A collection of military medals and a compass on a wooden surface. The medals include a red ribbon with a circular emblem, a blue ribbon with a circular emblem, and two silver Maltese crosses with circular centers. A pair of gold-rimmed glasses and a silver compass are also visible.

How to Select a New PMS System

By

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HITEC

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Ted Horner - E Horner & Associates

- ◆ Diploma Hotel & Catering Management Victoria University
- ◆ Been involved in hospitality technology for more than 20 years
- ◆ Est. own consulting practice in 1989
- ◆ involved in system selection for PMS, POS, PABX etc for some of Australia's largest hotel/resort owners
- ◆ published a quarterly newsletter on technology since 1995
- ◆ Est. AHT - Australia's own hospitality technology event in 1996



Agenda

- ◆ Initial Tasks
- ◆ Key selection criteria
- ◆ Hints and trends
- ◆ Contract negotiation
- ◆ Project management



Background

- ◆ Hard to identify the right PMS vendor ?
- ◆ Different platforms , operating environments and add on features.
- ◆ Single Vendor Vs Best of Breed
- ◆ Interfaces –existing or need to be developed?



Factors To Consider

- ◆ What type of Hotel do you own or operate?
 - Resort, Convention, Boutique, Casino, CBD Business, Serviced Apartment Time Share etc
- ◆ Size of Your Property – One PMS Does Not Fit All
- ◆ What is your Budget?
- ◆ Are you part of a chain ?



Initial Tasks

- ◆ Appoint a selection team
- ◆ Define your requirements
- ◆ Document your requirements
- ◆ Compile a vendor list
- ◆ Prepare an RFP



Determine Requirements

- ◆ Reservations – where are they housed
Centrally or Local or Combination
- ◆ One Way or 2 Way Interface
- ◆ Inventory Management
- ◆ Revenue Management



Determine Requirements

- ◆ Rooms Functionality
 - Front Desk
 - Reservations
 - Housekeeping
 - Groups /Package Plans
 - Reporting Capability



Determine Requirements

- ◆ Interfaces/Integration
 - POS
 - PBX
 - CRS
 - In Room Movies
 - Credit Card Authorisation
 - Call Accounting/Voice Mail
 - Spa or Golf
 - Ease of Development/Cost



PMS Selection Criteria

- ◆ Configurable/user definable management reports
- ◆ Strong forecasting tools
- ◆ Marketing database systems
- ◆ Definable rate management
- ◆ Inter-operability with other systems



PMS Selection Criteria

- ◆ Integrated yield management or Interfaces to third party vendors
- ◆ Frequent guest tracking/loyalty systems.
- ◆ Ability to handle direct bookings from the Web Site .
- ◆ Distribution Channel Management
- ◆ Web Browser Capabilities



PMS Selection Criteria

- ◆ Thick or Thin Client Version
- ◆ ASP Model –Remote or Self Hosted
- ◆ Web Based Learning
- ◆ Data Mining Capabilities
- ◆ E --Folio




Technical Considerations

- ◆ Operating Systems
 - Unix, NT, Windows 2000 or XP, Oracle
- ◆ Databases
 - Oracle, SQL, Informix, Btrieve
- ◆ XML –
- ◆ Office Automation Integration
 - Ie Word, Email or Spreadsheets



Hints and Trends

- ◆ Promises vs accomplishments
- ◆ Flexibility/Functionality of software
- ◆ Importance of References
- ◆ Relationship with vendor



Evaluation and Selection Criteria

- ◆ **Software** 40%
 - functionality
 - flexibility
 - fixtures
- ◆ **Supplier** 15%
 - viability
 - reputation
 - knowledge



Evaluation and Selection Criteria

- ◆ **Implementation** 10%
ease
support
- ◆ **Support** 10%
cost
experience
- ◆ **Hardware** 10%
- ◆ **Cost of solution** 15%



Contract Negotiation Preparation

- ◆ Plan goals of negotiation
- ◆ Know in advance items you are willing to concede
- ◆ Negotiate costs last
- ◆ Negotiate payment schedule for maximum final payment



Contract Negotiation

Contract Should Include:

- ◆ Detailed system configuration
- ◆ Implementation schedule
- ◆ Remedies for missed targets
- ◆ Training commitments



Contract Negotiation

Contract Should Include:

- ◆ Expected levels of system performance
- ◆ Listing of documentation to be provided
- ◆ Software and hardware warranties ie KPI or SLA's with financial penalties for non delivery.
- ◆ Prime contractual responsibility

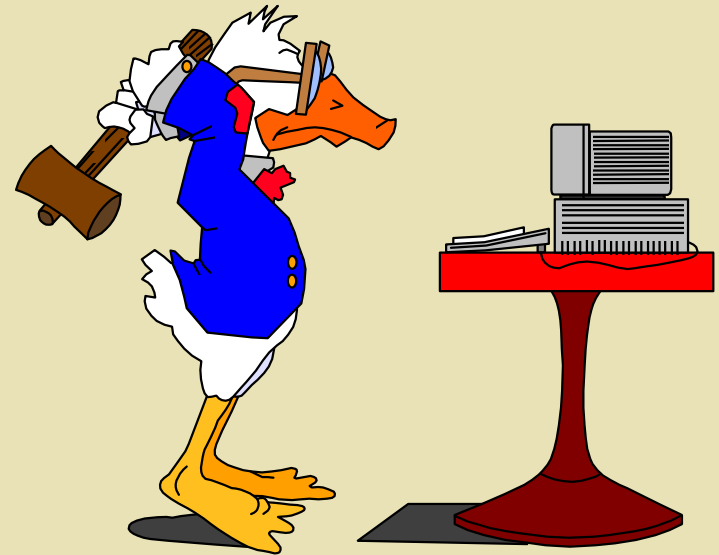


Project Management

- ◆ Preparation of realistic implementation plans
- ◆ Training schedules and performance
- ◆ ‘Milestones’ for performance
- ◆ Acceptance testing
- ◆ Define recovery procedures
- ◆ Maintenance and support services

Summary

- ◆ Any new investment in technology must be viewed from the guest's perspective



Questions???

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