



THE RITZ - CARLTON

Portman-Ritz-Carlton's features to success.

Portman-Ritz-Carlton Hotel Company is American MNE which up to date provides about 108 luxury hotels in 30 countries. The goal of this particular paper is to determine key features of successful running business by addressing the structure of one in Shanghai, which in 2014 was voted as a number 1 hotel in Asia by voters of Condé Nast Traveler in the United States. Opened in 2010 it is located in Shanghai IFC, the prime real estate in Lujiazui financial and entertainment center, the hotel complex is the masterpiece of world famous architect designer, Cesar Pelli.

What is the main source behind the Portman-Ritz-Carlton's performance?

People are the most important asset of the company, so for Portman-Ritz-Carlton. It is what drives the company forward to success. The firm employs people with high personal qualities, and creates the corresponding environment to let them blossom and pursue their personal and professional goals. Therefore staff becomes proud of work it does and as a result improves performance.

In fact, numbers speak for themselves, as the employee satisfaction rate is 95-98% which leads to guests experiencing satisfaction of service in 92-95% of cases.

How valuable, rare and hard to imitate are its human resources?

Portman-Ritz-Carlton stands out by its corporate culture, and as a result they are highly selective in hiring workers with talent and same values. The whole environment and human resources is difficult to imitate in the short run. This happens because with the establishment of a new culture some workers might happen to be hardly adaptive to it or not meet the requirements at all. Moreover, hiring new ones with certain personality types and characteristics takes time and such candidates might be rare to find.

As a result one might conclude human resources and culture are hard to imitate in no time but pretty achievable in the long run.

***How organizationally embedded are its capabilities?
(How do they integrate capabilities in day-to-day operating processes).***

The company prioritizes suitability of talents in the industry, as a result the first two days new coming employees spend in orientation. Moreover, new workers have 30 days of professional training and everyone from the staff spends 130 hours training during a year, which includes corporate team building, culture reinforcement, and team guidance.

Choosing the right person and supporting them to get work done is essential to the daily process since running a business is a repeated game. Caring people are more involved in the activities, which allows to push a firm's capabilities beyond the limit and least to guest satisfaction and financial benefits.

If you were the general manager of a rival hotel, how would you respond?

As tension in the red ocean rises the rival company might take a series of actions to cut the market share of the opponent. Thus, the following methods can be used:

- The Portman-Ritz-Carlton Hotel doesn't provide opportunities for pet-friendly accommodation, so adjusting the opposite will allow us to get a competitive advantage over a given hotel.
- As follows from the official hotel website there are no life events in it. However, running meetings and conferences in hotel's auditoriums. It will bring not only additional attention to the hotel but newcomers who are willing to participate in action. One option can be a variety of parties, from techno light shown in the sky parlor to classical orchestra performances, limited only by manager's imagination and audience preferences.
- Invest in the side brand, for instance luxury fashion one. It will spread the company's vision and design, and get attention to the brand. Running model shows in the hotel lobby will help raise capital, get us to hit the headlines, and build a strong image of the company. In the long term it will bring guests visiting Shanghai especially for this event, of course they will stay with us. Moreover, the new daughter company will generate revenue as a distinct brand, a branch of which is also open near the hotel. Additional unique feature is accessibility of it through hotel building which will achieve the effect of a duty free zone in the airport, but without disturbing guests.