

# School of Hospitality

Course Code : BSCH3004

Course Name: Housekeeping Management

## **UNIT -2 Budget and Budgeting Control** **Topic 5: Stock taking (Issuing & control)**

**Topic outcome:**

- 1: To understand the term inventory**
- 2. Interpret various types of stock taking procedure**
- 3. To understand various principals of purchasing**

GALGOTIAS  
UNIVERSITY

**Name of the Faculty: Ms.Monalisha Dash**  
**BScHM/BHM**

**Program Name:**

# Stock Taking

- This is physical verification of inventory by counting up stocks of all items at a periodic intervals.
- It is also termed as conducting inventory.
- The frequency for recycled inventory items are annually, monthly, bi-monthly and quarterly.
- The frequency for non recycled inventory items are weekly and fortnightly.

## Stock taking frequency for recycled inventory items

Linens	Monthly/bi-monthly-quarterly
Uniforms	Annually
Machinery and equipments	Quarterly/Annually
Furniture	Annually


# Stock taking frequency for non recycled inventory items

<b>Guest supplies</b>	<b>Weekly/Fortnightly</b>
<b>Cleaning agents and materials</b>	<b>Weekly/Fortnightly</b>
<b>Stationery</b>	<b>Weekly/Fortnightly</b>

# Purchasing

- Efficient purchasing practice can make a significant contribution to the EHK role in controlling expenses.
- The hk department coordinates with purchase department for all its purchases.
- The main aspect of purchasing function is to procure certain materials or items, the material has to be the best buy at the right price
- Each year all purchased products are re-evaluated in terms of performance, durability and sustainability to determine whether there is something new in the market.

# Five principals of purchasing

- **Right Quality**
  - **Right Quantity**
  - **Right Price**
  - **Right Time**
  - **Right Source of Supply**
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# Right Quality

- The housekeeping department is responsible for providing the guests with a clean, comfortable, and safe environment as well as meet and exceed the guest's expectations. In this regard the department needs to buy the best products. Value for money is the factor in each of the product supplies to the guestroom and public areas. The entire range of items has to meet the standards and specifications determined by the department and the hotel management.

# Right Quantity

- **Placing a purchase order of the right quality is of utmost importance for any organisation. Suppliers usually offer huge discounts on large quantities but that should not influence the department's decision. The following factors should be kept in mind while ordering the right quantity of material:**
  - **The cost of the order being placed**
  - **The cost of storage and carrying charges for holding stocks**
  - **Quantity discount**
  - **Stock level and order point**
  - **Budgetary controls**
  - **Buffer stocks**



# Right Price

- One of the major concerns for both the housekeeping and purchasing department is to get the supplies at the right price. An in-depth knowledge of the market is vital to make sure that the right price is being paid i.e. the payment corresponds to the exact value of the material being purchased. The terms of payment should also be attended.

# Right Time

- The material should be made available at the right time. Lead time, which is the period between the indent originating from the housekeeping department and the time the material is ready for use, should be minimal. The total lead time which includes the supplier lead time plus the internal processing, clearance receipt, and inspection time should be as low as possible to work on lower inventory level. The time should also be right as regard ensuring immediate availability of a particular product in the market.

# Right Source of Supplies

- The right source of supply is critical to the Executive Housekeeper. If the source of supply is correct, right quality, quantity, price, and time are a natural consequence. The selection of the ideal supplier is crucial for both the housekeeping and the purchase departments in which they are aided by:
  - Knowledge and experience
  - Catalogues, internet, etc
  - Hotel supplies directories

# References

- **Hotel Housekeeping Operations & Managements (G.Raghubalan & Smritee Raghubalan) --- Oxford Publication**
- **IHM notes site  
([://www.ihmnotessite.net/5-Housekeeping](http://www.ihmnotessite.net/5-Housekeeping))**