

Stanford eCorner

Using Training to Instill a Sense of Purpose

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Conley believes that employees perceive their employment in one of three ways: As a job, as a career, or as a calling. Employees that see their employment as a career or a calling tend to build relationships through excellent customer service. Rather than increasing advertising, Joie de Vivre Hotels invests in its employees by implanting a sense of ownership. In off-site retreats, employees at all levels are asked to give their input on the company's strategy. The results can be seen in employee and customer satisfaction surveys. In an industry where employee turnover can be as high as 70-100%, Conley's company has lowered its turnover to 24%.



Transcript

When you are a guest in a hotel and you notice someone really cares about what they're doing and almost lives it as a calling, you notice the difference as a customer.. And what is most noticeable is on the front desk at a hotel.. If you go to check-in at a hotel and someone is living their calling or is living their career, you can notice the fact that the person really cares about you and is diligent and actually trying to create a great experience for you.. When someone is just living their job, that's noticeable too.. So one of the things we noted in the downturn is that, one of the things that was most important to us is continuing to create great loyalty and great service experiences.. The fact is we could go out and spend a lot of money on advertising and the downturn to try to build business, but that cost us a lot of money and instead we put a much smaller investment into just additional new training into our staff with the idea that if we create great experiences for our customers due to giving our staff the sense of calling to what they're doing, that's going to have a much bigger impact on both the customer experience but also our long-term profitability.. So what we did is we start spending time with our staff and just saying OK, you know, we had previously for a long time done work climate surveys so twice a year asked our staff what is it that they're looking for in their work and in the workplace.. But what we started to do is we started doing what's called service or treats.. We just started taking all of our staff off-site for the day.. So we took the housekeeping staff, the bell staff, you know, the bartenders..

They all went off-staff and we had another one at the hotel who's actually take over the hotel for the day.. And we had a day long session with people who generally speaking historically haven't felt like they have had much of a voice.. So if you're a hotel maid, you know, who's going to listen to you.. That's sort of the perspective that most people have because that's how most hotels are run.. But now all of a sudden we're asking them to create the strategy for the hotel for the year and giving them some information in metrics and things like that that they could use to actually help understand how the business worked.. It was like their own little MBA course.. But it wasn't just the learning was going from teachers to them but it was actually coming both directions.. What happened over the course of that time 2001, 2002 and 2003 is while we had, historically had very high work climate scores as a company higher than the industry average.. Then all of a sudden went off the roof, you know, off the charts.. And the employees are employed turnover ratio, we're in the industry where the average turnover is about 70% to 100% annually..

So that maybe 100% only means the average employees stays a year in a job.. That's not very good as an industry.. So we're 70% to 100% and we ended up gaining down the 24% as a company.. So by actually having less turnover, having people more engaged in their work, feeling more a sense of calling in what they're doing, what it did was to create a much better customer experience.. So all of a sudden our employee experience was better and our customers' satisfaction scores started going, you know off the charts...