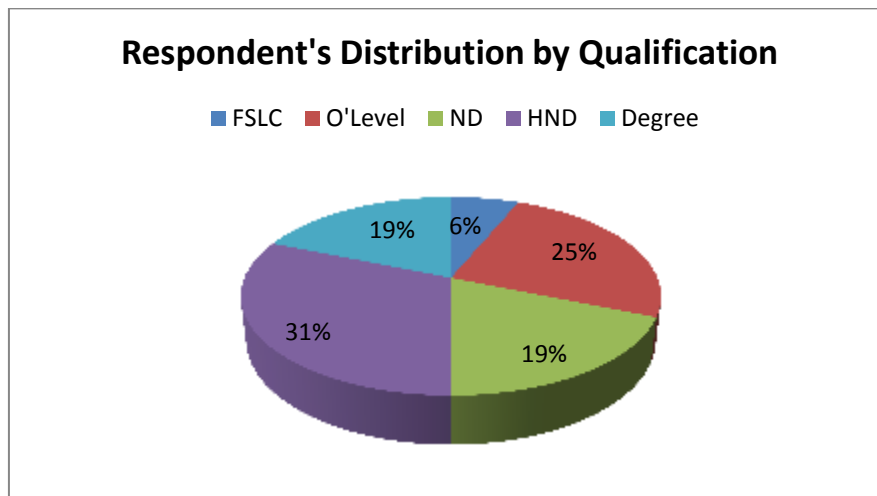
*Figure 1.2 Population Distributions by Age.*



*Figure 1.3 Population Distributions by Office Duration*



*Figure 1.4 Population Distributions by State*



*Figure 1.5 Population Distributions by Qualification*

## Part B: Computational Statistics Using SPSS ver. 16

### Regression Model Analysis Tables

#### ANOVA<sup>b</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.127	6	7.521	23.020	.000 <sup>a</sup>
	Residual	18.623	57	.327		
	Total	63.750	63			

a. Predictors: (Constant), DurationPos, TechRedWL, Hotspot, ATMinHotel, SmartLock, Training

b. Dependent Variable: UseICT

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.841 <sup>a</sup>	.708	.677	.572	.708	23.020	6	57	.000	1.522

a. Predictors: (Constant), DurationPos, TechRedWL, Hotspot, ATMinHotel, SmartLock, Training

b. Dependent Variable: UseICT



**Decision Rule:** When the significant value of alpha is less than 0.05, reject the null hypothesis and accept the alternative. Meanwhile with the regression coefficient (R) of 0.841 with  $R^2$  of 0.708 with a Sig F change value of .000 it shows that the two hypothesis were to be rejected. This implies that with coefficient of determination at 84.1%- goodness of fit and at alpha value of 0.05 i.e. 95% confidence interval, all null hypotheses were rejected. Implying that:

- i) There is significant difference in service rendered by the Front-office to guest using ICT terminals than manual service, and
- ii) There is significant correlation in operational speed in Front-office with the use of ICT facilities.

### **Conclusion**

From the cursory look in the totality of operational impact of Information and Communication Technologies (ICT) in the front office of selected hotels in South-East and South-southern Nigeria, to ascertain the positive and negative impacts of installation and availability of ICTs in front-offices of hotels in these areas. About 60 respondents i.e. (93.75%) responded positively to the great impact, while 4 respondents about (6.25%) responded negatively to the impact the percentages observed shows that some hotels were yet to adopt the use of ICT in their front-office operations. The use of I.T. has reduced queues, security of carrying cash about, check-in and check-out delays, because ICT installation like Point of Sales (POS), Automated Teller Machines (ATM), Card-Readers, Wireless Internet Hot Spots were readily available, giving access to guest to remotely update their account electronically from their rooms.

### **Recommendation**

The research gave credence to the fact that ICT is an enabler for most businesses in the globe today and an indispensable tool for creating better service and productivity, thus creating revenue for the businesses that embraced it. We therefore recommend as follows:

- Every hospitality industry should aspire to follow the technology trend to break-even and maximize profit.

- Front office staff or operators should be trained and re-trained on the use of ICT installation to create added value in their services.
- Hotels should encourage and promote the use of ICT in their front office operations, even interconnect with it for referral in time of boom in the industry.
- Policy makers in the tourism industry should make sure that hotel and other allied tourism industries in Nigeria use ICT to network by creating policies that encourage it.
- Hotelier should as a matter of security encourage their guest and staff to use internet and telephony facilities for booking and making reservation, this can be done by giving incentive to online preferences.

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