



F&B Benchmarks

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1 Objective and scope

The aim of this process is to explain and define the usage of relevant information winning from benchmarks.

Benchmark means: A process of comparing business results and processes from one Hotel with first of all best of industry (external NH) and/or best performer within the own Company.

2 Benchmark

Responsible: F&B Responsible and General Manager

Benchmark dimensions typically measuring quality, revenue and cost. In the process of F&B benchmarking, NH Hotels identifies the best Hotels in their industry/company or in another industry where similar processes exist, and we compare the results and processes of those studied to one's own results and processes.

In this way, we learn how well targets perform and, more importantly, why business processes in one Hotel do perform better than in other Hotels

This then allows NH Hotels to develop plans on how to make improvements or adapt specific best practices. Usually the aim is to increase some aspect of performance. Benchmarking may be a one-off event, but benchmarks are integrated as a continuous process in which we continually seek to improve our practices and results.

Way of defining Benchmarks for F&B:

1. **Identify problem** – Low performers in a specific area. Before embarking on comparison with other hotels it is essential that you know their organization's function, processes; base lining and comparability.
2. **Identify Hotels that are best of class** - Look for the very best within the company and in each country. Use guest feedback, financial figures and evolution to determine which Hotel are worth for benchmarks or study.
3. **Visit the "best practice" Hotels, to identify leading practices** – How is the structure, how is the operation working etc.
4. **Define Hotels to do benchmarking**
5. **Evaluate the new learned practices**
6. **Implement new and improved business practices** - Take the leading edge practices and develop implementation plans for defined Hotels. Include identification of specific opportunities, supporting and coaching the project and selling the ideas to other Hotels within the organization for the purpose of gaining more revenue and/or increase GOP.

> Giving added value to the company

Once benchmark are defined and integrated it allows NH to monitor and adjust certain policies and strategic decisions.

Organization Department – F&B Benchmarks



3 Procedure validation

| Version | Corporate area | Approved by: | | Approval date |
|---------|--------------------------------------|--|--|--------------------------------|
| 1 | Operations (Process Owner) | F&B Operation Manager Operations Control Director Chief Operations Officer | Thomas Bartz Anja Loijens Ramón Aragonés | March 2012 |
| | Internal Audit | SVP Internal Audit | | |
| | Resources | SVP Human Resources SVP Purchasing | | |
| | Strategy & Development | SVP Quality & Competition Chief Commercial Officer | | |
| | Management Committee | | | Steering Minutes 16/04/2012 |