

Hospitality Financial Leadership - Engage Their Hearts and Minds First

Getting your hotel leadership team excited about accounting is like someone thinking it's fun to go to the dentist. Your average person wants nothing to do with it because they have a predisposed notion that it's yucky, boring and better left for someone who has a hard time walking and talking at the same time.

What I have learned about getting your average hotel leader excited about the numbers is just the opposite. Let me explain.

Hotel leaders ALL want to have the “financial where-with-all” to dazzle their peers. They know it's the secret sauce to propel their career. They all want their seat at the captain's table. Being close to the engine room and having an invitation to be part of the inner financial circle is exciting and sexy.

Why then is there such a disconnect between leadership's desire to be financially astute and their typical complete lack of attention and discipline when it comes to the numbers? It's all because of the approach.

Here is the typical hotel scenario as it relates to the numbers and how they are viewed by most leaders.

1. The numbers are confusing because the **level of understanding is very low** with most managers. The application of the impact those numbers represent and the direct connection to the leader's performance is not clear. We naturally don't want anything to do with something that's uncomfortable and seen as a waste of time.
2. In most hotels the numbers are viewed by the operational leaders as **someone else's deal**. The typical department manager sees their role as a primary connection to the guests and their colleagues, not the numbers.
3. Operational managers **don't have time** to “look after” their numbers because they are already too busy with their guests and staff. The admin stuff is the last thing that gets their attention and the result is that the quality of the work suffers.



4. Leaders don't see a **direct connection** between their relationship with the numbers in their area and their own **personal prosperity**.

What do we need to change to get the hotel management team in the hotel to embrace their numbers and see this part of their responsibilities as just another part of their job? How do we get them comfortable and excited about their financial acumen? What you want to do is to shift their perspective. You need to move away from the notion that the numbers are yucky, to the numbers are sexy and they represent the path to professionalism and greater personal prosperity. Here is how you need to proceed to shift their thinking:

1. Educate from day one all leaders who have P&L responsibility. As early as the interview we need to make sure the **numbers are just as important** to the discussion and decision to hire this person as their attention to service and engagement. Make the ongoing education with the numbers as purposeful and routine as service training and colleague engagement skills.
2. Make **the communication around the numbers** a daily and departmental mainstay. Every morning meeting and department briefing needs to include a review of how the current financial picture is shaping up. The communication needs to be fresh and designed to be informative and interesting. Simply regurgitating the latest occupancy and rate does nothing (more on how to communicate to your staff on the numbers in another upcoming post).
3. Ensure your **leaders all make the time and take the time** to properly deal with their numbers. Focus your efforts on aligning the leader's responsibilities to the three equal pillars: service, engagement and the numbers. When this balance is out of whack corrections need to be made. We would not put up with a leader who is not pulling their weight with their service levels or colleague relations.
4. Show your leaders that **the numbers are not the hard part of hospitality**. Let them see that having skills and developing acumen around the financial aspect of their career is powerful stuff. Show them that it's not difficult. Remember when you thought the numbers were confusing and intimidating? Everyone who has been on the other side of that bridge can relate to this misconception. Be the executive who leads their team around the financial discipline. They will love you for making a difference in their world and this is priceless for them and your leadership.
5. Always remember that **the numbers will never be perfect** and they will **never go away**. That sounds kind of scary and bleak...but that's the reality. However, we can take comfort in the fact that this imperfect and relentless pursuit is in good company. People would think you were crazy if you thought and purported that service would be perfect in your hotel.

Equally as silly would be the notion that your staff would all be 100% properly engaged anytime soon. Yet with these two disciplines we accept the imperfection and we come to work each day with a renewed determination to continually improve. The numbers are exactly the same. They will never be perfect and they will never go away. In hospitality most people have a misguided notion when it comes to the numbers. It's like grade 10 math. If I pass it I will never have to come back! But the numbers are just how we keep score and it's just another part of the business.

Once your managers see that the numbers are just as important to their role as service and engagement, things will begin to shift. Subsequent to increasing their abilities to communicate effectively around the numbers they will see it's very interesting. Now that they take the time necessary to manage their departmental finances they will be proud of their accomplishment. After they realize the hotel financials are not so difficult they will teach others. Post the misunderstanding that the numbers are going away and they will step up.

Your team of managers and leaders all want to have these skills and abilities. What they're waiting for is you. They need you to lead the way and "shift the perspective." Once you do, things will never be the same for you, your team and your business.

At Hotel Financial Coach I help hotel leaders with financial leadership coaching and workshops. Learning and applying the necessary financial leadership skills is the fast track to greater career success and increased personal prosperity. I significantly improve individual and team results with a proven return on investment.