

Case Study

1

**Loews Hotels:
Training for
Four Diamond
Service AND
MORE**

Most people expect to receive great service at four-diamond hotels. But that's not good enough for Loews. The New-York based hotel chain, which has properties in sixteen cities across the United States and Canada, tries to "wow" every one of its guests with high-quality accommodations, impressive surroundings, personalized service, and thoughtful amenities for a luxurious experience. Loews refers to the effort as its "Four Diamond AND MORE" service. And apparently it is working. The chain was selected number one in customer satisfaction among all luxury hotel companies in the second quarter 2010 Market Metrix Hospitality Index.

A key element of the Loews' success is the extensive training it provides its employees. Between 2006–2011, it spent over 264,000 hours training its employees, and it has been the only hotel chain to be ranked in consecutive years as a Top 75 Company by *Training* magazine. Employees at all levels undergo training. Whether they work at the front desk, as housekeepers, accountants, or marketing managers, they learn about the big-picture goals of the company and how the quality of service differentiates one company from another in the hotel business. "The key is to train *all* departments of your organization to be customer-centric," says Jon Tisch, the company's CEO. "Thinking about customers can't be left to marketing and sales alone. Manufacturing, R&D, strategy, management, all have to be focused on the needs and desires of the customer."

Customer-facing employees at Loews undergo classroom training, including role playing and simulations to learn how to deal with customers. "Living Loews," a two-day training program teaches employees not only the finer points of et how to really sell the Loews experience—even when things go wrong.

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Customer-facing employees at Loews undergo classroom training, including role playing and simulations to learn how to deal with customers. "Living Loews," a two-day training program teaches employees not only the finer points of etiquette but how to really sell the Loews experience—even when things go wrong. "Part of this training deals with how to handle pressure, which is something employees in any industry are bound to face. We're all human, so mistakes can happen," Tisch explains. "But when they do, we train our coworkers to impress our guests with an extraordinary recovery that we hope they'll remember even more."

Training sessions such as "Green" Training, "Loews Meeting Experience," "Loews Pool Concierge" program, "Spa 101," and the "YouFirst" guest loyalty program ensure that customers of all types who use the hotel's various services get top-notch service. The training does not end with the sessions, though. Once it is over, training managers go out on the front lines to do spot checks and offer feedback to employees to make sure the training really "sticks." A train-the-trainer program and other managerial workshops such as "Communicating Loews" help managers promote the hotel brand and inspire their employees to do so as well. A comprehensive executive training program covers topics ranging from communication and salesmanship to public speaking and presentation skills.

Loews also tries to "grow" its own talent. Its high-potential program offers additional training, development planning, and extra opportunities to employees who show promise. Most training managers, for example, are promoted from line-level jobs or from operations, so they know the company's processes and culture firsthand. The company also has a tuition assistance program.

To recruit undergraduates, Loews offers paid summer internships that allow students to work in a variety of areas such as the rooms division, food and beverage department, sales and marketing, and human resources. Each intern is assigned a

mentor and given opportunities to network by attending operational meetings. At the conclusion of their internships they complete a report on their experience. Successive year internships give them exposure to additional functional areas, project work, supervisory experience and ultimately the opportunity to join the company's management training program.

So successful is the training at Loews that even trainers are impressed. Douglas Kennedy, the founder and president of the Kennedy Training Network, which specializes in hospitality training, says he was knocked out by his experience while conducting training at Loews' various properties. "I have never received more genuine, authentic welcome notes with my amenities, which were always a welcome treat after a long day of training and an evening of travel. Each note was personally written, and not just the standard 'welcome to our hotel, hope you enjoy your stay' messages. I also got to indulge in the supremely comfortable guest rooms and enjoy uniquely local dining options, décor, and overall hotel ambiance," Kennedy says. "I have to say I've become a bit spoiled now by all this, and I'm sure it will be a rude awakening next month when I return to staying in more typical upscale hotels."

Questions

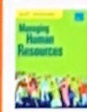
1. How do Loews' training programs relate to the company's business strategy?
2. Why does the company encourage its employees to focus on the customers' needs versus other metrics?

Sources: Jill Busch "Training Reveals Rankings for 2011 Top 125," *Training Magazine*, February 8, 2011, <http://www.trainingmag.com>; Ann LaGreca, "Loews Hotels CEO Jonathan Tisch on the Essence of Customer Service: Experience, Service and Quality," *Knowledge@Emory*, July 11, 2007, <http://knowledge.emory.edu>; "Loews Hotels Named Among 'Top 125' by Training Magazine," *Hotel and Motel Management*, March 9, 2009, at <http://www.hospitalityworldnetwork.com>; <http://www.trainingmag.com>; Holly Dolezalek, "We Train to Please" *Training* 45, no. 3 (March–April 2008): 34–35.

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Case Study 2

Eastman Kodak has changed dramatically to compete in a world of new technologies, emerging markets, and global customers. As a result, Kodak's efforts in executive education have pushed the limits to create innovative "learning events" for senior management, which are designed to be as dynamic and future-oriented as the company's business environment.

Kodak Gets the Picture in Executive Education

For years, Kodak was the dominant player in its market. It enjoyed worldwide brand recognition, extraordinary customer loyalty, and enviable profits. Understandably, few employees (or managers) wanted to do anything to upset the status quo as most of them looked forward to a lifetime of employment and security.

Then things changed. The company restructured in order to go head-to-head with competitors in a much tougher digital marketplace, and in the process, there has been a one-third reduction in executive positions. These events drove complacency far from the environs of Rochester, New York, Kodak's headquarters city. Agility has replaced *stability* as the watchword of the future.

As a consequence of Kodak's transformation—not to mention the personnel changes—the majority of senior managers have been in their positions for far fewer