

CARLTON CASTLETROY PARK HOTEL, LIMERICK, IRELAND

“It’s all about you”

Introduction

“Limerick Hotel Closes with Loss of 130 Jobs”: Headlines like this may seem commonplace in a recession but for those behind the headline there is anxiety, pain, grieving, anger and host of other emotions. However, “2,000 apply for Castletroy hotel jobs” appearing just 3 weeks later is an unusual headline and hints at a story worth hearing. On the 29th January 2009 the Castletroy Park Hotel closed its doors and all of the staff were laid off, however, on the 19th February 2009 the hotel reopened as part of the Carlton Hotel Group. In this case study we will look at some of the staffing decisions and service changes that have taken place and set the hotel back on the road to a bright future.

The Castletroy Park Hotel has a well-established reputation as a four star hotel showcasing the very best of Irish hospitality over many years. The hotel has received many service excellence awards and operates according to quality practices in line with the Optimus Service Excellence programme. The hotels strap line “It’s All About You” which appears on every bit of stationary, coffee mats and even the Laundry and Shoe shine bags is a watchword for all staff to make sure everything they do aims to delight guests.

The Hotel is now owned and operated by the Carlton Hotel Group who operate eight 4 star hotels across Ireland. The hotel has 107 rooms ranging from presidential suites through executive rooms to deluxe rooms and the hotel also has a number of specific lady executive rooms. The hotel provides a range of dining experiences and is well equipped to host conferences and weddings.

Blending the Old with the New

With the re-launch of the Carlton Castletroy Park Hotel on the 19th of February 2009, Hotel Manager, Fiona O’Shea, was tasked with rebuilding the level of business to where it was prior to its closure; ensuring the profit and loss account remains in the black and providing the service quality that guests expect from a four star hotel. This has meant that hotel manager, Fiona O’Shea has had to retain the hotels visibility in the market while dealing with the inefficiencies that caused a well respected hotel to fail.

The Carlton Group recognised that the hotels reputation for service and quality was its prime asset and set out to try and ensure that this would not be diminished in any way. Fiona O’Shea, who describes her role as a “Jack of all Trades” clearly demonstrates that she is nonetheless, the master of many. She has tackled issues on three main fronts:

- Building confidence in the local community
- Getting the best out of re-hired and newly hired staff
- Delivering the best deals from suppliers

Fiona's hope is that the customer experience will "look and feel much the same", but behind this lies changes in attitude and cost consciousness including staffing costs that were not there before.

Building Confidence with Positive Messages – "It's all About You"

The hotel strapline still remains as the cornerstone of the Castletroy Park Hotel's attitude to service. This has come into its own as management seek to win back lost business or retain the business of those who have used the hotel in the past. Early into the relaunch, there was a need to provide positive messages to the community of Castletroy and wider Limerick public. Many people had been hurt and disappointed with the closure of the Hotel through cancelled weddings, events having to move elsewhere and having to change leisure centres.

When planning a wedding, the staff build up a personal relationship with the couple and undoubtedly, the couple will visit the hotel many times to discuss various aspects of their special day. One of the most difficult challenges that the hotel faced was to inform engaged couples that the hotel was closing and that deposits of circa 2,000 euro could be lost. The decision that the hotel would honour the deposits of all bookings that remained with them has seen a return of over 40% of the weddings booked prior to closure.

The honouring of leisure club memberships will cost the hotel group dearly with hotel manager, Fiona O'Shea stating "we will effectively run the club for the first year with little income". Gift vouchers would also be honoured. The positive messages from the hotel to the surrounding community has enabled the hotel to see a return of business even in the first few weeks. The corporate customer base has likewise been bolstered by the hotel manager visiting customers and doing her best to ensure corporate customers understand that they will still get the very best if they come to the hotel and rates will as always remain competitive.

Flattening the Structure and Empowering Staff

Before closure, the hotel had a staff of 130 on its books; of which about 50 were part-time staff brought in for conferences, weddings etc. The staff hired at the relaunch of the hotel has been cut to 50 with about 25 part-time staff being added for events and weddings. The HR department which had two full time staff is now run with one person on a three day per week basis; although additional support is being provided by the policies and procedures of the Carlton Group. The number of back office employees has fallen from five to three and the accountancy department now has to operate with two rather than four staff despite having to introduce new practices and systems. Even with the reduction in staffing and introduction of new process and procedures, staff motivation is high and strong performance levels have been achieved.

At an operational level, like many hotels, the Castletroy Park Hotel was previously awash with managers, deputy managers, assistant managers, duty managers etc. The hotel now operates with a very flat structure so that staff now run the lunch service without any direct supervision. If any major issues arise, hotel manager Fiona O'Shea will deal with these.

This flattened structure relies on staff taking on greater levels of responsibility and being allowed to do so: a simple example being that if a customers sandwich was previously

delayed, permission to offer a complimentary coffee would have been sought from a manager, whereas now the waiter makes that decision himself.

While the hotel rebuilds custom lost, most operational staff are employed on part-time contracts. While staff are keen to work longer hours to increase wages, there is a realisation that cost is important and staff are expected to go or be sent home when business is slow. The recent pain of job losses means that staff understand the need to ensure that there are not too many surplus bodies hanging around just in case something is needed. There does however remain a tension between providing the guest with whatever they ask for and having enough resource to do it. The difference now is that staff and management are willing to take the hard decisions to ensure cost efficiency while still ensuring that standards are maintained.

Previously, the hotel had signed up to operate in line with the Optimus service excellence programme. The hotel is still hiring new staff and is probably not ready to be assessed in this area. However there are many legacy processes and procedures in place which undergird a good standard of service and will help the Hotel to get fully back on track. Already the establishment of committees (e.g. guest care committee) is underway and efforts are afoot to ensure that staff have a clear input in the improvement of service quality.

Purchasing

Greater care is now taken to ensure that locally negotiated contracts are in place with suppliers to ensure affordability and makes as much use as possible of Carlton Group contacts. While many local suppliers may have lost out financially with the demise of the Castletroy Park Hotel, many are still willing to conduct business with the re-launched hotel. With the recession biting in all areas of the economy, suppliers are also willing to introduce cost efficiencies while protecting product and service quality standards.

Conclusion

In a recession everybody is looking to cut costs. Efficiency therefore must be the order of the day rather than plain cost-cutting. The approach taken at the Carlton Castletroy Park Hotel with an empowered and confident staff ought to ensure that the very best services are maintained without incurring excessive wastage of time and resource. The initial evidence shows that employees will respond well to increased responsibility if they are encouraged and allowed to make the occasional mistake. It is often said that people are our greatest asset; however, in the hospitality industry we need to find ways to ensure we get the very best from them. People who are empowered enjoy what they do and that joy transfers itself to others. If "it's all about You" is to have any meaning, then employees will need not just to say it but to act out it's truth.

Commitment and loyalty to the local community will also help the hotel recover from the loss of reputation suffered from the hotels closure. Positive actions such as honouring deposits and memberships have generated goodwill amongst locals. While such initiatives will cost the company money in the short-term, it will generate customer loyalty in the medium term. In addition, a revised purchasing strategy based upon negotiated agreements with local suppliers will ensure high quality supplies are delivered and a high service standard is maintained. This is essential to delivering success.

Despite the disappointment and the pain of redundancy as well as the anxiety of looking for work Fiona O'Shea and her staff seem to have retained a passion for customer service and hospitality. This passion will do much to avoid any danger of a repeat of the events of the last few months.