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Operational Shift: Less Paperwork, More Guest Attention

At McNeill Hotel Company, technology powers a strategy to centralize back-office operations so property-level staff can focus on improving guest satisfaction.

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At Tennessee-based McNeill Hotel Company, an owner-operator of 24 branded hotels across the U.S., change management was already underway prior to COVID. Leadership had outlined a plan for centralization - moving many of the back-office operations away from the property level and under the purview of the centrally located leadership team based outside Memphis.

The goal was to remove the often tedious and manual accounting and financial tasks from employees at the hotel, freeing them up to focus their attention on providing an exemplary guest experience. Modern tools - specifically the ability to share data and reports across the entire portfolio in an easily accessible location - would assist in this transformation.

When COVID hit and demand plummeted, the need for leadership at central headquarters to take on more responsibility heightened.

We have centralized so much. Pre-COVID, we moved Accounts Payable and Accounts Receivable off property and into the central office. We want our managers to do more than just sit and do paperwork. But COVID kicked it into gear. GMs were doing everything, including checking in guests, and they just didn't have the time to be building and running reports. Meanwhile, we didn't slow down in the corporate office. Travis Murray, President of McNeill

Now, with the right resources, McNeill is able to keep operations lean.

Building Labor and Rate Strategies

On property, spiking labor costs are requiring more detailed focus on hiring and training, specifically in the housekeeping department. There's only so much that we can cut from the expense side, Murray says. Hourly labor costs are up 50% since 2019.

The jump in labor costs attracted extra attention and scrutiny, including a closer look at data to analyze housekeeper performance and costs.

Fortunately, demand across McNeill's portfolio of mainly Hilton, Marriott and Hyatt brands continues to be incredibly strong, showing no cracks due to economic uncertainty.

We've shattered all previous marks for everything, Murray says. But, factor in labor costs, and commodity costs are up 30% - operational costs are also skyrocketing.

Technology Powers Centralization

Prior to COVID, McNeill adopted MDO's <u>myDocs</u>, a Digital Document Management Solution, to ensure critical reports were easily shareable and accessible, and to be better stewards of the environment. By 2021, hotels stopped printing night audits entirely and instead adopted digital storage and workflows.

Now the overnight desk clerk pushes one button, that's it, and they get one report with the night audit, Murray says.

Having the documents indexed in a digital environment also came in handy when McNeill recently went through an audit process of its sales tax records. It made it much easier because we just pulled up exactly what they needed through the digital night audit, Murray says.

As COVID forced further centralization, the team adopted MDO's suite of reporting and BI tools - adding <u>myPlan</u>, <u>myPerspective</u> and <u>myRevenue</u> - to extract the data and build real-time dashboards that unlock the insight into the business that they need.

We looked at other systems, but when they pulled the data together, all the reports still looked different, Murray says. MDO provided a process that was much less manual and looks much more sleek and user friendly.

Of course, reducing McNeill's environmental footprint by eliminating paper waste was an added benefit that led to cost savings as well. McNeill recently received MDO's Sustainability Certification, which shines a spotlight on hotel owners and operators dedicated to reducing their environmental footprint. Since adopting MDO's myDocs in April 2021, McNeill has contributed to saving 207 trees, 164 gallons of wastewater, and 20 pounds of landfill waste across its 24-hotel portfolio.

About MDO

myDigitalOffice (MDO) is the world's fastest growing hotel data platform, providing customers with centralized, digital access to all of their hotel's most critical documents and cross-functional performance metrics. The visibility, connectivity, and control delivered by our award-winning cloud-based dashboards, document management software, and integrated data feeds allow teams to reach greater levels of productivity, budget, and forecast, and reduce environmental impact while optimizing profitability. Learn more at <u>mdo.io</u>.

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