

COMPREHENSIVE DIGITAL TRANSFORMATION IN LESS THAN A YEAR: CROWNE PLAZA BELGRADE

Company name:

Crowne Plaza Belgrade (part of the Delta Holding/Delta Hospitality group)

Branch: Hotel industry

Opened in: 2013

Location: Belgrade, Serbia

Services: Hotel industry, tourism

Crowne Plaza is the largest hotel in Belgrade. Employing over 130 people. Even though the hotel is owned by Delta Holding, it is managed by InterContinental Hotels Group (IHG), one of the largest hotel chains with nearly 6,000 hotels all over the world.

While the long-standing tradition and recognition of the brands owned by IHG (which also include Crowne Plaza) have definitely contributed to the success of the Belgrade hotel, most of the credit goes to the combination of the successful work of employees and responsible management. The hotel has established a thorough and complex business control and reporting system which has been managed manually ever since the hotel opened in 2013. The tasks included printing, scanning, and using different systems with a low level of automation which were not connected to one another. In less than a year, the Crowne Plaza hotel team managed to completely transform three extensive business processes and completely transform them through digital support with the help of an external partner, the Slovenian company HC Center, and Therefore, the document system provided by Canon.





In all of its hotels, the IHG Group requires strict and extensive reports on business operations, tasks and investments. While the Finance and IT departments in the Crowne Plaza Hotel in Belgrade, were obviously aware of the meaning of control and reporting when it comes to managing the hotel, they also noticed that the system, which was time consuming, has space for improvement. Different departments of the hotel were sending reports on purchasing, investments, and quality control on a daily basis. Printed reports circulated among different signatories and departments, documents were occasionally lost, and sometimes - if one of the signatories was absent from their office, for example - everyday tasks or purchasing processes even took a couple of days. Before, employees at the hotel usually prepared more than 100 pages of various documents on a daily basis, which then had to be printed, signed, and stamped. As a consequence, all three processes - purchasing, budget management and quality control - required a lot of time from the employees, while unnecessary delays were also provoked by the fact that printouts had to be found in the archives.

Mr Radisavljević, Head of IT department, started searching for more suitable digital solutions, with the immediate purpose of first optimising the following three areas:

1. Purchase Order (PO):

in the Crowne Plaza Hotel, the cost control process is extremely strict since every single purchase, even small-value purchases, has to be recorded, examined, and approved by four persons or departments.

 Proposed solution: a cloudbased app that allows for entering orders or purchase orders, a real-time overview over the purchase order processing across various stages, digital signatures and purchase order approvals, as well as order archiving.

2.CapEx (Capital Expenditure):

capital expenditure management is a somewhat more complicated process, be it in terms of day-to-day investments or major investments over 20,000 €. Investments must be confirmed by both the CEO and the CFO. At the same time, any changes in the CapEx budget must also be recorded, and the entire documentation for each individual investment monitored.

"The main benefits of the Canon Therefore document system are: the time saved, the efficiency and the transparency achieved. Every single document can be found at any given moment, followed on its path among the signatories, and quickly fetched from the archive for internal audits. The productivity increased. The financial department is overjoyed!"

> Goran Radisavljević Head of IT department, Crowne Plaza Belgrade

• Proposed solution:

a systematic solution for a comprehensive overview and management of capital investments from the review of collected tenders for individual planned investments, planning of money flows for individual items and the entire CaPex budget, recording the changes in the panned budget, to approvals and signatures as well as an active connection to the account keeping department.

3. Control Self-Assessment (CSA):

quality control is the most complex field which encompasses the financial, purchasing, IT and HR aspects. It covers approximately 90 different control points or questions that must be regularly answered and fully archived. The InterContinental

Hotel Group has great and complex control mechanisms that each hotel must comply with on a daily basis.

 Proposed solution: an app that allows all accommodation providers an easy entering of control points, data joining and centralized data collection, a simple overview and analysis of collected data, exports of adapted reports with regard to the control need, as well as a 24/7 insight into the entire Control Self-Assesment documentation.

Searching for a solution

In mid-2019, the IT team took the bull by the horns and started looking for a concrete solution to this problem. First, they checked the solutions that were used by the hotels in the IHG Group. However, said solutions turned out to be only partial, and failed to address their specific needs. They reduced their choice to a couple of providers, one of which was HC Center, Canon's accredited partner that provided IT equipment for the InterContinental Hotel in Ljubljana in 2018 (said hotel is also owned by Delta Holding). The company communicated with Mr Radisavljević. During business meetings, they provided him with several options for the digitalisation and automation of business processes. After a couple of presentations of the Canon Therefore document system, the Crowne Plaza team assessed it as the most appropriate system for their needs. Their choice was also supported by the management of the hotel and its financial department.

In the next step, the Finance and IT team met with the heads of individual departments and listened to their requirements. Later, the representatives of HC Center also conducted a meeting with them. Together



The Control Self-Assessment Process

"Those working in the hotel's IT department and in the framework of the CSA process, we must pay attention to several control points. At the end of each month, I must check who came to the company and who left it. I must also verify that no unauthorised logins into the system were made. I have to keep an eye on periodic data storage renewal. Who enters the room where the servers are located? What is our credit card data protection policy? I must prepare reports which are then to be confirmed by the CFO.

The financial department must pay attention to an even higher number of control points. Things quickly become extremely complex. Let's say that one of our guests is not satisfied with their stay, and that we would like to improve their experience by refunding a part of their costs or by offering them a free dinner. We must record such a move in the system, demonstrate its eligibility, and confirm it. Depending on the transaction in question, this process often includes several people. Canon helped us manage this complex process in a very efficient way, saving us time and increasing productivity."

Goran Radisavljević Head of IT department, Crowne Plaza Belgrade



"The contract management system would really round off all our efforts undertaken so far in terms of digitising our company. We are already one of the couple hotels in Europe to bring so many business processes to the level of full digitisation. And this is what I am striving to achieve - I like the fact that we are breaking new ground in this regard."

> **Goran Radisavljević** Head of IT department, Crowne Plaza Belgrade

they designed the first version of the system solution that satisfied the requirements of the Crowne Plaza Hotel. The Therefore system has been fully established as a cloud-based solution, hosted on HC Centre's servers in two geographically separated data zones.

Exceptional benefits for employees

The first training sessions with the end users took place after the integration of the solution in the environment of the contracting entity. Approximately 20 employees were trained relatively quickly in the use of the purchasing (PO) and investment (CapEx) process (20 people for each of the solutions), while approximately 20 more employees received training in the field of quality control (CSA). The training sessions ran smoothly, and it was obvious that most Crowne Plaza Hotel employees were eagerly awaiting more efficient and digitally supported business processes. The employees obviously had to learn how to use the new workflow processes, but most of them have had no issues in doing so. Finance and IT department estimates that the benefits of the new system are exceptional.

Canon Therefore for purchasing (PO) was activated in January 2020. The investment workflow (CapEx) was activated a month later, following some adjustments and modifications, while the quality control process (CSA) was fully digitalised by the end of July. It is interesting to note that, at first, they only wanted to provide digital support for a portion of questions or processes in the CSA framework (approximately 10%), but they soon found out that a total makeover would be a much more efficient addition to the management of day-to-day operations.

Looking to the future

Despite the crisis, Crowne Plaza Hotel is not idle: its management is looking towards the future. The next step is the upgrade of the contract management system which will significantly facilitate the work of the employees. Most of the contracts concluded with external contractors and maintenance workers are concluded for a one-year period. Since this is one of the largest hotels in Belgrade, the number of such contracts is extremely high, but they are currently still monitoring them in non-digitised form. The efficiency of this system would improve greatly if the process were to be automatised.

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