Hotel Operations Management, 3e (**Hayes**)
Chapter 1   Overview of the Hotel Industry

1) Which segment of the tourism industry includes lodging operations?
A) Hospitality
B) Retail
C) Transportation
D) Destination sites
Answer: A
Learning Obj.: 1.1. Define components of the tourism industry and its lodging (hotel) sector.
Difficulty: Easy

2) Which type of lodging operation offers its guests sleeping rooms, meeting space and complete food and beverage services?
A) Select-service
B) Full-service
C) Limited-service
D) Hostel
Answer: B
Learning Obj.: 1.1. Define components of the tourism industry and its lodging (hotel) sector.
Difficulty: Easy

3) An ala carte menu is one in which the menu items offered are individually
A) described.
B) portioned.
C) served.
D) priced.
Answer: D
Learning Obj.: 1.1. Define components of the tourism industry and its lodging (hotel) sector.
Difficulty: Medium

4) Which type of hotel is typically operated out of a converted home?
A) Hostel
B) Full-service
C) Select-service
D) Bed and Breakfast
Answer: D
Learning Obj.: 1.1. Define components of the tourism industry and its lodging (hotel) sector.
Difficulty: Medium

5) The U.S. tourism industry is one of the top ten largest industries in
A) 50 of the 50 states.
B) 49 of the 50 states.
C) 40 of the 50 states.
D) 39 of the 50 states.
Answer: B
Learning Obj.: 1.1. Define components of the tourism industry and its lodging (hotel) sector.
Difficulty: Hard

6) What is the approximate size of the "average" hotel in the United States? management process?
A) 50 rooms
B) 100 rooms
C) 200 rooms
D) 300 rooms
Answer: B
Learning Obj.: 1.2. Examine lodging industry properties, guests, and characteristics.
Difficulty: Easy

7) About what percentage of hotel guests travel for pleasure, rather than travelling for business?
A) 19%
B) 39%
C) 79%
D) 59%
Answer: D
Learning Obj.: 1.2. Examine lodging industry properties, guests, and characteristics.
Difficulty: Easy

8) Which lodging industry characteristic recognizes the fact that, if a guest room is not rented on a specific day, the room revenue that would have been achieved for that room, on that day, is lost forever?
A) Inseparability of manufacture and sales
B) Perishability
C) Repetitiveness
D) Labor intensive
Answer: B
Learning Obj.: 1.2. Examine lodging industry properties, guests, and characteristics.
Difficulty: Medium

9) Which lodging industry characteristic recognizes the fact that a hotel's ability to attract and retain qualified staff members who consistently deliver excellent service is a key to the success or failure of a hotel?
A) Inseparability of manufacture and sales
B) Perishability
C) Repetitiveness
D) Labor intensive
Answer: D
Learning Obj.: 1.2. Examine lodging industry properties, guests, and characteristics.
Difficulty: Medium

10) Which lodging industry characteristic recognizes the fact that, in most cases, a hotel's GM must have expertise in one or more areas beyond that of merely selling hotel rooms?
A) Inseparability of manufacture and sales
B) Perishability
C) Repetitiveness
D) Labor intensive
Answer: A
Learning Obj.: 1.2. Examine lodging industry properties, guests, and characteristics.
Difficulty: Easy

11) What is another name for a management company that operates hotels for a fee?
A) Brand manager
B) Franchisee
C) Contract company
D) Franchisor
Answer: C
Learning Obj.: 1.3. Describe lodging property ownership, management, and organizational alternatives.
Difficulty: Easy

12) Which is a staff department in a lodging operation?
A) Human resources
B) Front office
C) Food and beverage
D) Housekeeping
Answer: A
Learning Obj.: 1.3. Describe lodging property ownership, management, and organizational alternatives.
Difficulty: Easy

13) Which is a revenue center in a hotel?
A) Human resources department
B) Security department
C) Front office department
D) Accounting department
Answer: C
Learning Obj.: 1.3. Describe lodging property ownership, management, and organizational alternatives.
Difficulty: Medium

14) Which is a cost center in a lodging operation?
A) Human resources department
B) Front office department
C) Food and beverage department
D) Parking garage
Answer: A
Learning Obj.: 1.3. Describe lodging property ownership, management, and organizational alternatives.
Difficulty: Medium

15) How is "market share" typically determined in the lodging industry?
A) By the percentage of dollars spent
B) By the number of guest rooms sold
C) By the number of guest rooms available for sale
D) By the number of hotels in a market
Answer: A
Learning Obj.: 1.3. Describe lodging property ownership, management, and organizational alternatives.
Difficulty: Hard

16) Significantly reducing the number of staff members in an organization for cost containment purposes is a process generally referred to as
A) abasing.
B) attrition.
C) downsizing.
D) erosion.
Answer: C
Learning Obj.: 1.4. Identify current lodging industry challenges.
Difficulty: Easy

17) The focusing of marketing efforts on highly-defined groups of travelers is a process known in the lodging industry as
A) merchandising.
B) revenue management.
C) shotgun marketing.
D) market segmentation.
Answer: D
Learning Obj.: 1.4. Identify current lodging industry challenges.
Difficulty: Easy

18) What is the formula lodging managers use to calculate a hotel's occupancy %?
A) Total Rooms Sold + Total Rooms Available = Occupancy Percent (%)
B) Total Rooms Sold - Total Rooms Available = Occupancy Percent (%)
C) Total Rooms Sold ? Total Rooms Available = Occupancy Percent (%)
D) Total Rooms Sold x Total Rooms Available = Occupancy Percent (%)
Answer: C
Learning Obj.: 1.4. Identify current lodging industry challenges.
Difficulty: Medium

19) A hotel had 353 rooms available for sale on a Saturday night. The hotel sold 300 rooms that night. What was the hotel's occupancy % for that Saturday?
A) 8.5%
B) 85.0%
C) 11.6%
D) 116.6%
Answer: B
Learning Obj.: 1.4. Identify current lodging industry challenges.
Difficulty: Medium

20) The use of technology to analyze guest-related data to make better marketing decisions is known as data
A) mining.
B) management.
C) segmenting.
D) selection.
Answer: A
Learning Obj.: 1.4. Identify current lodging industry challenges.
Difficulty: Hard

21) A career ladder is
A) a series of promotions that can occur within a single hotel department.
B) a plan identifying successively responsible positions within an organization or industry.
C) the collective methods used by employees to gain promotions.
D) the manner in which employees seek raises for accepting new positions.
Answer: B
Learning Obj.: 1.5. Review typical lodging industry career opportunities and effective career planning principles.
Difficulty: Easy

22) A senior member of management who provides advice and counsel to less-experienced staff members about matters relating to a job, organization, or profession is known as
A) a coach.
B) a mentor.
C) an advocate.
D) a counsellor.
Answer: D
Learning Obj.: 1.5. Review typical lodging industry career opportunities and effective career planning principles.
Difficulty: Easy

23) Enrollment in a formal two-year or four-year hospitality management training program is
A) absolutely critical to a successful hospitality career.
B) not absolutely critical to a successful hospitality career.
C) absolutely critical to a successful multi-unit hospitality career.
D) irrelevant to a manager's lodging career.
Answer: B
Learning Obj.: 1.5. Review typical lodging industry career opportunities and effective career planning principles.
Difficulty: Medium

24) Which is a graphic "road map" that indicates possible career progression through a lodging organization?
A) Mentorship
B) Career ladder
C) Internships
D) Professional development programs
Answer: A
Learning Obj.: 1.5. Review typical lodging industry career opportunities and effective career planning principles.
Difficulty: Medium