Kaizen in Hotel

Lean thinking, Kaizen philosophies and tools have traditionally been associated with manufacturing industry. Long-lasting success of companies like Toyota through implementation of these tools and philosophies and ensuing benefits - such as superior quality; faster throughput times; lower inventories; reduced costs; and engagement of people in problem-solving - are very well documented.

It is time to think about how these principles and concepts can be applied to service industry - hotels and hospitality specifically - where creating value for customers through enhanced service quality; fast and efficient response to

Typical challenges in hotel industry

Inefficient processes causing guests to wait - at check-in or check-out, for example

A high degree of variability and inconsistency in service delivery

Hindrances to inter-department information flow - between Front Desk and Housekeeping; or between Housekeeping and Laundry, for instance

High repair and maintenance costs

High energy bills

Engineering spare part inventory management

Long procurement approval as well as long lead-time for procuring supplies and consumables

Chaos generated by short lead-time events

Lack of involvement by

africa@kaizen.com | afr.kaizen.com
Opportunities

Adoption of Kaizen principles can help overcome the aforementioned challenges and create a culture of continual improvement in the organization by identifying and relentlessly eliminating Muda (wasteful activities and practices) from every process everyday and by involving people at all levels to participate in problem-solving.

- Improving speed and efficiency of check-in
- Reducing the time to turnaround rooms - making rooms available for occupancy
- Ensuring ‘first-time-right’ quality
- Inventory Management - eliminating stock-outages while reducing overall levels of inventory at the same time.
- Reducing maintenance & utility costs
- And most importantly - engaging entire workforce in the improvement process
- ‘Planned’ and ‘Autonomous’ Maintenance to reduce machine breakdowns
- Implementing ‘Standard Work’ to reduce inconsistencies in service delivery

Benefits after implementing Kaizen in hotel industry

- Customer first - Improvement projects and activities focused primarily at improving guest satisfaction
- Employee engagement - Involving and engaging every single employee in the problem-solving process and thereby creating a culture of continual improvement in the organization.
- Identifying and solving problems - Acknowledging problems openly and striving to solve problems on a daily basis
- Speak with data - Identifying, measuring and visualizing Key Performance Indicators (KPIs) to help identify areas for improvement and track progress.
- Cost reduction - Reducing costs and improving competitiveness without sacrificing guest satisfaction. Also, freeing up working capital through inventory reduction.

africa@kaizen.com    |    afr.kaizen.com
**Quantum of Improvement**

**Beneﬁt Realized**

<table>
<thead>
<tr>
<th>Process Area</th>
<th>Indicator</th>
<th>Benefit Realized</th>
<th>Quantum of Improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Desk</td>
<td>Avg. time to check-in guests</td>
<td>Reduced</td>
<td>By 55%</td>
</tr>
<tr>
<td>Front Desk</td>
<td>Avg. time to check-out guests</td>
<td>Reduced</td>
<td>48%</td>
</tr>
<tr>
<td>Housekeeping</td>
<td>Avg. time to turnaround rooms</td>
<td>Reduced</td>
<td>By 40%</td>
</tr>
<tr>
<td>Housekeeping &amp; Laundry</td>
<td>Avg. time to turnaround linen</td>
<td>Reduced</td>
<td>By 50%</td>
</tr>
<tr>
<td>Restaurant</td>
<td>Guest satisfaction score</td>
<td>Enhanced</td>
<td>By 20%</td>
</tr>
<tr>
<td>Room Service</td>
<td>On-time; in-full; error-free delivery rate</td>
<td>Increased</td>
<td>15%</td>
</tr>
</tbody>
</table>

**EYE OPENING RESULTS : CASE STUDY**

**HOW**

- Assessment Leading To Roadmap
- Pilot Projects
- Train Core Team
- Implement and track KPI’s
- Sustain

**About Us**

Masaaki Imai  
Founder Kaizen Institute

Kaizen Institute is a global pioneer and knowledge based organization which provides consulting, coaching and training services to companies represented in Europe, Asia-Pacific, Middle-East, Africa and America. Kaizen Institute Africa (KIA) is the Africa business unit offering its services to companies in the public, service, and manufacturing sectors, focusing on organizational change, lean manufacturing, and continual improvement implementation. Interestingly KIA strongly believes in practicing what it preaches. We strive hard to apply Kaizen in our own day to day business.

*Kaizen is a journey and not a destination and it requires a very high degree of top management commitment.*

**Contact Information**

- **East Africa**  
  ☎: + 254 705306401  
  📧: psood@kaizen.com

- **West Africa**  
  ☎: +234 70 6502 9607  
  📧: juwaifo@kaizen.com
  🌐: afr.kaizen.com

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