



**SCHOOL OF HOSPITALITY**

**FINAL EXAMINATION**

Student ID (in Figures) : 

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Student ID (in Words) : \_\_\_\_\_  
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Subject Code & Name : **BHM 3401 Strategic Hospitality Management**  
Semester & Year : January - April 2016  
Lecturer/Examiner : Mr. Najmi Abdullah  
Duration : 3 Hours

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**INSTRUCTIONS TO CANDIDATES**

1. This question paper consists of 2 parts:  
PART A (60 marks) : FOUR (4) short answer questions. Answers are to be written in Answer Booklet provided.  
PART B (40 marks) : ONE (1) scenario question. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

**WARNING:** The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

**Total Number of pages = 4 (Including the cover page)**

**PART A : SHORT ANSWER QUESTIONS (60 MARKS)**

**INSTRUCTION(S)** : Answer all questions in this section. Write your answers in the Answer Booklet(s) provided.

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1. Hospitality organizations work in an ever-changing environment. This means that organizations need to continuously assess the **broad environment**. By using a recent example **related to the hospitality industry**, assess how organizations are scanning, monitoring, forecasting, and adapting to broad environmental influences. (15 marks)
2. Cost leadership strategies are generally not applicable to 5-star hotels as it would be difficult for them to obtain a relative cost advantage. Therefore 5-Star hotels need to use (focus) differentiation.
  - a. Discuss **TWO (2)** risks associated with a differentiation strategy (5 marks)
  - b. Assess **TWO (2)** different forms of differentiation used by 5-Star hotels and give an example of each. (10 marks)
3. The Tune group of companies, in an effort to streamline their business, has decided to sell off their Tune-hotel group consisting of 12 hotels in Malaysia, 8 in the UK, 2 in Indonesia and 1 in Australia and India each. Each Tune hotel is classified as a two-star hotel. The Shangri-La group of hotels operating 4- and 5 –star hotels under the Shangri-La, Traders, Hotel Jen and Kerry Hotels is looking at buying over the Tune-hotel group. Analyse the synergies between the two companies in terms of *strategic fit* and *organisational fit*. (15 marks)
4. Mr Sternlicht is the new General Manager of the Orange Oriental (an exclusive 5-star property in the centre of the city). Mr Sternlicht has an MBA from Harvard Business School and no significant experience in the hotel industry. After one month on the job Mr Sternlicht has a meeting with Ms Ng, the executive housekeeper who has a long background in the hospitality industry. Mr Sternlicht instructs Ms Ng to stop providing the evening turndown service saying that “only 12.6% of customers make use of the service provided which means it is not economically worth our while to continue it”. Ms Ng does not agree.
  - a. Do you agree with Mr Sternlicht **or** Ms Ng? Argue why you agree with either Mr Sternlicht **or** Ms Ng. (10 marks)
  - b. Outline why, specifically in the hospitality industry, organisational-control systems that rely primarily on *financial* controls are likely to have serious problems with regard to strategic management. (5 marks)

**END OF PART A**

**PART B : SCENARIO QUESTION (40 MARKS)**

**INSTRUCTION(S)** : Answer all questions in this section. Write your answers in the Answer Booklet(s) provided.

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