

# ERP PROJECT ON PARADOX HOTELS & RESORTS

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# ***PROJECT OBJECTIVE***



The project primarily focuses upon the study of the current PMS operations and workflow in a newly launched hospitality brand Paradox Hotel & Resorts.

This study by our team takes a strategic approach towards analyzing the challenges of the current PMS vs the need of upgrading to a sophisticated ERP system to better streamline the consolidation of financial data across various hotels owned by Paradox brand





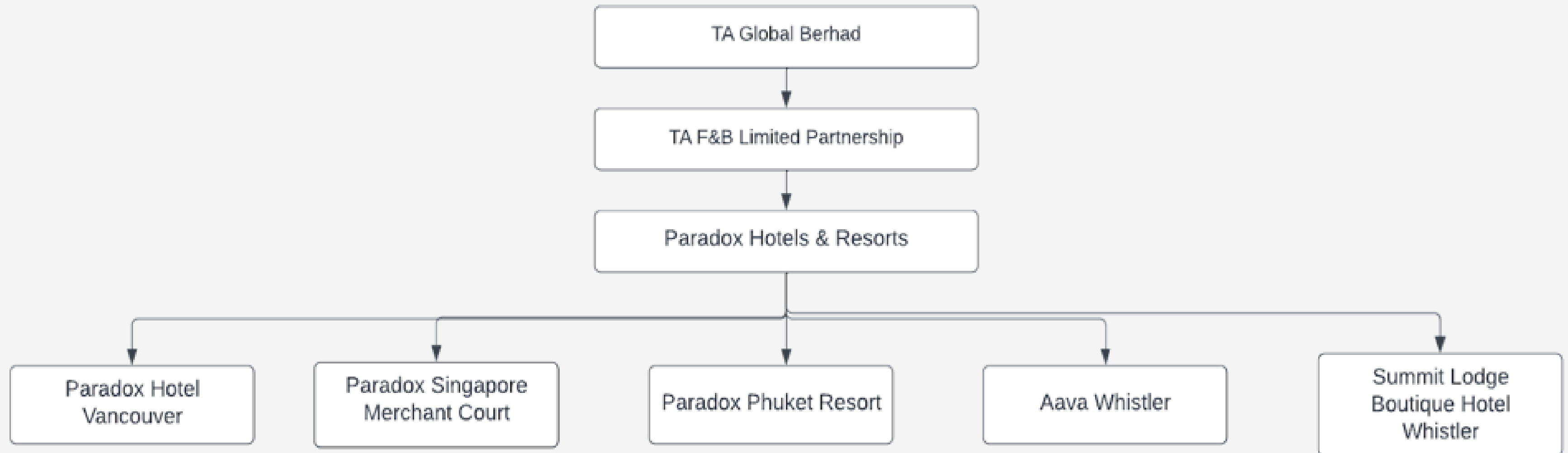
# OUR PROJECT APPROACH

- To understand the current challenges imposed by the current PMS framework in terms of financial data consolidation for the parent company and offer ERP solutions to mitigate these challenges.
- Analyze current PMS-oriented workflow of Paradox hotels operations, business processes
- Streamline financial reporting process and framework for the parent company TA F&B Limited partnership by implementing ERP systems.
- Consolidate the accounting and financial scalability across various jurisdictions of the hotel properties across 4 nations.
- Apply cloud based ERP solution for all Paradox properties to visualize data from financial and revenue point of view for Paradox properties.to determine profits, business growth and positioning in the market in terms of competition and market share.



# COMPANY PROFILE

Owned by a hospitality arm TA F&B Limited Partnership of the real estate conglomerate TA Global, Paradox operates boutique lifestyle hotels and resorts in over 5 nations around the globe.





# Why ORACLE Netsuite ERP?

With an ERP system like Netsuite, Paradox Hotels & Resorts will be able to consolidate data in real time therefore allowing the parent company to visualize trends, track revenue and help marketing teams to leverage a unified guest database.

01

## Financial Management

Netsuite ERP accounts receivable, accounts payable, multi-currency, billing, invoicing and statutory reporting

02

## Professional Automations

Netsuite ERP provides project management and accounting, resource management, billing, revenue recognition, time recording and expenses.

03

## SuiteCommerce

NetSuite omnichannel commerce unifies the various buying channels including point of sale (POS), ecommerce/online sales or traditional sales order processing,

04

## SCM (Supply Chain Management)

NetSuite ERP records and updates production data, financial reports, inventory and outstanding orders in real-time

05

## Human Resources

SuitePeople enables HR professionals to streamline employee information, new hires, onboarding, payroll, promotions and compensation changes, all from a single Suite.

06

## CRM Solutions

NetSuite CRM provides global visibility into and management of every aspect of CRM, eg. marketing campaigns, sales opportunities, forecasts, customer service, partner management



# Current data consolidation structure through PMS

Does not have a unified report dashboard consolidating financial data and business growth metrics for for all properties under a unified dashboard.

There is no synchronicity of data between different Paradox properties

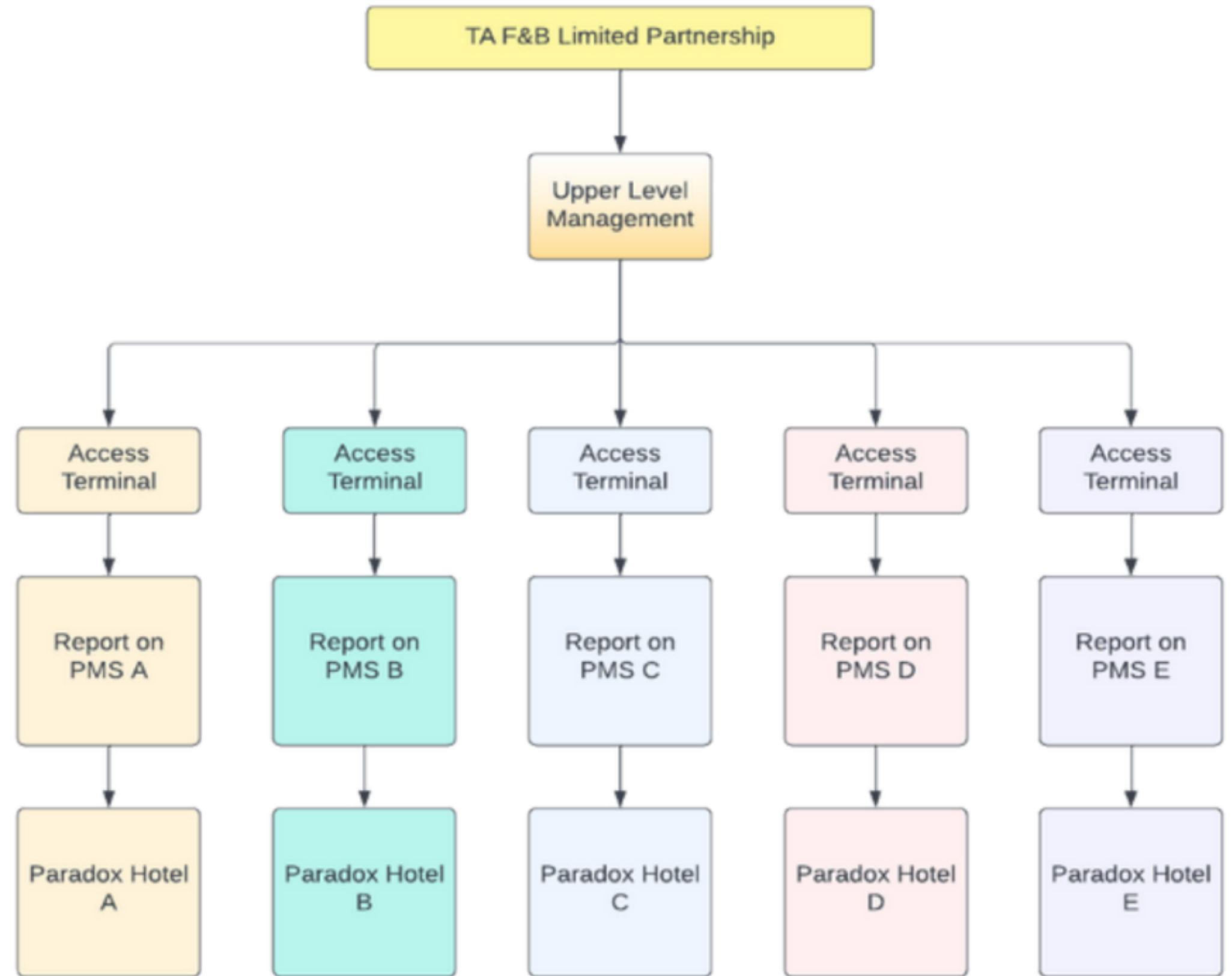


Fig - Current workflow of data export & access to parent company



# NetSuite ERP workflow process for data consolidation

With the implementation of the Oracle NetSuite ERP, the workflow will be more unified, effective and efficient across all levels of the business processes and operations.

Netsuite optimizes cross-property financial data consolidation data & integration on a single shared cloud-based backend

Parent company can use single access terminal to access all data across different Paradox properties

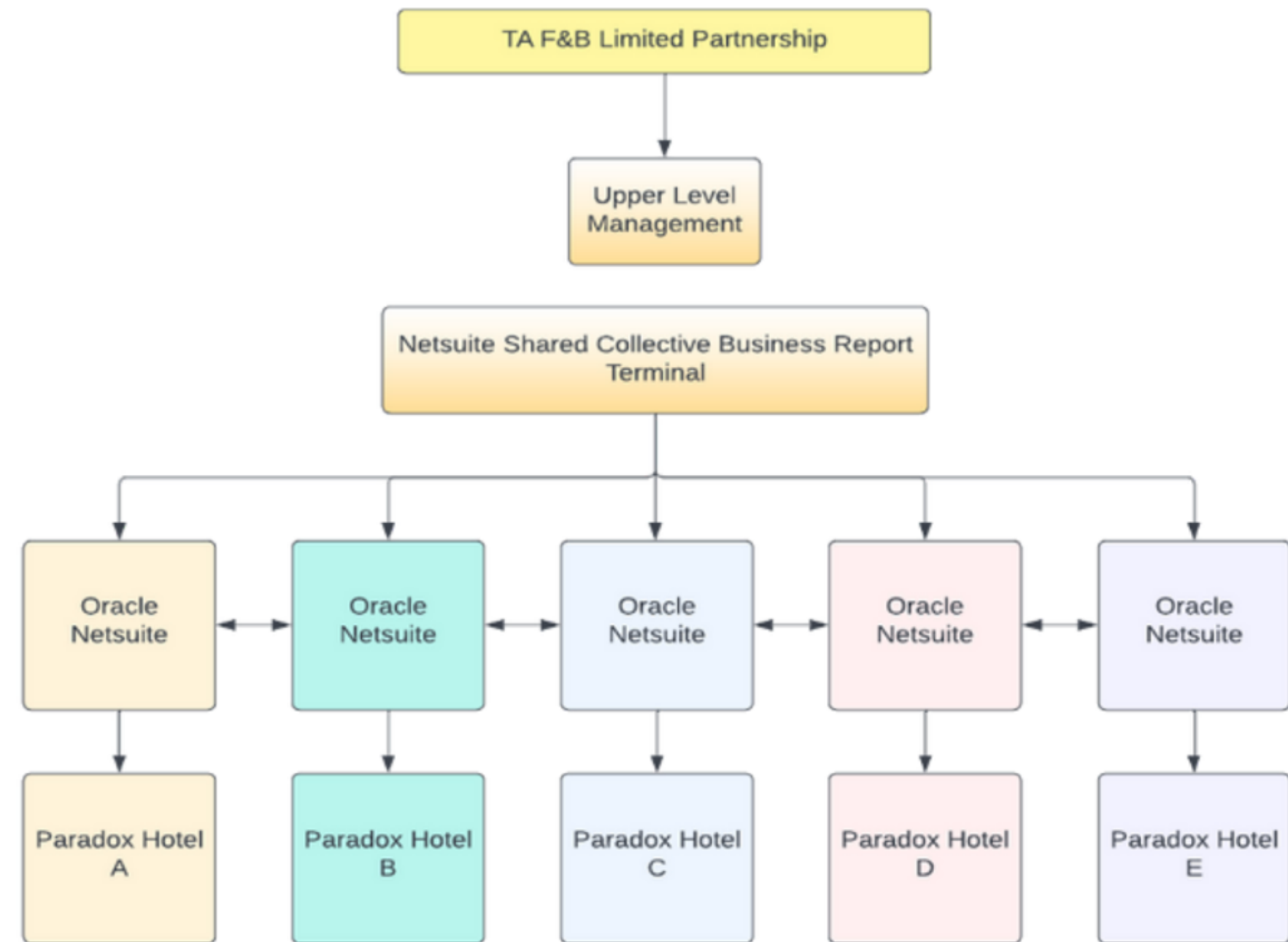
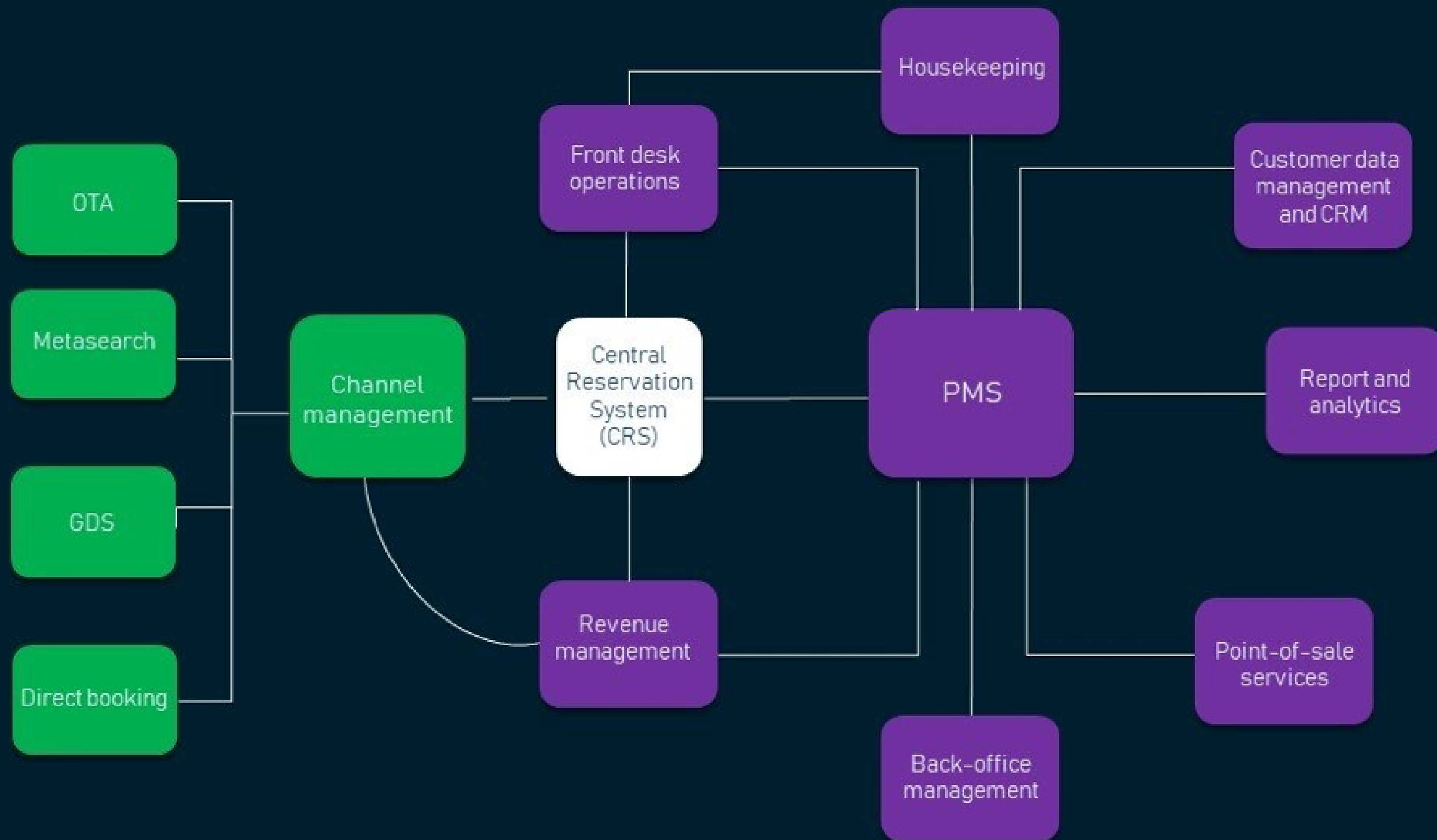


Fig. -Post ERP implementation of data consolidation between Paradox Properties to parent company



# STRUCTURE OF HOTEL PROPERTY MANAGEMENT SYSTEM





# LIMITATION OF OPERA PMS

- Modular software specialized for hotel level use only. Limited functionality and requires connection with various other modules to function that may or may be not cloud based.
- You may need to purchase additional products later if you want to add services that your software vendor doesn't offer, such as self-check-in kiosks, email marketing databases or guest communication platforms.
- After integrating new module, one problem which may occur is additional training on the PMS and the new module which can be time consuming and also expensive.





# HOW ERP WILL SOLVE THIS?

- Oracle Netsuite ERP on the other side, is a sophisticated fully cloud based PMS alternative comprising of a collective unified platform hosting multiple modules and a single dashboard to manage all business processes and to identify, evaluate and optimize all aspects of business workflows.
- Implementation of an ERP system enables all parts of a business to be on one single cloud.





## Uses of ERP in hospitality



Manages core aspects of hospitality: prompt delivery and service



Streamlines operations



Enables business to be on one single cloud

## Key Deliverables of ERP in Hospitality

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Enhanced customer service

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Improved visibility, forecasting, and unified sales

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Manage end of the day operations checklist

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Advanced financials and analytics

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Improved process time cycles

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Inventory management

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Human resource management

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Monitoring and controlling suppliers and third-party vendors

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Reports and KPIs

## Oracle NetSuite provides a stable and reliable ERP platform

### Key features:

- Reduces manual and spreadsheet-based processes by up to 70%
- Gain daily cash balance visibility, real-time dashboards, scorecards, and KPI's
- Save up to 93% in IT
- Real-time visibility across the business, operational and financial performance

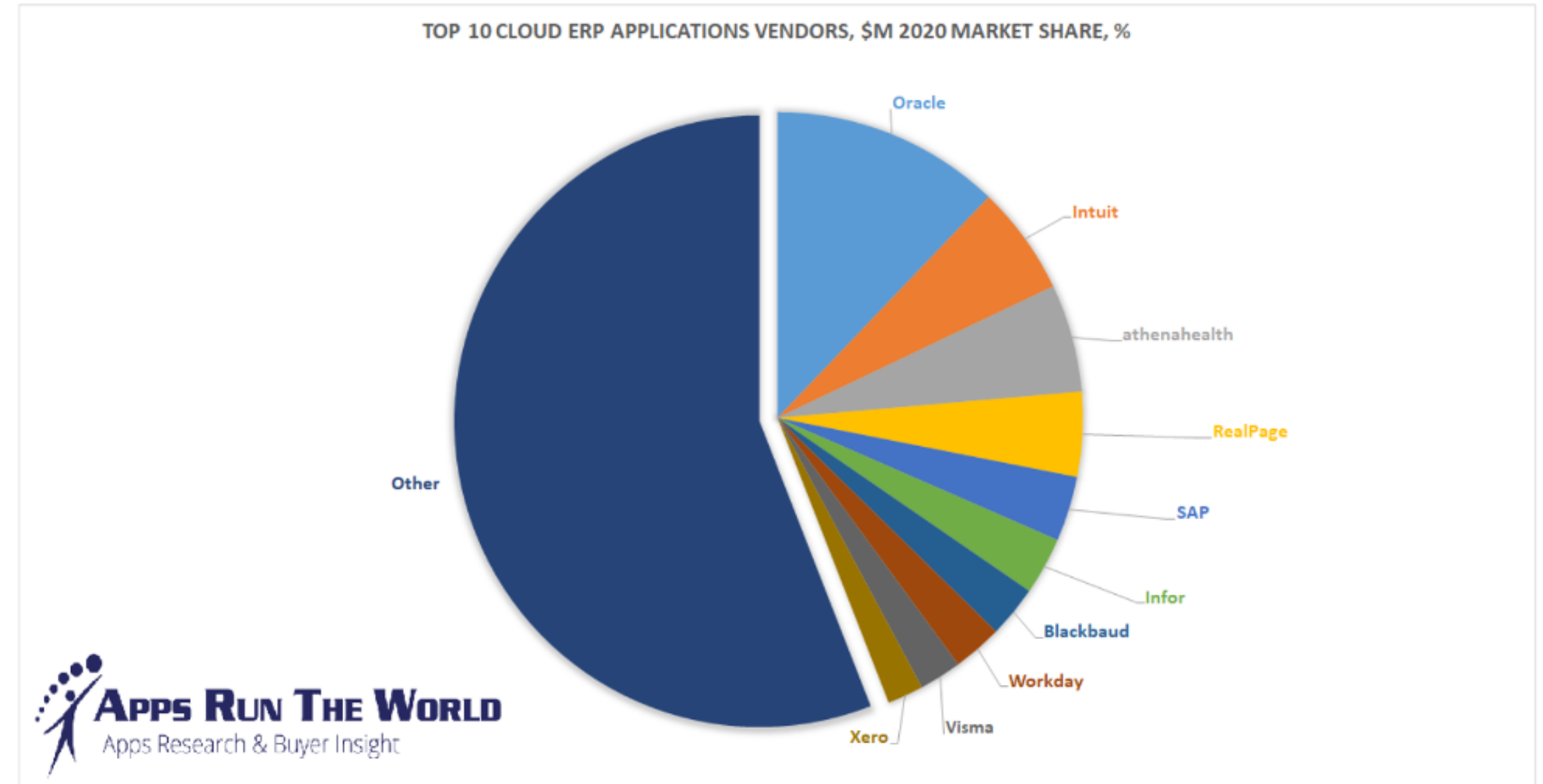


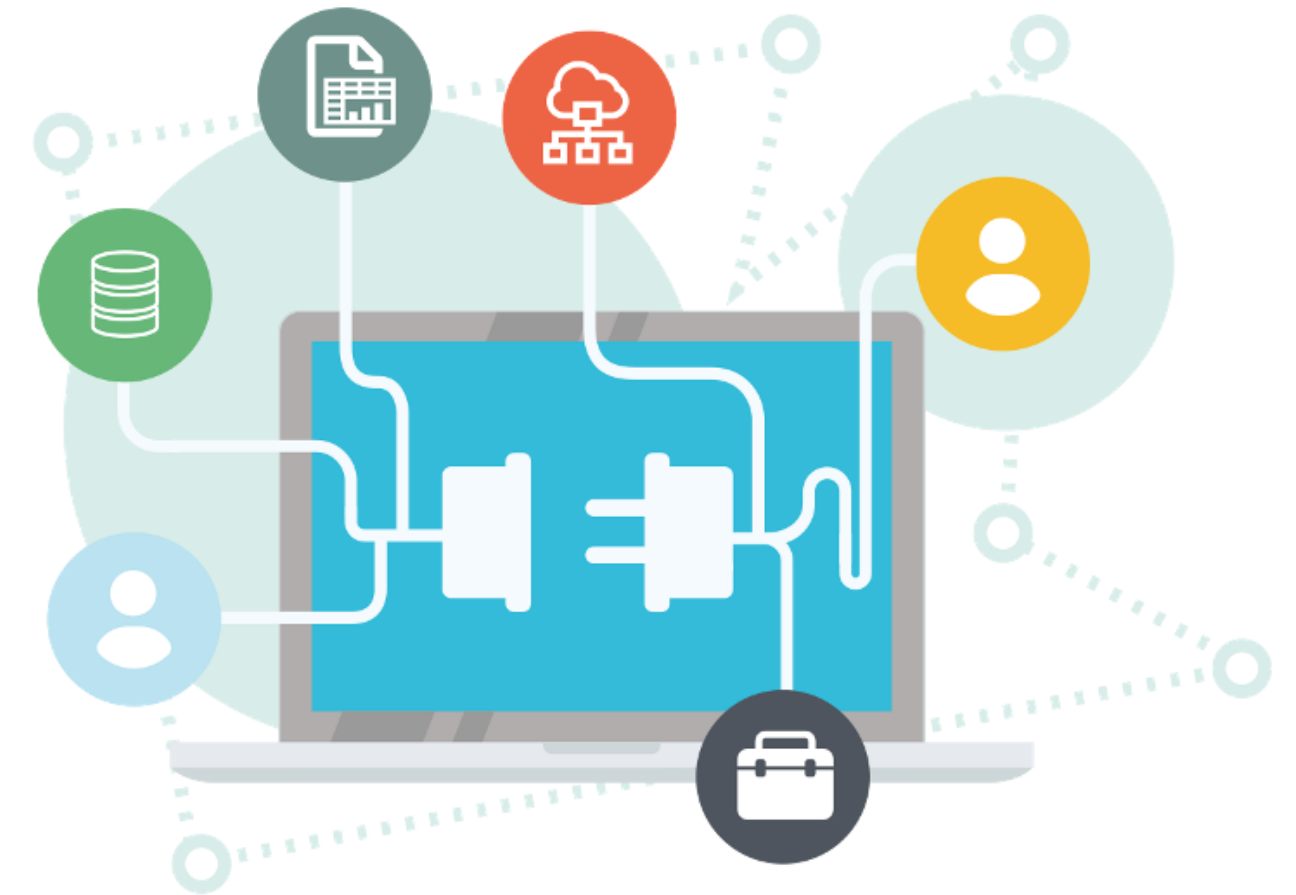
Exhibit 1 – 2020 Cloud ERP Applications Market Shares Split By Top 10 Cloud ERP Vendors and Others, %

- Oracle Netsuite ERP platform hosts integrated POS modules
- Carries out all aspects of financial operations, data sync and reporting tools



# Oracle NetSuite ERP:

- ▶ Cloud based business management applications
- ▶ Accounting & Tax management capabilities
- ▶ Centralized integrated information system
- ▶ Automated process and real time visible operations
- ▶ Inventory and order management
- ▶ Stream line information and synchronizing the reports.
- ▶ Target and execution of marketing campaigns
- ▶ Customer service management



# Why is it better than most other ERP's?

- ▶ Fully integrated system
- ▶ Highly customizable
- ▶ Efficient CRM
- ▶ Professional services Automation
- ▶ can be used in small, Mid, large businesses
- ▶ Work anytime and anywhere
- ▶ Flexible payments .





# Limitations of PMS

- ▶ Single property management
- ▶ Higher costs
- ▶ Difficulty in integrating data for a parent company
- ▶ Requires outsourcing applications for POS financial integration- extra fee
- ▶ Different modules for different departments
- ▶ Lack of Synergy

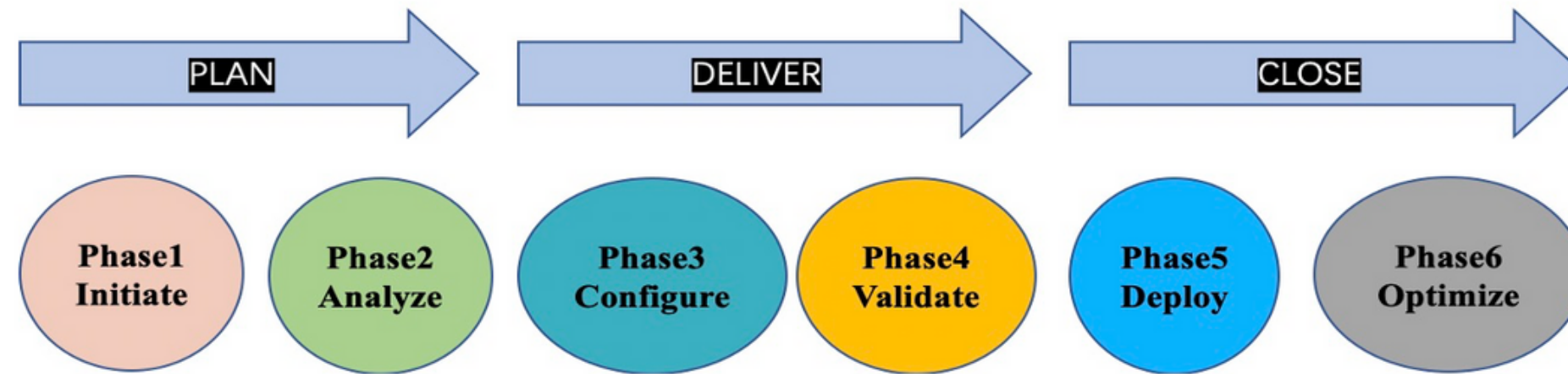


## **Benefits of Oracle NetSuite ERP implementation**

- (1) simplify business.
- (2) make decisions efficiently.
- (3) run a global business.







**Phase1 Initiate** -- decide what the company need

**Phase2 Analyze** -- work out and decide what processes

**Phase3 Configure** -- migrate data

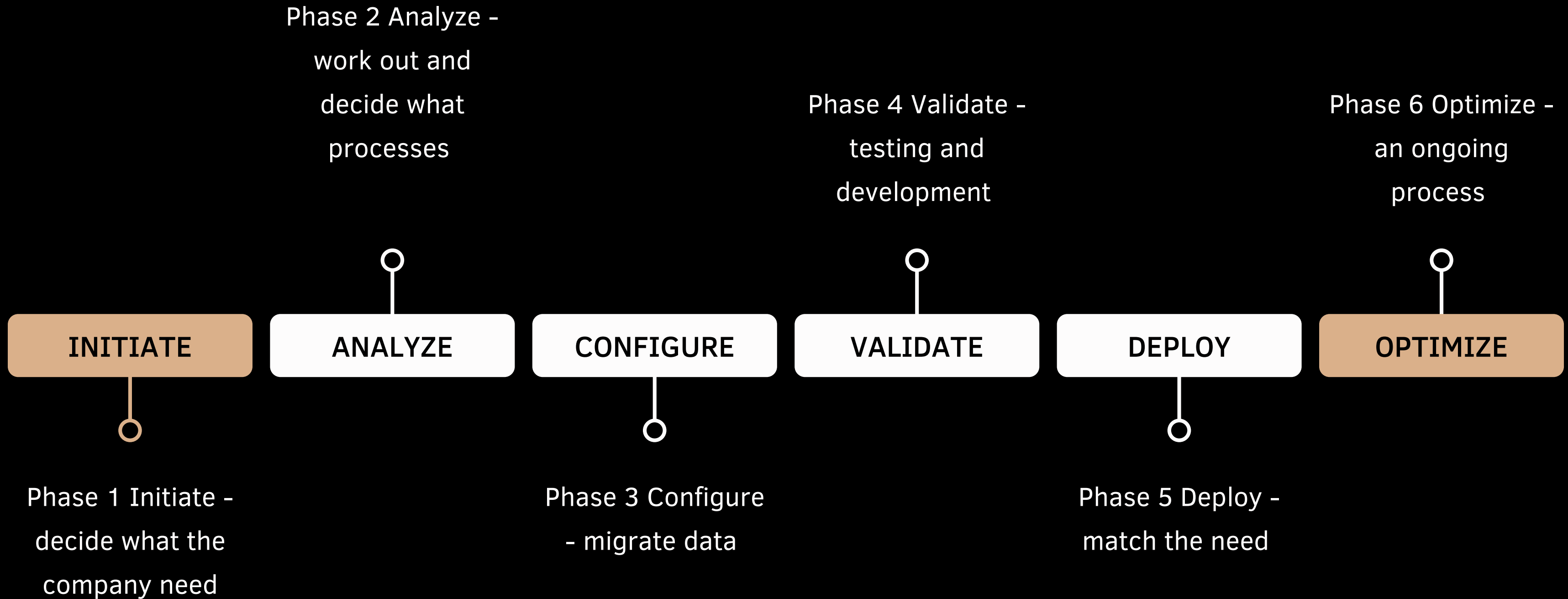
**Phase4 Validate** -- testing and development

**Phase5 Deploy**-- match the need

**Phase6 Optimize**-- an ongoing process

# ERP IMPLEMENTATION PHASE

## NETSUITE ERP FOR PARADOX





# Costing of Oracle Netsuite Implementation at Paradox Hotels

Netsuite pricing is tailored to the client and offers three main suites for the following three points:

- NetSuite Limited Edition is available for small businesses with fewer than 50 employees; small businesses will pay \$2,000 to \$3,000 per month.
- NetSuite Midmarket Edition is for companies with two or more legal entities that require more than ten named users.
- NetSuite Enterprise Edition is for companies that require a thousand or more named users.

Suppose, Paradox uses one base fee + two add-on module fees + user license fee

$$= 999 + 599 * 2 + 0$$

$$= 2197$$

So, the monthly cost is: \$2197

NetSuite License Module	Min price per month	Max price per month
Base	\$999	\$4,999
Full User	N/A	\$99
ESS User (5 Pack)	N/A	\$99
Addon Modules	\$599	\$1,999
OneWorld	N/A	\$1,999
Additional Base Currency	N/A	\$799