

# UJ Hotels & Resorts' robust strategy to improve business

By [Azanis Shahila Aman](#) - October 23, 2023 @ 12:20pm



KUALA LUMPUR: In a move aimed at ensuring financial stability and fuelling growth initiatives, UJ Hotels & Resorts Management Services Sdn Bhd, formerly known as UJ Property Management Sdn Bhd (UJPM), has unveiled a robust strategy focused on improving its business.

Recognising the importance of maintaining a strong financial footing in the dynamic hospitality industry, the company's multifaceted approach encompasses cost management, revenue diversification, asset optimisation and strategic financial planning.

"We are looking into ways to diversify our revenue streams outside of regular room bookings. This includes providing one-of-a-kind experiences, packages and services

to attract a broader spectrum of clients and enhance overall income," said chief executive officer Muhammad Solleh Ramli.

To recap, the company was established as a special-purpose vehicle and is wholly owned by the Minister of Finance Incorporated.

The company is mandated to restructure non-performing assets acquired from Lembaga Tabung Haji (TH) as part of the fund's corporate restructuring exercise in 2018.

Five TH Hotels are part of the non-performing assets transferred to Urusharta Jamaah Sdn Bhd (UJ). As a finite life company with specific purpose, UJ opted to establish a specific going-concern subsidiary to take over the administration of TH Hotels.

As a result, UJPM was established in December 2019 and took over operations of the hotels in April 2020.

According to Muhammad Solleh, the initial action taken by UJPM was to transform TH Hotels via a rebranding exercise into Raia Hotel, with the tagline "Hotel For All" as its guiding philosophy.



Raia Hotel Terengganu.

"In just two years, we successfully transformed TH Hotels into Raia Hotel, achieving an annual profit margin exceeding 10 per cent. Our aim is to replicate this success this year and beyond.

"What's reassuring is that our shareholders and board of directors share a unified vision with our management team. It's imperative for us to consistently undertake renovation and modernisation projects at our properties. This commitment ensures

that our hotels remain fresh and appealing, preventing them from becoming outdated," said Muhammad Solleh.

This commitment to becoming a prominent and dedicated player in Malaysia's hospitality industry led the company's board of directors to approve a name change to UJ Hotels & Resorts Management Services.

Recognising the dynamic nature of the business environment in the hospitality sector, the company is dedicated to remaining flexible and adaptable to ensure the group's continued success.

To keep abreast of current market trends and shifting customer tastes, the company has been conducting regular market research and analysis to improve revenue prospects and modify its tactics when necessary.

Using the management system of four disciplines of execution, UJ Hotels & Resorts has successfully altered its organisational culture and work ethics to one that is customer service-oriented and performance-driven.

"This cultural transition has proved our team's amazing adaptability and growth potential. It displays our staff's devotion and commitment to embracing change and improving themselves and our organisation as a whole. Our employees' level of involvement and motivation reflects their professionalism and desire for ongoing improvement progress," said Muhammad Solleh.

This shift in the hotel's business culture has had a significant impact on its guests' experiences.

He said: "To encourage our employees to be proactive and productive, and to grow our business, we introduced service charge at the beginning of the year. We have witnessed significant improvements in their performance after 10 months of implementation."

He said the staff's renewed commitment to providing exceptional customer service has resulted in increased guest satisfaction, loyalty and good word-of-mouth referrals.

"This has resulted in better financial performance for our hotels," Muhammad Solleh said.

UJ Hotels & Resorts recognises the value of technology in enhancing revenue, operational efficiency, cost reduction and elevating the guest experience.

Consequently, Muhammad Solleh said the company is allocating resources to adopt innovative solutions that can positively impact its bottom line.

"We hold weekly meetings to go over all the feedback we receive, and we are constantly updating our Net Promoter Score platform.

"We have made sure this platform is accessible to all our guests so they can give us their input and help us to keep improving.

"With this platform and concerted efforts to improve, guest complaints were reduced from more than 20 per cent during the initial year of the takeover to merely less than five per cent this year. We actively look for collaborations with hotels and property owners that support our objectives and are willing to do so under circumstances that are beneficial to both parties.

"Beginning this year, we are aggressively searching for business opportunities in the hotel industry, whether they are related to food and beverage, hotel operations, or consulting."

He said, however, that they are aware of the potential risks and obstacles associated with growing their portfolio and plan to carry out extensive market research and feasibility studies to reduce the risks by making sure there is enough demand to sustain growth.

"We will do thorough due diligence to evaluate the financial stability of potential properties and make sure the investment is in line with our growth strategy in order to reduce financial risk," added Muhammad Solleh.

He gave the assurance that when entering into partnerships, UJ Hotels & Resorts will conduct thorough due diligence on potential partners to ensure they share the company's values, goals and commitment to quality.