

STACHS & WRAXX

The General Management Opportunity

Where recoverable profit sits — the evidence, the levers and the numbers

A hotel's gross operating profit is the product of dozens of departmental decisions, most of which are never examined against a benchmark. External property-level analysis consistently identifies 30–40% more total improvement opportunity than internal review alone.

30–40%

MORE OPPORTUNITY FOUND
EXTERNALLY

5–12%

REVPAR INDEX
OUTPERFORMANCE

15–25%

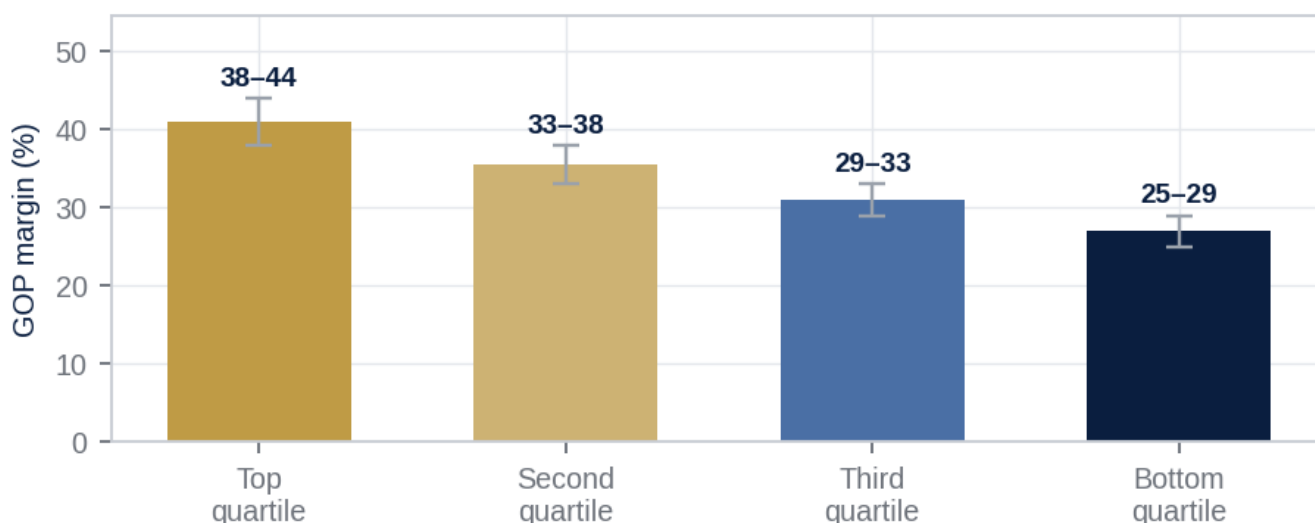
BETTER GOP UNDER DATA-
LED MODELS

£0

PAYABLE UNLESS VERIFIED

THE SIZE OF THE GAP

General Management — performance by quartile



Benchmark spread between performance quartiles. The differential is operational, not structural — which is what makes it recoverable.

REAL-WORLD HAMA — hotel asset management and GM competence

Result: GMs operating integrated, data-driven financial management models achieve 15–25% higher GOP performance.

Hotel Asset Managers Association research shows the differentiator is not effort or experience but whether the GM works from integrated data across departments rather than departmental reporting in isolation.

Source: HAMA — Hotel Asset Management Survey

REAL-WORLD Cornell — external property-level analysis

Result: External analysis identifies 30–40% more total improvement opportunity than internal review alone.

Internal review is constrained by the assumptions of the people who built the current operation. External benchmarking is not, which is why the gap is consistent across property types.

Source: Cornell Center for Hospitality Research

REAL-WORLD Duetto — dynamic pricing and RevPAR outperformance

Result: Properties on configured revenue management achieve sustained RevPAR Index outperformance of 5–12% against comparable sets.

The outperformance is sustained rather than one-off, because the system continues to learn from the property's own booking behaviour.

Source: Duetto — RevPAR Index Performance Data

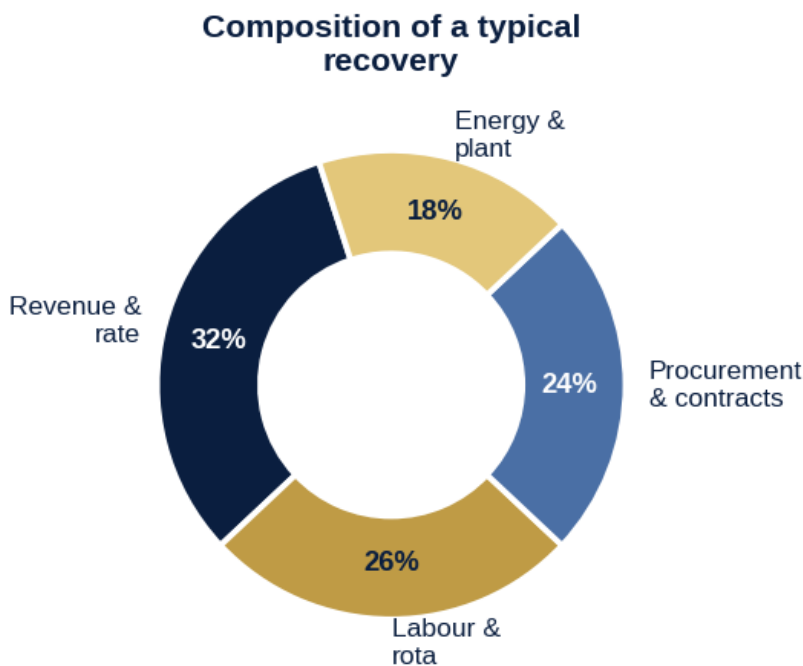
REAL-WORLD AHLEI — CHA certification and career impact

Result: CHA-certified GMs earn 25–35% more than non-certified counterparts and are 45% more likely to progress to regional roles.

The financial and asset-management modules are the primary differentiator, which is why development is built into the partnership rather than offered alongside it.

Source: AHLEI — CHA Programme Outcomes

WHERE THE MONEY ACTUALLY SITS



Composition of a typical recovery. Proportions vary by property.

Revenue and rate

- **Rate strategy against a live benchmark** — properties on fully configured revenue management deliver 5–10% ADR improvement over manual or partial approaches.
- **Segment and channel mix** — what each channel actually costs to serve against what it contributes.
- **Guest satisfaction as a commercial lever** — a one-point review score increase supports ADR up to 1.42% higher.

Cost and flow-through

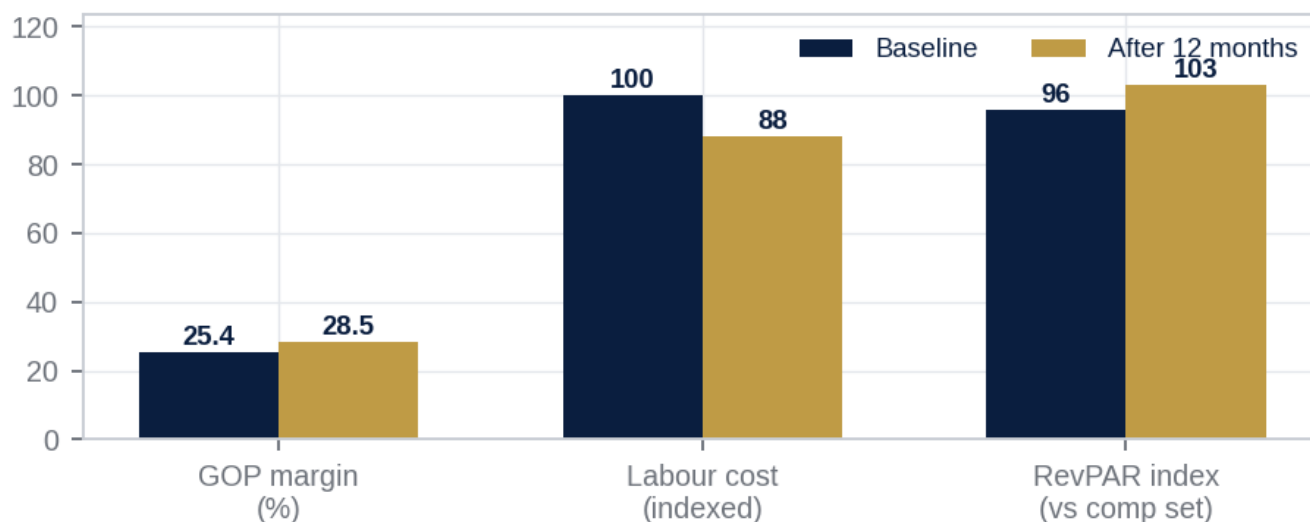
- **Departmental flow-through** — how much of each extra pound of revenue reaches GOP, department by department.
- **Labour against demand** rather than against last week's rota.
- **Procurement and contracts** — what the property pays against what its volume should command.

Asset and compliance

- **Energy and plant** — usually held centrally, and usually unexamined at site level.
- **Capital planning** — sequencing spend against the returns it actually produces.
- **Compliance framework** — documented rather than assumed.

WHAT MOVEMENT LOOKS LIKE

Illustrative partnership — year one movement



Illustrative twelve-month movement across the three levers.

ILLUSTRATIVE The Ashcombe — full property programme

Result: £184,000 verified annual improvement across four departments; GOP margin up 3.1 points.

A 140-room four-star property ran the programme across rooms, F&B, housekeeping and engineering simultaneously, sequenced so no department carried more than one change at a time.

Source: Stachs & Wraxx — illustrative partnership

ILLUSTRATIVE The Wellsford — revenue and cost, year one

Result: RevPAR index up 7%; departmental flow-through improved 4 points; £96,000 verified.

Rate strategy and labour scheduling were addressed together, which is unusual — most properties treat them as separate problems owned by separate people.

Source: Stachs & Wraxx — illustrative partnership

ILLUSTRATIVE Brackenhall — phased implementation

Result: £61,400 in year one from two departments, extended to four in year two.

Phasing produced slower year-one numbers and materially better year-two retention of the changes.

Source: Stachs & Wraxx — illustrative partnership

BENCHMARK REFERENCE

METRIC	TOP QUARTILE	TYPICAL	WHERE THE MOVEMENT COMES FROM
GOP margin	38–44%	25–33%	Flow-through discipline across all departments
RevPAR index	105+	92–98	Configured rate strategy, channel mix
Labour as % revenue	28–31%	34–38%	Demand-linked scheduling
Energy per room night	Benchmarked	Unmeasured	Site-level consumption against contract
Departmental review	Monthly vs benchmark	Annual budget only	External benchmark, not internal comparison

Ranges drawn from the sources cited above. Individual properties vary — which is precisely what the audit establishes.

THE COMMERCIAL POSITION IN ONE LINE

Recoverable profit here requires no capital, carries no fee unless it is realised, and the systems built to capture it remain the property’s asset at the end of the term.

We find the cost that need not be there, implement the changes with your department heads, and are paid only from a share of what is actually recovered.