

Service Excellence Through Employee Engagement

A Systematic Approach



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**The number one responsibility of
a leader is to enable their people
to achieve excellence.**

**To do that...the environment, people, and processes must
be set up for success!**

**YOUR PEOPLE ARE A VALUABLE RESOURCE –
MAXIMIZE THEIR POTENTIAL!**

Today's Topics

- About The West Paces Hotel Group
- The Fundamentals for Excellent Service
- Creating a System of Performance Excellence
- Results and Recommendations



About The West Paces Hotel Group

- Horst Schulze, Chairman and CEO
- Founded company in 2002 after retiring from Ritz-Carlton.
- Same executive team that served at Ritz Carlton 1980's-1990's
- Two-time Baldrige National Quality Award Winner (92, 99)



Quality Awards

2009 Juran Quality Medal
1999 Baldrige National Quality
1995 Ishikawa Quality Medal
1992 Baldrige National Quality

About The West Paces Hotel Group

- Capella Hotels and Resorts - 6
- Solis Hotels and Resorts - 2
- Independent Hotels and Resorts – 5
- West Paces Consulting



Capella Hotels and Resorts - Cabo Mexico



Capella Hotels and Resorts - Singapore



Solis Hotels and Resorts - Ireland



A Framework for Service Excellence

➤ Our Canon Card

Who we are, what we do, and why we do it

➤ Zeitgeist

“Spirit of the Moment” – how customers want service delivered TODAY

➤ 24 Service and Performance Excellence Standards

Behavioral Standards and Quality Lessons

➤ Service Process

3-step approach to every customer interaction



Definitions

1. Employee Engagement

When employees have choices and they choose to do things on their own which are in the best interest of the customer and the organization.

2. Quality Management

A business management approach which when implemented effectively results in fewer defects, more efficient processes, and service or product that meets customer expectations.

3. Reliability

The degree to which something is consistent, can be relied on or trusted.

4. Customer Loyalty

The degree to which customers are so enthralled by the product or service “experiences” delivered by an organization that they return continuously and recommend the business to those around them. These are also called “Promoters.”



Key Theme

In order to create loyal customers you must first focus on creating engaged employees. Only then will you be set up to produce world-class results.



The Fundamentals of Service Excellence

- Culture – What kind of company are you?
- Selection – Do you select your employees wisely?
- Quality – Do you have active quality in processes?

To Bake a Great Cake You Need:

Environment, Ingredients, Process - All Three!



Unhappy Employees Produce Unhappy Customers

A 2008 study was conducted of 5,000 American workers:

Satisfaction

- Overall satisfaction with their work experience is only **45% positive**
- 1987 results were **61%** positively satisfied with their work experience

Engagement

- Only **51%** now find their jobs “interesting”
- In 1987, **70%** found their jobs interesting.

“It’s the intrinsic motivators - what someone naturally wants to do because of their own internal drivers – that proved to be lasting and more impactful on organizational results.



The Airport Experience

Ever felt this way as a customer?



Service Excellence

The Fundamentals



The Fundamentals of Service Excellence - Selection

- We use Quality Selection Process based on formula:

$$(\text{Talent} + \text{Fit}) \times \text{Investment} = \text{Growth}$$

- Ten employees interviewed to get one hire – the right one!
- Employees know their new colleagues are screened as well
- 80% chance that person will be successful in their role



The Interview

- Typical Interview vs Talent-Based
- How do you know for sure?
- First Impressions, while important, can be misleading
- **KNOW** your candidate from the inside out



The Fundamentals of Service Excellence - Orientation

- Employees go through 1-day orientation before working
- Connects employees to our vision, mission, values
- Opportunity to ask questions
- Opportunity to leave!



The Fundamentals of Service Excellence - Training

Three key areas of training:

Technical – Caring - Quality



The Fundamentals of Service Excellence - Training

- Training is based on performance “gates” – not time
- No one works the floor alone until they pass all their gates
- Training continues on via personalized development plans
- Tell – Show – Do – Review Methodology
- Weekly training is built into every dept schedule



The Fundamentals of Service Excellence - Lineups

- Every hotel, every department, every shift
- 15 minutes to get re-charged, re-connected
- Service Standard, Q Standard, Operational Details, WOW stories, Problem Resolution Recovery Stories
- Vital to our success!



The Fundamentals of Service Excellence

Empowerment

- Employees have to BELIEVE they are empowered
- Employees don't call a manager
- No spending limit on their decisions
- Provided with training on how to handle situations
- Problem Resolution and Service Recovery Training

Story of “The Foreman”

“I just feel important here”

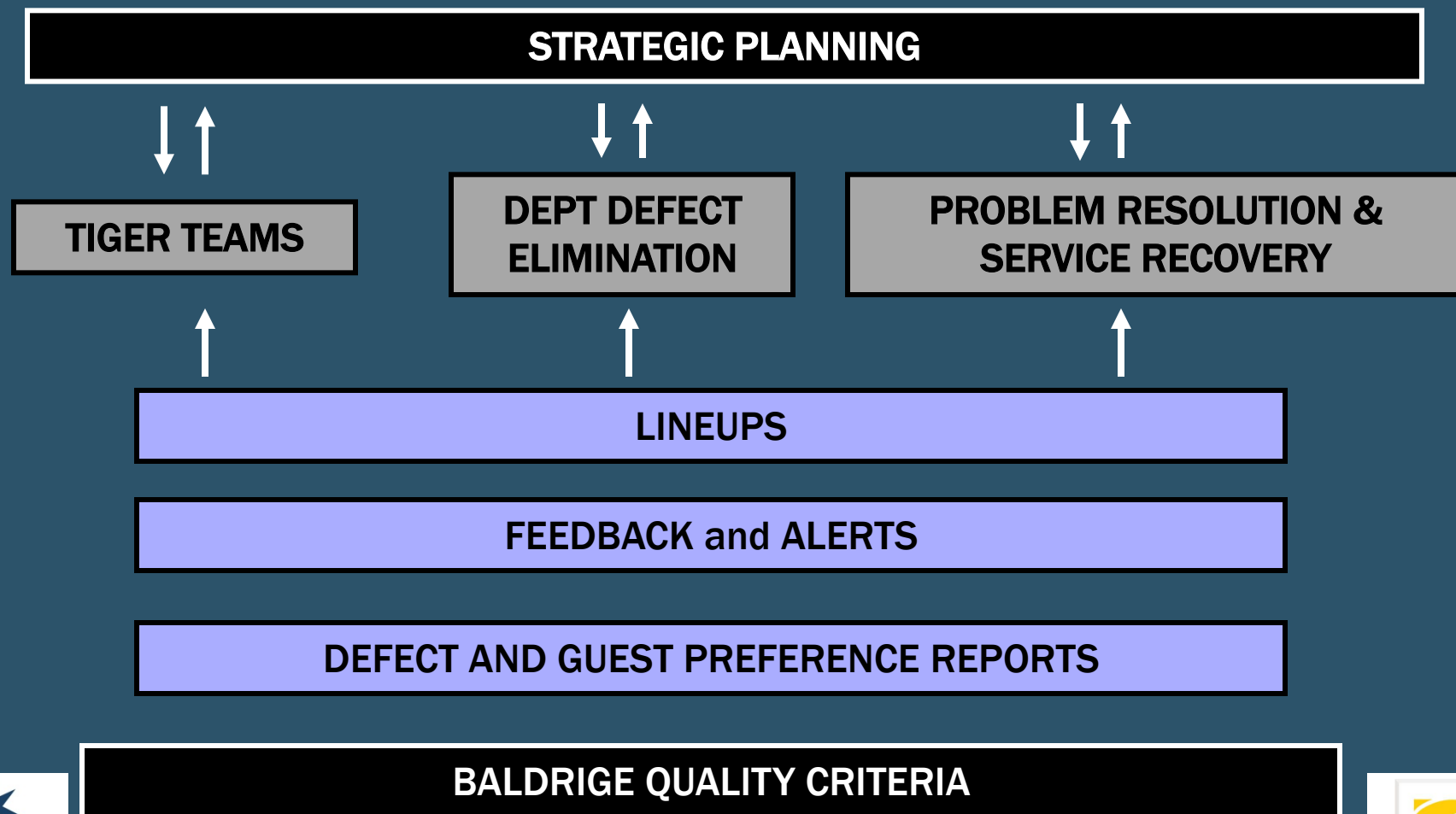


Service Excellence

A System to Improve Performance



The Critical Pieces of our Quality System



Our System of Performance Excellence

- It starts with our people
- Goal: Create an environment which inspires employees to WANT to do it, and select those who are capable of doing it
- Give them the training and support they need for excellence
- Give them the data they need to assess their performance
- Involve them in improvement teams/efforts



Our System of Performance Excellence – Defects

- All employees report defects anytime they see them
- Information is shared hotel-wide within hours
- Defect reporting is never used as discipline tool
- These are viewed as INTERNAL improvement related data

Our System of Performance Excellence – Preferences

- Employees gather guest preferences and store them
- Preferences are then used to create amazing experiences
- All in the effort to create lasting relationships with our guests

Our System of Performance Excellence – Tiger Teams

- Employees are involved in formal process improvement teams
- 6-8 employees cross-functional with one or two leaders
- Teams meet for weeks or months and follow process
- Tests are piloted in controlled manner
- Results are reported

Our System of Performance Excellence – PEP

Develop – Coach – Review - Reward

- PEP = Performance Excellence Planning
- Tracks top 3 defects in each department for guest
- Tracks top 3 defects in each department for employee
- Helps leader track training, coaching, development of employees as well as EE sat survey feedback



Our System of Performance Excellence – EE SAT

Employee Satisfaction Feedback System - CultureView

- **Surveys fielded twice per year**
- **Top drivers of satisfaction identified for each department**
- **Improvement plans are worked over remaining 6 months**
- **Goal: Tie Selection – Satisfaction – Performance together**



Our System of Performance Excellence – Guest SAT

Guest Satisfaction Feedback System

- **Guests Surveyed 24 hours after departure via email**
- **Results available online**
- **“Guest Alerts” triggered for any scores below a 7**
- **GM must follow up with phone call within 24 hours**



Critical Elements to Evaluate in Your Organization

1. Create a culture of excellence!
2. Select scientifically
3. Orient them well
4. Train them intensely
5. Empower them so that they believe it!
6. Measure performance in relation to requirements – keep score!
7. Listen closely and respond quickly to feedback
8. Improve using Quality
9. Document lessons learned
10. Bake it into training



2010 Employee Engagement Results

2010 Overall Satisfaction

% Top Box: 5 on a 5-point scale (Strongly Agree) = **55%**

% Positive: 4 and 5 on 5-point scale (Agree and Strongly Agree) = **92%**



Capella Hotels and Resorts - Customer Results

Capella 2010: 85% Top Box (9&10)

Overall Satisfaction Mean Score = 93%



West Paces Hotel Group – Story of “Dana”

The impact of one employee...

DO YOUR EMPLOYEES THINK THIS WAY?



What Are Your Customers Saying?

What our guests are saying:

"Every day when I woke up I looked forward to my walk across the property hoping to run across one of the delightful staff members who treated me like family. Your staff IS the experience."

"Laura always takes such good care of us! We come to Auburn often. Laura is always very accommodating to our needs and makes sure that we are VERY well taken care of. She is a GREAT asset to the Hotel. Thank you!"

"We were welcomed back by the Hotel Manager and staff and they even remembered to ask if I needed them to increase the temperature of our plunge pool since I had requested that on our previous visit in March. Overall, the staff exceed in service and the resort appears to hire only the best. I can honestly rave about the pool side service, maid service, wait staff at their excellent restaurants, room service staff and front desk."

"Jose Luis, Arturo, Pablo, Marisol, Esteban, Alfonso, Eddie, and others One additional note...the owner took time to speak with both my wife and I on our honeymoon, ask us how we were doing, and the like, and my wife and I were taken aback about how much the staff, and even the owner, care about Capella's guests. A honeymoon to remember, no doubt."



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QUESTIONS?



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