

## Ritz-Carlton - Plug in and Perform (Mar 06)

*Technology opens the door to success at Ritz-Carlton*

By Jacqueline Durett

Ritz-Carlton made a conscious effort to upgrade its technology in 2005. Now the Chevy Chase, Md.-based luxury hotel chain is embracing it full force—and not only is the staff benefiting, guests are, too.

Diana Oreck, Leadership Center vice president for Ritz-Carlton, cites many technological updates and changes that are designed to help the staff of the 60 worldwide hotels perform top-notch service, enabling guests to have a relaxing, stress-free stay. “It was the most exciting year that we’ve had in ages,” she says of the changes the company underwent in 2005. “It’s been a fabulous year for us.”

### **Streamlining human resources**

One change that affects the daily life of Ritz-Carlton staff is the implementation of myHR, which Oreck describes as a program designed to make the Ritz-Carlton’s human resources department a 24-hour operation. Previously, employees were not able to access career and benefits information online, and to facilitate access to that information, as well as for the company to manage its staff electronically, myHR was introduced.

“The beauty of myHR is [it’s] a technological HR system where you can go in as the employee and you can see the benefits and compensation that you have. Everything is now done electronically.” And “everything” includes performance reviews and managing the training database—the latter of which was previously done in Excel. There are additional perks with the new system; for example, Oreck explained that an employee who is having trouble financially can access information about relevant company classes, as well as information about books and videos available. “It’s your entire life as an employee electronically,” Oreck says.

### **Unveiling the Mystique**

Guests are reaping the rewards of last year’s technology focus as well. Mystique, launched in September, aims to integrate guests’ preferences into one system among all the hotels. “We want to learn as much about our customers as we possibly can; you can serve people better if you know what they want,” Oreck says.

Once a guest is in the Mystique system, his or her experience is tracked. Did the air conditioner break down and there were no other rooms available? That’s noted, and the next time a guest stays at one of the hotels, the staff ensures that he or she stays in a room that has a working cooling system. Allergic to feathers? The system will tell the staff that, and the guest’s room will be de-feathered prior to arrival. Oreck says the company was logging this information before, but in a “very, very antiquated” system.

The training process on Mystique was quite extensive. According to the company’s Top 100 application, three months prior to rollout, the company held an extensive selection and interview process to identify potential trainers, who, once selected, were educated about the software through monthly webinars and a three-day train-the-trainer conference. Those trainers then taught the 80 worldwide guest relations managers and directors of training and organizational effectiveness.

And guests’ reactions are quite positive, Oreck says. “They’re loving it. People are just absolutely astonished,” she says.

### **The proof is in the culture**

Oreck, however, is quick to point out that without the ingrained company culture, the technology isn’t important. She says Ritz-Carlton’s defining element is what the staff does every day.

“The most important thing for us is the depth of our culture,” Oreck says. “We are ladies and gentlemen serving ladies and gentlemen. And the entire company culture is based around [this]: If we are treated with respect and dignity and there is pride and joy in the workplace, the automatic human reaction is that we will turn around and make magic for the customers.”

Staff members don’t instinctively know how to give great service—it’s a learning process. “The training around our culture is an absolute non-negotiable. It’s the most important thing that happens—absolute sacred cow,” Oreck says. From the orientation to the daily lineup, Oreck says the company tenets are ever present.

The two-day orientation program is designed to immerse employees right from the start. “Nobody goes to work or gets on the floor before going to orientation,” she says, explaining Ritz-Carlton’s orientation is a chance for the company to demonstrate its first-class service for the very people who will be giving it. “We want to make sure that you the employee feel special. Our intent is to select for life,” Oreck says, adding that the company’s senior leadership teaches the class “to get the message across of how important this is for us.”

Personalization is key for that to happen: The hotel ensures that interpreters are available for each employee who needs one for the program’s duration, and handwritten welcome cards are given to new hires, who also are asked their favorite snack, which will be waiting for them at break time. New hires also are oriented in the same meeting rooms guests use, and they eat in the hotel’s finest restaurant.

After two days of orientation, all new hires work for three weeks with a departmental trainer, who can remain a mentor to that new hire indefinitely.

But the key, Oreck says, is to deliver on the grandiose promises made during those initial days on the job. “It isn’t a just matter of, ‘OK we’re making these big promises on Day 1 and Day 2.’ On Day 21, we invite you back and we say, ‘Look, we did promise you the Earth, the moon and the stars three weeks ago, and we want to make sure we delivered.’”

There’s another follow up on Day 365. “We want every opportunity that we can to psychologically engage our ladies and gentlemen,” Oreck says, explaining service professionals selected to work at Ritz-Carlton are in the top 1 percent of their industry. “To be able to maintain that for a year is wonderful,” Oreck says, explaining there is a pin ceremony on that year marker.

The company culture, Oreck says, is integral to the hotel’s success. “We engage in our culture each and every day,” Oreck says. “Many companies have visions and missions and all of that, but they only refer to it when the numbers are going south, or they’ve had a shock or a customer complaint. We are engaging in the culture each and every day.”

And that means going for the gold—the Gold Standard, that is—which encompasses the company credo, motto, three steps of service, employee promise and the 20 Basics, which Oreck describes as comparable to “life’s little instructions.” Those elements are stressed during the company’s daily lineup, a mandatory 15-minute meeting held worldwide three times a day (once for each shift). There’s a daily script and a daily Basic, and the speaker explains the Basic’s importance. Problems encountered the previous day also are addressed during the meeting.

Another part of the culture—and it’s one that translates into bottom-line results—is the concept of, “You get the problem, you own it.” Oreck says that philosophy helps guest problems get addressed promptly, and with minimal compensation for time and trouble, and it further instills the concept of personal responsibility—and that translates to great service. “There is a huge pride in the brand, and nobody wants to be the one who lets the brand down.”