**ABSTRACT**

*Haris Andalan Kusuma / 34130547 / 2019 / Operational Audit of Front Office Activity in Hotel X Year 2016 / Bp. Dr. Hanif Ismail, S.E., M.M., M.Ak.*

*X Hotel is a two-stars hotel located in the center of Jakarta, Indonesia. In 2016, there was a policy renewal from the hotel’s management team to reduce the number of Front Office employees in order to increase the efficiency of the managerial system. To this extent, the author decided to perform an operational audit of the Front Office activity in Hotel X year 2016.*

*In this study, the performance of operational audit is divided into three categories, which are evaluating the Standard Operational Procedures (SOP) of the Front Office, analyzing the effectivity, and analyzing the efficiency. The author was using descriptive analysis method. Firstly, the SOP evaluation was aimed to identify the strength and the weakness of the current SOP. Secondly, the effectivity analysis was done to determine the execution of the SOP in a real situation, by performing a structured interview to 3 Front Office-related employees. Thirdly, the efficiency analysis was performed to determine whether the reduction of Front Office’s employees in 2016 was able to increase the efficiency of Front Office performance or not. The level of efficiency was measured by dividing the input (total of Front Office’s salary and total of marketing cost) and the output (revenue of unit sold). Furthermore, the results of the efficiency level in 2016 will be compared with the data in 2015 in order to determine the effect of the new policy.*

*The results of the SOP evaluation concluded that the SOP Front Office Hotel X year 2016 was excessively focusing on the procedures of the room’s payment, and less attention on standardization of reservation and reception procedures. Furthermore, the results of the audit showing that the effectivity of the Front Office performance in year 2016 is 89%. But, the results of efficiency analysis showed a decrease over 18% compared to the previous year. Based on this study, the author concludes that the Front Office performance in 2016 had been sufficiently effective in following the SOP, however, the new policy of reducing the number of Front Office employees in 2016 results in the reduction of working efficiency.*

*Furthermore, the author would like to suggest to the Hotel X’s management team to improvise the standardization of Front Office performance especially in reservation and reception procedures, in order to improve the service facilities. Finally, the author also like to suggest the managerial teams to further optimize the number of Front Offices needed to improve the work efficiency of the Front Office.*

*Keywords:*

*Audit, Efectivity, Eficiency, Front Office, Standard Operational Procedures (SOP).*