

How hotel management companies should prepare hotel owners for crises

 By [Guy Stehlik](#)

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“ *If everyone is moving forward together, then success takes care of itself. - Henry Ford.* ”

The hospitality industry is no stranger to hardships. We are often first to feel the impact of any global or local crisis. When a situation impacts the lives of the consumers we deal with daily, we are directly affected. So, this happens regularly; and we must tackle crises head-on, for the sake of consumers and their confidence in us and for our own teams and their livelihoods.



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No industry experiences smooth sailing all of the time. While you cannot prepare for everything – we certainly did not foresee a global pandemic sending much of the world into lockdown so swiftly – it is essential to have strategies in place to be prepared for potential crises. We might not know what the future holds, but we always have plans in motion for acting quickly and communicating effectively.

Hotel management companies, for example, should ideally be there to help hotel owners through the good times and the bad times. It is interesting for us to note how certain large international hotel groups continue to shun the pleas of hotel owners for a short-term relaxation of fees and other terms. Even in our own hardship, we see the crisis as a time to extend our hands and assist our owners even more! In times of crisis, it can never be a situation of "each to their own."

At BON we see the crisis as a time where we have a responsibility to work together with our owners, and our job should be to dig deeper, to help more and step up to tasks typically outside our ambit as operators, to assist our owners and by default our own organisation, to survive the crisis.

To tackle any crisis, as different as these many crises we continue to face and become resilient to maybe, in South Africa and Africa at large, we must look to what has worked historically.

As we lurch from crisis to crisis throughout many parts of Africa, the resilience we continue to demonstrate as hotel operators and hotel owners never cease to amaze me. As do the opportunities for growth that stem from these crises, for those within the hospitality industry.

When severe drought brought parts of South Africa dangerously close to running out of water, the threat of 'Day Zero' (when taps would quite literally run dry) impacted everyone. As an industry, we came together to help those in need when water was limited. To illustrate, we facilitated a drive to collect thousands upon thousands of five-litre water bottles from our hotels. All water collected was transported to Cape Town and donated to schools and old age homes. And yet, we survived! And prospered!

The world's economic sanctions imposed on South Africa throughout the 70s and 80s had the power to cripple our hotel businesses. Yet, it created the great domestic tourism culture that we enjoy today; a domestic tourism culture that we will have no choice but to embrace more than ever as international visitors to Africa slow down to a trickle.

The resourcefulness of our hotel industry in those days created giant South African hotel groups such as Protea Hotels, City Lodge and Southern Sun, all borne from the need to service and stimulate South Africa's domestic tourism. And yet, we survived! And prospered!

In response to rolling electricity shutdowns and power crisis after crisis, we rationed, we educated our staff and customers, we embarked on massive power reduction programmes and managed to maintain our hotel businesses. And yet, we survived! And prospered!

Now, the global outbreak of Covid-19 is having a devastating impact on the hospitality industry. We have no way of knowing how this situation will unfold further, but what we do know is that our hotel owners, in all cases, need help.

We see many hotel owners not being able to ride out the crisis from a cash flow perspective and thus placing their hotels on the market. This is unbelievably sad, but certainly, in most cases, wholly avoidable.

In order to prevent hotel owners and their respective stakeholders having to go into business rescue, announce foreclosure, put their hotel on auction or sell the property (now is not the right time to sell a hotel!), BON Hotels, for example, is working with new and existing hotel owners providing specific bespoke-to-hotel assistance designed to ensure the survival and prosperity of their hotels, **particularly in the realms of:**

- Cash flow management,
- Applying for UIF and other relief,
- Providing significant fee holidays,
- Collecting outstanding monies from travel and corporate organisations,

- Creating and then negotiating payment plans for hotel owners' creditors,
- Re-compiling marketing and sales plans,
- New strategic planning, and
- Negotiating with trade unions on revised working conditions for staff, re-doing policies and procedures in lieu of the changing health and safety regulations - all to help them through the crisis and assist with getting back on their feet in the long-term. By lowering fees and offering expert guidance, we weather the storm together. And we will continue to find other creative and practical ways to assist hotel owners.

We are unified in our mission to ensure a safe environment for everyone, following guidelines provided by the Department of Health. All of our establishments are receiving training to have stringent measures in place for hygiene and safety protocols, with isolation facilities available if necessary. The safety and well-being of our staff and guests will always remain our top priority.

We have faced struggles before, and we will again. While the Covid-19 pandemic presents a larger challenge than we could have foreseen – affecting all industries – our job at BON Hotels is to ensure that our hotels survive the next six months of very limited activity, so that we reopen stronger than before. Survive and prosper!

ABOUT GUY STEHLIK

Guy Stehlik is the CEO and founder of BON Hotels and Director of BON Hotels International West Africa. Having vast experience in all aspects of Hotel Management as well as having owned his own hotels, Guy created BON Hotels as an "owner-staff-community-guest" centric company to herald in and define an exciting new era in hotel management.

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