

Hotel Operational Management by General Manager as A Key Factor in Increasing Revenue

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KEYWORDS	ABSTRACT
hotel, increased revenue, General Manager, operational management, service quality	Operational management plays a very important role in the success of a hotel business, especially in increasing revenue. This study aims to analyze how operational management implemented by the General Manager (GM) plays a key role in increasing hotel revenue. The General Manager holds the primary responsibility for managing various operational aspects, including cost efficiency, service quality, and optimal resource utilization. An effective management approach not only ensures smooth daily operations but also contributes significantly to increasing guest satisfaction, which ultimately has an impact on increasing revenue. This study uses a qualitative approach with a case study method at Indoluxe Hotel Yogyakarta which was collected through in-depth interviews with the General Manager and direct observation of the hotel's operational processes. Data analysis was carried out by identifying key factors that influence operational management and its influence on revenue. The results of the study indicate that the strategies implemented by the General Manager in operational management, such as cost control, improving service quality, product innovation, and utilizing technology, have a positive correlation with increasing hotel revenue. In addition, the General Manager's ability to manage the team and adapt to market dynamics is also a determining factor in the success of hotel operations. The conclusion of this study confirms that the role of the General Manager in operational management is an important element in driving hotel revenue growth. Recommendations for hotel managers are to improve managerial skills and focus on continuous innovation in operations in order to achieve optimal financial performance.

INTRODUCTION

The hotel industry continues to develop dynamically, facing increasingly tight competition challenges at both global and domestic levels. The income generated by a hotel depends not only on the room occupancy rate but also on the effectiveness of the operational management strategy implemented. The General Manager (GM) as a strategic leader in hotel operations has a crucial role to ensure the integration of cost efficiency, improving service quality, and optimal resource utilization.

Kimes (2022) emphasized that revenue management in hotels requires an approach that focuses on optimizing revenue through capacity management, dynamic pricing, and improving customer experience. Ivanov and Zhechev (2012) stated that the implementation of data-based operational strategies allows hotels to increase efficiency and competitiveness. Meanwhile, Hayes, et.al (2021) showed that the leadership of the General Manager greatly influences the success of hotel operations, especially in dealing with changing market needs and technological dynamics.

This study aims to analyze how General Manager at Indoluxe Hotel Yogyakarta optimizes operational management as a key factor in increasing hotel revenue. The approach used involves qualitative analysis

through case studies, in-depth interviews, and direct observation of hotel operations. This study is expected to provide relevant strategic insights for professionals in the hospitality industry in optimizing their operational performance.

LITERATURE REVIEW

1. Operational Management and Revenue Management

Operational management is at the heart of organizational success, especially in the hospitality industry. According to Hayes, et.al. (2021), operational management includes the management of resources, service processes, and strategic decision-making oriented towards customer satisfaction and organizational efficiency. In the context of revenue management, Kimes (2022) suggests that implementing analytics-based strategies, such as technology-based revenue management systems, can help hotels maximize revenue potential through demand management and flexible pricing. Ivanov (2014) and Baum & Ingram (2021) expand on this idea by highlighting those technological innovations, such as Hotel Management Systems (HMS), enable General Managers to integrate various operational processes, such as reservations, inventory management, and customer data analysis. These systems not only improve efficiency but also provide in-depth strategic insights for decision-making.

2. The Role of General Manager in Increasing Revenue

General Managers have significant responsibilities in managing various aspects of operations, including workforce management, cost control, and service innovation. Avi (2017) and Walker (2022) emphasize the importance of a deep understanding of the operating budget as a key tool in cost control and resource allocation. This understanding allows General Managers to identify areas that require further efficiency without sacrificing service quality. In other literature, Kimes (2022) and Kotler, et.al (2021) highlight that General Managers must have a high ability to adapt to changing market needs, including managing increased demand during peak periods. Ivanov and Zhechev (2012) also note that effective General Managers often use historical data and demand forecasts to design better marketing and operational strategies.

3. Technological Innovation and Its Impact on Hotel Revenue

Technology is becoming a critical element in the transformation of hospitality management. Josephi & Melissen (2017) noted that the adoption of modern technologies, such as mobile applications for guest services and automated booking systems, has changed the way hotels interact with customers. This technology provides a more personalized customer experience, which ultimately increases loyalty and revenue. According to Kimes (2022) and Walker (2022), analytics technology also allows hotels to identify new revenue opportunities, such as segment-based marketing and dynamic offers based on customer behavior. This approach not only increases revenue but also strengthens the relationship between the hotel and the guest through relevant and meaningful interactions.

4. Sustainability Practices in Operational Management

Sustainability has become an important aspect of modern hotel operations. Avi (2017) and Jones & Lockwood (2020) note that sustainability initiatives, such as waste reduction and energy efficiency, can help hotels reduce operating costs while appealing to environmentally conscious market segments. These practices not only have a positive impact on the environment but also improve the hotel's image in the eyes of customers, which in turn can drive increased revenue.

METHOD

This study uses a qualitative approach with a case study method to explore in depth the operational management strategies implemented by the General Manager at Indoluxe Hotel Yogyakarta. The research procedure involves the following steps:

1. Semi-Structured Interview

Data were collected through interviews with General Managers, focusing on operational strategies, challenges faced, and the impact of managerial decisions on hotel revenue. Interviews lasted 60-90 minutes, using a question guide designed to uncover in-depth insights.

2. Direct Observation

Observations of operational activities, such as check-in/check-out processes, housekeeping management, restaurant management, and guest interactions, were conducted for three weeks. The goal was to understand the implementation of management strategies directly.

3. Internal Document Analysis

The documents analyzed include financial reports, occupancy rates, and customer feedback for the past year. This data is used to evaluate the direct impact of operational strategies on hotel revenue.

The collected data was analyzed using a thematic approach, identifying key themes related to operational efficiency, service quality, innovation, and their impact on hotel revenue.

RESULTS AND DISCUSSION

The study shows that the General Manager at Indoluxe Hotel Yogyakarta has implemented various strategies that significantly contribute to increasing hotel revenue. These strategies include four main elements: operational efficiency, innovative marketing, human resource management, and product innovation.

1. Operational Efficiency

Operational efficiency is a top priority in hotel management to ensure resource optimization and waste reduction. The General Manager at Indoluxe Hotel Yogyakarta took the following strategic steps:

a. Implementation of Modern Technology

A Hotel Management System (HMS) was implemented to integrate various operational processes, such as reservations, inventory management, and customer data analysis. This technology enables:

- 1) Real-time data-driven decisions. The General Manager can monitor occupancy trends, revenue, and financial reports, which supports faster strategic decision making.
- 2) Increased staff work efficiency. For example, automated room allocation through the HMS system allows front desk staff to focus on direct interactions with guests, improving the quality of the customer experience.

b. Operational Cost Control

Through data-driven analysis, waste in labor was identified. Scheduling housekeeping staff based on daily occupancy levels resulted in a reduction in labor costs of up to 20% without compromising service quality. This strategy shows that efficiency can be achieved without sacrificing customer satisfaction.

2. Innovative Marketing Strategy

Digital-based marketing strategies are key to success in reaching wider customers and increasing hotel occupancy.

1) Social Media Campaign

Platforms such as Instagram and Facebook are utilized to create attractive visual campaigns, especially for the millennial generation. This strategy involves creating personalized content, such as discount promotions, guest experience reviews, and photos of hotel facilities. This campaign increased customer interaction by 30% and resulted in higher loyalty, especially in the younger market segment.

2) Data-Based Marketing

Customer behavior analysis is the basis for designing more relevant promotions, such as:

- a) Special discounts for regular customers with the aim of increasing customer repeat visits.
- b) Special offers for families with the aim of utilizing staycation packages to attract local market segments during the low season.

This approach has been proven to increase hotel occupancy rates by up to 15% in months with low occupancy rates.

3. Human Resource Management

Human resources are the main asset in hotel operations, and focusing on optimal management has a significant impact on service quality.

a. Continuous Training

Regular training every three months focuses on improving staff competency in customer service. Continuous training provides the following results:

- 1) Ability to handle guest complaints. Staff are trained to respond to complaints in a professional manner, creating a positive guest experience.
- 2) Increased customer loyalty. Loyalty levels increased by 25%, reflecting the positive impact of better customer service.

b. Inclusive Leadership

The General Manager practices an inclusive leadership approach by involving staff in operational decision making. This creates a collaborative work environment, increases staff motivation, and ultimately increases productivity.

4. Product Innovation

Innovation is an important element in the General Manager's strategy to attract new customers.

a. Staycation Packages

Innovative packages are designed to attract local markets looking for a staycation experience without having to travel far. These staycations have become very popular, especially during the low season.

b. Digital Concierge Services

Hotel service applications make it easier for guests to order additional services, such as laundry or room service, through their mobile devices. This innovation increases customer convenience while increasing additional hotel revenue.

Table 1. The Impact of GM Strategy on Hotel Revenue

Strategy	Impact	Increased Revenue
Staff Work Schedule Optimization	Reduced labor costs	20%
Data-Driven Digital Promotion	Increased occupancy during low season	15%
Customer Service Training Program	Increased guest loyalty	25%
Product Innovation (Staycation Packages)	Attracting local market	10%

Source: Novriyanto, 2023

CONCLUSION

This study confirms that effective operational management by the General Manager (GM) has a strategic role in increasing hotel revenue. A case study at Indoluxe Hotel Yogyakarta shows that the implementation of strategies based on operational efficiency, innovative marketing, human resource management, and product innovation directly contribute to the hotel's financial performance.

Operational efficiency achieved through the implementation of modern technology, such as the Hotel Management System (HMS), has reduced waste and increased productivity, while data-driven marketing strategies and social media campaigns have successfully increased occupancy rates and customer loyalty. In addition, a focus on continuous training and inclusive leadership creates a conducive work environment, which supports the creation of superior customer service. Product innovations, such as staycation packages and digital concierges, have also proven effective in reaching new markets and increasing hotel revenue.

The results of this study reinforce previous findings on the importance of the General Manager's role in strategically managing hotel operations to face dynamic market challenges. By integrating various aspects of operational management, the General Manager can ensure smooth daily operations while driving sustainable revenue growth.

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