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## Analysis of Standard Operational Procedure Hotel Using AHP to Get the Best Ranking Order

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### **ABSTRACT**

*Standard Operating procedure accounting system, controlling model management of hotel administration credit approval to facilitate the supervision of companies that will apply for credit. Credit meetings to be able to control the account provided by the credit facility. Direct meeting to ensure that all booking or activities that result in billing are billed directly to avoid. Credit card procedure to make sure the financial controller is responsible for developing a system and following procedures are placed. Foreign currency loss/gain, not front office to make sure all profit and loss associated with foreign exchange transaction must be reflected in profit and loss account unless the management contract states otherwise. Collection to make a sure timeline of billing accuracy of data and effective method and follow up. Use the collection agencies/attorney to ensure the issuing billing is carried out the control so that there are no arrears. Collection letters to maintain a highly professional business image through consistent verbal and written collection efforts. Accounts receivable balancing to ensure the accuracy of the records and can avoid billing errors and causes of loss of revenue. Payment receivable to avoid data error regard payment made posting to city ledger establish debt bad provision to maintain provision for bad debt to cover.*

**Keywords:** AHP; Criteria; Ranking; SOP.

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### **A. INTRODUCTION**

**Credit Approval** If a company or travel service wants to apply for a facility credit, each company must meet the requirements specified by the company (hotel) such as completing the Credit facility submission Form, the data that has been submitted will be reviewed by an officer authorized by the company (hotel) to check the correctness of the data that has been submitted such as Company profile, Address, the person in charge, Bank account, office status, Human Resources owned, etc.

**Credit Meeting Purpose** To be able to control the account provided by the credit facility, Discussions regarding credit should be held every month, at least with those responsible and involved to develop and enforce credit decisions to maximize billing and procedures. Credit Manager prepares data for all the accounts required for discussion to be reviewed (all new accounts and older than 60 days) etc.

Direct Billing Purpose to ensure that all bookings or activities that result in billing are billed directly to avoid losses.

Credit card Procedure purposes to make sure the financial controller is responsible for developing a system and following procedures are in place Credit card Refund purpose all credit card refunds must be documented and a file to support all refunds must be maintained by the Financial Controller.

Foreign currency loss/gain, not front office standard to make sure all profit and loss associated with Foreign Exchange transactions must be reflected in the profit and loss account unless the management contract states otherwise.

Collection standard to make sure timelines of billings, the accuracy of the data and effective methods and follow-up. Use of collection agencies/attorneys standards to ensure that issuing billing is carried out the controls so that there are no arrears.

Collection letters standard to maintain a highly professional business image through consistent verbal and written collection efforts. These efforts will enhance the hotel cash flow, minimize the accounts receivable aging and maintain customer loyalty.

Accounts receivable balancing standard to ensure the accuracy of the records and can avoid billing errors and causes of loss of revenue.

Payment verification standard to avoid data errors regarding payments made. Posting to city ledger standard to ensure that every posting is done according to the specified place and code. Establishment of bad debt provision standard to maintain a provision for bad debts to cover anticipated bad debts. The provision is to be adjusted monthly to present an accurate valuation of uncollectable accounts. Write off of bad debts standard to control each account that has been billed during a complete 90-day cycle and which has not been collected will be presented to the General Manager and Financial Controller for review.

Group credit procedure standard to avoid uncollectible receivables In general all "Group Contracts" must be countersigned by the Financial Controller and General Manager. Credit limit standard to anticipate the buildup of receivable. The results of the assessment of several hotels that have been assessed by hospitality experts and professionals are as follows. Based on the assessment, the assessments that have been made on each assessment variable will be sorted.

Tabel 1. SOP Score

N0	Document	Standard oppressional management	Hotel A	Hotel B	Hotel C	Hotel D	Hotel E
			Skor	Skor	Skor	Skor	Skor
1	PP-AHM-OP.08.01.001	Credit Approvals	342	285	453	265	280
2	PP-AHM-OP.08.01.002	Credit Meetings	354	476	443	256	330
3	PP-AHM-OP.08.01.003	Direct Billing	243	267	287	294	254
4	PP-AHM-OP.08.01.004	Credit Card Procedure	353	367	323	354	356
5	PP-AHM-OP.08.01.005	Credit Card Refunds	276	276	389	326	367
6	PP-AHM-OP.08.01.006	Foreign Currency Loss or Gain-not front office	343	245	278	290	270
7	PP-AHM-OP.08.01.007	Collections	143	354	325	327	351
8	PP-AHM-OP.08.01.008	Use of Collection Agencies-Attorneys	234	278	327	328	319
9	PP-AHM-OP.08.01.009	Collection Letters	323	326	376	342	343
10	PP-AHM-	Accounts Receivable Balancing	212	365	342	216	267

	OP.08.01.010						
11	PP-AHM-OP.08.01.011	Payment Verification	234	256	312	213	342
12	PP-AHM-OP.08.01.012	Posting To City Ledger	215	143	213	256	278
13	PP-AHM-OP.08.01.013	Establishment of bad debt provision	254	231	356	216	312
14	PP-AHM-OP.08.01.014	Write-off of Bad Debts	378	217	257	218	343
15	PP-AHM-OP.08.01.015	Group Credit Procedures	367	215	325	317	298
16	PP-AHM-OP.08.01.016	Credit Limits	287	326	267	231	251

Each assessment and variable following the conditions given to the AHP assessment, the variable will be given a weight that is following the interests, this is determined by the professional hospitality system and hospitality education.

Tabel 2. Intensity Importance

Value	
Criteria	index
Credit Approvals	7
Credit Meetings	5
Direct Billing	9
Credit Card Procedure	7
Credit Card Refunds	5
Foreign Currency Loss or Gain-not front office	5
Collections	3
Use of Collection Agencies-Attorneys	7
Collection Letters	5
Accounts Receivable Balancing	5
Payment Verification	7
Posting To City Ledger	9
Establishment of bad debt provision	7
Write-off of Bad Debts	5
Group Credit Procedures	7
Credit Limits	5

## B. METHOD

To decide an organized way to generate priorities we need to decompose the decision into the following steps:

1. Define the problem and determine the kind of knowledge sought
2. Structure the decision hierarchy from the top with the goal of the decision, then the objectives from a broad perspective, through the intermediate levels (criteria on which subsequent elements depend) to the lowest level (which usually is a set of the alternatives).
3. Construct a set of pairwise comparison matrices. Each element in an upper level is used to compare the elements in the level immediately below concerning it.
4. Use the priorities obtained from the comparisons to weigh the priorities in the level immediately below.

Do this for every element. Then for each element in the level below add its weighted values and obtain its overall or global priority. Continue this process of weighing and adding until the final priorities of the alternatives in the bottom-most level are obtained.

Tabel 3. The fundamental scale of absolute numbers

<i>Intensity of Importance</i>	<i>Definition</i>	<i>Explanation</i>
1	Equal Importance	Two activities contribute equally to the objective
2	Weak or slight	
3	Moderate importance	Experience and judgement slightly favour one activity over another
4	Moderate plus	
5	Strong importance	Experience and judgement strongly favour one activity over another
6	Strong plus	
7	Very strong or demonstrated importance	An activity is favoured very strongly over another; its dominance demonstrated in practice
8	Very, very strong	
9	Extreme importance	The evidence favouring one activity over another is of the highest possible order of affirmation
Reciprocals of above	If activity <i>i</i> has one of the above non-zero numbers assigned to it when compared with activity <i>j</i> , then <i>j</i> has the reciprocal value when compared with <i>i</i>	A reasonable assumption
1.1-1.9	If the activities are very close	May be difficult to assign the best value but when compared with other contrasting activities the size of the small numbers would not be too noticeable, yet they can still indicate the relative importance of the activities.

## C. RESULT AND DISCUSSION

### 1. Result

There are 16 pairwise comparison matrices in all: One for the criteria concerning the goal, which is shown here in Table 4, two for the criteria, the first of which for the criteria credit approval, credit meetings, Direct Billing, Credit card Procedure, Foreign currency loss or gain not front office, collection, use of collection agencies attorney, collection letters. account receivable balancing, payment verification, posting to city ledger establishment of bad debt provision, write off of bad debt credit limits.

Tabel 4. Pairwise comparison

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
7	5	9	7	5	5	3	7	5	5	7	5	7	5	7	5
1	1,4	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4
0,7	3,6	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
1,3	2,5	1	1,3	1,8	1,8	3	1,3	1,8	1,8	1,3	1,8	1,3	1,8	1,3	1,8
1	2,8	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4
0,7	1,8	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
0,7	2,8	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
0,4	1,1	0,3	0,4	0,6	0,6	1	0,4	0,6	0,6	0,4	0,6	0,4	0,6	0,4	0,6
1	6,5	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4
0,7	0,8	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
0,7	6,5	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
1	1,1	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4
1,3	8,3	1	1,3	1,8	1,8	3	1,3	1,8	1,8	1,3	1,8	1,3	1,8	1,3	1,8
1	0,8	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4
0,7	6	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
1	1,2	0,8	1	1,4	1,4	2,3	1	1,4	1,4	1	1,4	1	1,4	1	1,4

0,7	4,3	0,6	0,7	1	1	1,7	0,7	1	1	0,7	1	0,7	1	0,7	1
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Each criterion that has a value of importance will be compared with other criteria. Each criterion that has been compared is squared based on the matrix, the purpose of squaring is to mix each criterion value that has been compiled according to the value of importance table 5 processing data obtained from the hotel operational system.

Tabel 5. Square

Evaluation	Pairwasise comparition																
	index	7	5	9	7	5	5	3	7	5	5	7	5	7	5	7	5
Credit Approvals	7	17	66	13	17	24	24	39	17	24	24	17	24	17	24	17	24
Credit Meetings	5	14	56	11	14	19	19	32	14	19	19	14	19	14	19	14	19
Direct Billing	9	22	87	17	22	31	31	52	22	31	31	22	31	22	31	22	31
Credit Card Procedure	7	18	71	14	18	25	25	41	18	25	25	18	25	18	25	18	25
Credit Card Refunds	5	13	50	9,8	13	18	18	29	13	18	18	13	18	13	18	13	18
Foreign Currency Loss or Gain-not front office	5	13	53	10	13	19	19	31	13	19	19	13	19	13	19	13	19
Collections	3	7,5	30	5,9	7,5	11	11	18	7,5	11	11	7,5	11	7,5	11	7,5	11
Use of Collection Agencies-Attorneys	7	20	84	16	20	29	29	48	20	29	29	20	29	20	29	20	29
Collection Letters	5	12	46	9,2	12	17	17	28	12	17	17	12	17	12	17	12	17
Accounts Receivable Balancing	5	16	67	12	16	22	22	37	16	22	22	16	22	16	22	16	22
Payment Verification	7	17	65	13	17	23	23	39	17	23	23	17	23	17	23	17	23
Posting To City Ledger	9	26	108	20	26	37	37	61	26	37	37	26	37	26	37	26	37
Establishment of bad debt provision	7	16	64	13	16	23	23	38	16	23	23	16	23	16	23	16	23
Write-off of Bad Debts	5	16	65	12	16	22	22	36	16	22	22	16	22	16	22	16	22
Group Credit Procedures	7	17	65	13	17	23	23	39	17	23	23	17	23	17	23	17	23
Credit Limits	5	14	59	11	14	20	20	33	14	20	20	14	20	14	20	14	20
average		16	65	13	16	23	23	38	16	23	23	16	23	16	23	16	23

The next data processing is the process of normalizing data from square data into simpler data, data that is big data divided by the average total data table 6 result assessment of hotel operational standards that have been paired and compared with the value of the importance of each character. Each value that has been compared and squared is normalized so that the data can be multiplied by a matrix into the assessment of each SOP that has been obtained from the SOP appraisers.

Tabel 6. Result

Weight	Result
Evaluation	
Credit Approvals	266,5417
Credit Meetings	219,9524
Direct Billing	350,9748

Credit Card Procedure	282,3829
Credit Card Refunds	199,5851
Foreign Currency Loss or Gain-not front office	210,8272
Collections	119,7510
Use of Collection Agencies-Attorneys	324,9669
Collection Letters	187,7589
Accounts Receivable Balancing	253,4112
Payment Verification	262,8624
Posting To City Ledger	417,8146
Establishment of bad debt provision	260,1030
Write-off of Bad Debts	247,3278
Group Credit Procedures	263,9662
Credit Limits	227,7739

Tabel 7. Calculate score after pairwise comparison

Hotel A	Skor	342	354	243	353	276	343	143	234	323	212	234	215	254	378	367	287
Hotel B	Skor	285	476	267	367	276	245	354	278	326	365	256	143	231	217	215	326
Hotel C	Skor	453	443	287	323	389	278	325	327	376	342	312	213	356	257	325	267
Hotel D	Skor	265	256	294	354	326	290	327	328	342	216	213	256	216	218	317	231
Hotel E	Skor	280	330	254	356	367	270	351	319	343	267	342	278	312	343	298	251

The results obtained from processing the data obtained ranking as follows table 8

Tabel 8. Ranking

Hotel A	1,041178	293024,647	3
Hotel B	0,859189	288492,055	4
Hotel C	1,370995	333140,505	1
Hotel D	1,103058	284938,936	5
Hotel E	0,779629	315962,291	2

## 2. Discussion

International branded supply growth across the region. A key reason for this gradual move away from hotel management agreement is to evaluate SOP. The decision among hotel and participant developers/owners to develop in-house experience and expertise, which is the result of an increase in the number of acquiring multiple assets.

Especially must consider in operation competition evaluation each hotel management. Owners are moving toward having their management expertise function while requiring only the brand equity and star hotel. The emerging trend and star hotel highlights the importance.

Financial management, cost effectiveness is important for having operational system control. Study of hotel location also facilitates the understanding of urban tourism space and structure because the hotel is basic facilities that support urban tourism (Regerson, 2012).

Tourism industries advantage growth 5,8%, 455 trillion rupiah before the pandemic, hospitality sector are main pillars on Indonesia. The hotel will create a domino effect, evaluate

management importance, and star hotel as standar management for comparing each hotel ranking needs.

Star rating two star, three star, four star, five star, strategy has a major on maintaining and growing hospitality business (brown and Dev, 1999), and satar to achieve a competitive advantage, best-fit strategies require more gain higher market share.

Porter (2010) said that are three generic strategies, which could be applied to the competition, which are cost leadership strategy, differentiation strategy, and focus or market niche strategy.

Hotels are ventures providing food, beverages, and rooms to sleep offered to people on travel and able to pay for said services without any specific contract (Randy, 2010).

According to Winslet (1970) on Perrera (2014), hotels have several key operational areas, which are:

- a. Room division: this area includes front office, reservation, communication, housekeeping;
- b. Food and Beverage areas: this area includes a restaurant, table services, quick services, banquet, catering, banquet, club, coffee shop, room service;
- c. Culinary/kitchen operation: this area includes food preparation to be served in restaurants, banquets, bakeries, bars;
- d. Another operational area: this area includes Sales and marketing, accounting, purchasing, finance, engineering and maintenance, security, human resources.

Every strategy has been proven significant to increase products and hotel services, especially in the high-end market segment, where brand-affiliated hotels receive higher sales and net income than an individual hotel. (Brown and Dev 1999).

#### **D. CONCLUSION**

Use of AHP as a tool for calculating and analyzing services and operational standards at hotels predict best management and award for best start SOP, AHP help management to get a result from professional hospitality industries. AHP objective evaluates score and analysis hotel SOP.

Perspective model Analytic AHP as decision support system provides user make decision predicate star .corporate business hospitality, one might argue the whole process of decision making is so unstructured and amorphous that in no use trying precise but simple matter of using ingenuity supported then mathematical terminology, to improve number to place object.

A generally different set of numbers is used to scale the judgment for the alternative under different criteria. Hotels have 16 criteria discussion counted by professional hotel system and standard operating system for hospitality industries. There is a more general method of measurement that does not make use of a standard scale. It is method relative measurement useful for properties for which there is no standard scale of measurement objective.

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