

## ADVERTORIAL

# Competing through Excellence –

## The Experience of Ireland's Hotel Industry

*Ireland's booming economy has meant quite a different proposition for its tourist industry. The result is a major – and unique – initiative aimed at providing visitors to the country with the best service in the world*

Becoming a leading world economy in little over a decade, has meant that Ireland's hospitality sector has been forced to fundamentally rethink its focus, its services and how it competes. The challenge has resulted in a strategy to bring the best of the world's hospitality industry to bear on the country's hotels.

Of all the countries to benefit from the single European market, Ireland has probably gained most. From a country that was predominantly dependent on tourism and agriculture (and subsequently agricultural subsidies) in the 1980s, Ireland has gone on to surpass the UK in GDP per head. This is of course good news for the economy, but it leaves a major challenge for the country's traditional industries like tourism.

Ireland's traditional appeal as a tourist destination had been its location on the peripheries of Europe, with unspoilt countryside, charm and conveniently low labour costs. But integration into Europe; massively improved and affordable access, a shared currency and a modernised economy has meant quite a different proposition for tourists and a very different type of tourist market. The charm and countryside remains intact, but Ireland is now simply more modern and very much part of Europe's market, society and community.

And tourist habits have changed as a result. Recent research has shown that while tourist figures remain high, people now stay for a shorter period and are demanding higher standards of value and service from their stay. In response to the challenge facing the industry, Fáilte Ireland, the National Tourism Development Authority,

has launched an important and unique initiative to focus on specific market segments and ensure the country's hospitality sector can compete with the best service in Europe.

### The Unique Challenges for the Hospitality Sector

Managing in the hospitality industry faces unique challenges: unlike other sectors, hotels have no supply chains or intermediaries to complicate the very immediate transaction between customer and supplier. Hospitality is the quintessential service industry, where any inadequacies in service are immediately visible and with global benchmarks set by the greatest hotels in the world.

Yet there are a multitude of interdependent factors needed to maintain these standards successfully and consistently. A hotel's success is determined simply by each guest's experience during their stay and everything that contributes to that – from the first welcome, appearance and impressions, to the quality of products, staff friendliness, and value (though not necessarily the price), and down to the smallest details such as the amount of air-freshener used. Hospitality businesses therefore have to juggle a multitude of factors to 'delight' their customers, and because it is such a competitive industry, managers have to ensure that such standards of service can be sustained profitably.

It is the Quality of customers' experience, therefore, which determines success in the hospitality sector, both on a national scale and for each individual business operating within it. Successfully managing Quality ensures guests' expectations are met – or exceeded – consistently, and that the

business is making the best possible use of its resources to deliver them. Quality standards, therefore have a major role to play in ensuring that such expectations are not just being achieved consistently, but that customers know they can expect them – a vital consideration in marketing to new customers and niches.

### Delighting The Customer - Improving The Quality of Your Stay

Above all, however, Fáilte Ireland's Optimus is aimed at improving the quality, value and 'delight' that visitors experience during their stay in Ireland. Ensuring that guests of Irish Hotels enjoy a stay that compares favourably with the greatest locations in the world is achieved by focusing all available resources on the guest and ensuring such standards can be maintained consistently.

By improving business performance, Optimus ensures visitors receive more value, while improving quality across the board ensures hotel guests experience a stay that simply compares with the best hotels in the world. The aim here is provide visitors to Ireland with a compelling place to stay, and a compelling place to return to. Something Fáilte Ireland are confident they have successfully achieved.

The programme has drawn on the best practices of hotels across the world, and especially Ritz Carlton's Hotel Arts in Barcelona, and, EQA winner (and many times a finalist) for The Schindlerhof Hotel, whose manager, Klaus Kobjoll chairs the Optimus approval boards.

Any initiative for Ireland's hospitality sector of course, needs to protect the industry's core values of people and place – the primary reasons that people give for visiting the country. The warmth and



friendliness of its people has helped Ireland to establish a reputation for being “a land of a thousand welcomes” This is a reputation which the country is justly proud of and one which the Optimus programme has aimed to protect and enhance. The programme recognises the need to supplement the established People skills and behaviours of attentiveness, friendliness and conviviality with other characteristics such as timely efficient and organised service and gracious problem solving skills.

Furthermore, it seeks to constantly monitor performance and measure customer satisfaction so that any areas of weakness may be identified and improvement action plans may be prescribed and implemented.

### Competing with Best Practice - Applying the World's Best Practices

Because hotels deal with international travellers, every customers' experience of a hotel is benchmarked against international standards – not just best in class – but best in world. Charm, character and a ‘traditional management approach’ may therefore no longer be enough for tourists, whose expectations are simply worldclass.

As a consequence, any attempt to uncover best practices and apply them to the Irish industry had to take into account what was being used internationally. Ireland's tourist authority, Fáilte Ireland took the view that in order to compete in such a global market, then the first step was to identify the global standards and the actions and behaviours that sustained them. Step one in developing the programme therefore was an extensive benchmarking study that not just identified best practices, but which drilled down to identify the specific approaches, actions and benchmarks that ensured they were being consistently delivered. These formed the basis for a programme that Irish hotels could implement to start them on the road to excellence.

This benchmarking study has provided the basis for Fáilte Ireland's Optimus programme, which adapts a disciplined quality management approach to ensuring that the business capability is in place to deliver consistently high customer service standards. “Accurate measurement of the quality of all processes is the cornerstone of improvement – until we know where we are today, we cannot improve. Objective measurements enable management and employees to focus attention on all areas of weakness and to monitor progress.” Mark Of Best Practice manual.

### Using Standards to Build Competitiveness

Optimus sets out to counter any traditional weakness by focusing everyone on the customer and ensuring that a framework is in place to deliver and sustain it. Based on proven international approaches to hospitality management, Optimus draws from the European Excellence framework for management (and through close work and association with its national partner organisation, EIQA) to ensure all facets of the business are aligned and working to the same goals – and that is delivering to the customer profitably.

### Both Business and Customer Focused

The result is Optimus, a three-tiered accreditation system based on Business Excellence and created with the involvement of EIQA, the National Partner Organisation of the EFQM. The emphasis in the programme has been on creating a culture of continuous improvement that addresses business issues and improves the competitive performance of the business, but most importantly it aims to improve the experience of tourists to Ireland (see box).

For Optimus to be of practical value to the industry therefore, the programme had to do more than just endorse best practices: it had to bring real business benefits to a sector that is being pressured by increasing competition from both home and abroad; from legislative changes and from high costs and prices.

Optimus provides hotels with an approach for hotel managers to managing their business that combines worldwide standards with an individual approach that reflects the character of each business. The foundation level of the Optimus approach, Service Excellence, ensures that everyone in the organisation makes a very deliberate effort in contributing to a positive customer experience, thereby ensuring that the many facets that determine a customer's experience are not just met, but exceeded.

### Optimus – delivering the best, by making the most

The Optimus programme ensures such a promise can be delivered by providing the practical tools that make it possible: a customer satisfaction tracking system, for example, ensures hotels are successfully delivering what customers want – and not what they think they want; management

education and in-house training programmes, and independent assessment ensure these objectives are being achieved. According to Fáilte Ireland this provides not just the assurance that an organisation's people and resources are delivering what your customers actually want – but also provides a way of communicating to potential customers that their stay will be a special one, something that represents a significant advantage when you are competing with the rest of the world to win tourist bookings.

The success of any hotel will depend on it's ability to provide consistently high standards of customer service. As service is provided almost exclusively by the employees who are not only the heart and soul but also the public face of the enterprise, it is essential that regular surveys of employee attitudes are undertaken to ensure that any factors which have a negative impact on employee empowerment, motivation and commitment are detected and addressed.

### Making Improvements, Charting Progress

The challenge with making any improvement to a business is sustaining it and ensuring that the changes brought are not lost in a few months. As quality management is based on the idea of continuous improvement, where progress is measured, monitored and maintained through staff commitment and target setting.

Optimus provides a roadmap that enables businesses to start small and to climb steadily through the three tiers of the programme with awards and audits at each stage of the process. Business can progress from the entry level “Ireland's Best”, through to the “Mark of Best Practice’ and finally to the “Award of Excellence”, which, using EFQM standards, provides a tangible recognition of their status as both an outstanding performer within the hospitality sector and an exceptional achiever across all areas. Research of Ireland's hotels had shown real demand from hotels to measures and display their progress ‘good to great’, and Optimus has been designed to provide both the structural framework and the branding to achieve this. To motivate a clear path of continuous improvement, Fáilte Ireland created an additional level, which tied into world-class standards, as exemplified by The European Quality Award.

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