1. Holiday Inn Club Vacations consolidated golf reservations for its four courses through a single phone number. Plus, resort restaurants removed less popular menu items and added options that were frequently requested and also created $5 value meal program for employees, to ease the cost of lunches at work.

2. Tricom Management, Inc., increased room night bookings by calling to remind guests of upcoming reservations and informing them that they can add a day at the beginning or end of their stay; guests are reminded again during their stay that they can extend vacation by a night or two if they like.

3. SPM Resorts saved significantly on uniforms by not going through traditional vendors and doing most repairs and upgrades in-house—thanks to employees who have been encouraged to speak up and bring their personal home improvement skills to the resorts.

These are just a few of the ideas that surfaced when workers were invited by management to share their ideas on improving the guest experience and cutting costs.

Faced with lower revenues, management and staff are increasingly coming together to find creative ways to meet tighter budgets, often with fewer workers. Surprisingly, companies are meeting and often
exceeding owner and guest expectations while trimming their budgets. Increased productivity and worker engagement has been the upside to the economic downturn.

While there were no massive layoffs among the ten companies interviewed, almost every company is asking more of employees—in fact, one company, Holiday Inn Club Vacations, is still hiring. Staff members are working harder, whether it is due to hiring freezes, layoffs, or cutbacks in contract labor. At some resorts, employees are faced with reduced hours, wage freezes, or even pay cuts. Yet, those who see that their managers care, work hard, communicate honestly, recognize and reward their efforts, and welcome their suggestions have become more engaged and motivated.

Open communication is key, especially when the news is bad, notes Ken McKelvey, RRP, chairman and CEO of Defender Resorts. Knowing that officers of the company had accepted a pay reduction and that management was doing all it could to preserve jobs, employees at Defender Resorts embraced a plan that included a three-hour per week reduction for hourly workers and an increase in work hours for salaried workers, says McKelvey. “Employees are motivated by the realization that we are all doing our part.”

Another company where morale didn’t suffer, despite reduced hours, was Vacation Resorts International. By shortening everyone’s work day by one hour, COO Stacey Shilling saved enough not to lay off anyone in the reservation center.

“Staff members are appreciative and are getting more accomplished,” Shilling says. “A recycling project also helped draw the team together. While it hasn’t brought a huge amount of money, it’s paying for periodic lunches, drawings for gas cards, and help for team members having financial issues.”

**SHARING IDEAS**

Many companies are bringing upper management and staff together via Town Hall meetings, cross functional task forces, and departmental meetings focused on finding operational improvements and efficiencies.

Breakfasts with Group RCI President and CEO Geoff Ballotti provide an informal forum for employees to share ideas with senior leadership. This is one of many new two-way communication events that allow leaders to hear directly from employees, reports Laura
Increased productivity and worker engagement has been the upside to the economic downturn.

Christenson, vice president, talent and organizational development, Group RCI.

To keep employees positively motivated for the future and connected to the company’s vision for growth, Holiday Inn Club Vacations held Town Hall meetings at their member resorts through the month of June. In these meetings, President & CEO Don Harrill, RRP, communicated his guiding principles for keeping employees focused and connected through the remainder of the year. Employee feedback indicated that the meetings helped them feel in-the-know and “committed to making our resort the best,” as one individual shared.

Asking employees for cost-cutting, green, and safety suggestions has done more than provide some great ideas for Daily Management, Inc., says Janice Feirstein, RRP, president. “Weekly department meetings have become energized to a new level, and people are clearly seeing their connection with the success of the property.”

ResortCom International, LLC, has developed a pilot program called “Adopt the Idea,” which encourages and challenges employees at its Puerto Rico properties to continually find ways to accomplish higher levels of service with a diminished labor pool. “When ideas are implemented, contributors are acknowledged during employee meetings by management, reinforcing that all suggestions are taken seriously and appreciated,” says Peter Gust, Vice President of Resort Operations.

ResortCom’s Gust is also an advocate of cross training. “In our Park City region, we have created a labor pool environment that allows us to leverage our employee base over multiple locations, thereby maximizing the amount of hours available to them. The labor pool concept has also provided our non-management employees the ability to work in different resort environments, which they seem to enjoy.”

At Royal Aloha Vacation Club, each employee is responsible for seeking ways to simplify, save money, and improve our product, says Jack Corteway, president and CEO. “We are too small to need or afford formal programs; we have monthly meetings, and my door is always open. We are also constantly communicating to make sure every employee knows the direction the company is going and feels like part of our family.”

MAKING EACH EMPLOYEE COUNT

One of the many ways companies are cutting costs is by sharing labor across resorts and cross-training employees so they can fill in where needed.

“Employees are our greatest resource, and at staff meetings, we seek out their suggestions,” says Bill Young, President and COO, SPM Resorts, Inc. “In addition to vendor suggestions, one of the most valuable ideas from our employees was to handle repairs and upgrades in house.”

Tricom Management, Inc., also has found existing employees eager to take on repair work. “Training in-house people to do the work increases the value of employees and saves tremendous amounts of money,” says Jay Morin, RRP, national director of operations. “We bring experienced employees from one resort to another, both to do the work and to teach it. This not only saves money but also builds confidence and team morale.”

ResortCom’s Gust is also an advocate of cross training. “Employees have the opportunity to work more hours. In the Park City region, our labor pool environment allows us to leverage our employee base over multiple locations.”

BRING IN THE REINFORCEMENTS

Recognition programs can be an effective way to get employees to pay attention to changing priorities or goals.

For example, Tricom’s Morin has raised employee consciousness about safety with a game called “Safety Bingo.” He also uses weekly quizzes to focus attention on corporate policy and plans. Employees have a few days to research answers; all correct entries go into a drawing. “It’s better than saying ‘know this,’” Morin says.

“VRI Savings Incentive Plan” gives key resort employees a share of savings vs. budget on line items they influence. To ensure service and quality are not compromised, the incentive is linked to RCI CSI report scores. “It has proven very effective in improving service while finding efficiencies,” says Richard Muller, senior vice president, resort operations for Vacation Resorts International’s Northeast region.

Scottsdale Camelback Resort offset a 25-percent reduction in non-assessment revenue with no layoffs by asking more of every employee, says Jerry Sikes, president of PRO Management. “We monitor and coach everything. For example, when room attendants follow our method, they often are able to make a bed in one-third less time. Quarterly goals are set for every job, and those who meet the goal receive a bonus.”

“As managers and leaders, we can get so busy focusing on business issues and planning that we forget to focus on the people working with us,” notes Dan Carricato, senior vice president, human resources, Holiday Inn Club Vacations. “The basic essentials of communication, recognition, reward and trust are especially important in a down market. The companies that do the best job at these will survive with loyal, engaged, and committed employees.”

Geri Bain is a freelance writer who has worked for many years around the industry. Her e-mail is geribain@aim.com.