

## The Power of Fairmont Hotels & Resorts' Strategic

# Employee Recognition Program

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### QUICK LOOK

- ➔ Fairmont colleagues who receive an award can redeem their award from thousands of merchants all over the world.
- ➔ The company's aggressive communications campaign included monthly recognition celebration receptions and a guest ballot box where guests can nominate employees for exceptional service.
- ➔ Serviceplus has helped Fairmont extend its global presence beyond Canadian borders.

In the hospitality industry, service is directly tied to the bottom line, so innovative companies must create an employee engagement strategy that is motivating and meaningful to all employees. Toronto-based Fairmont Hotels & Resorts has done just that with its Serviceplus Colleague Recognition Program. The one-of-a-kind strategic program embraces and communicates the company's core values while helping create an engaged culture where its 30,000 employees — also called "colleagues" — deliver on the company's mission and are fully committed to their day-to-day work, team, management and organization.

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## reach and inspire employees at all levels and at all locations around the world.

said Carolyn Clark, senior vice president of human resources at Fairmont Hotels & Resorts. “Serviceplus helps extend our global presence and encourages colleagues worldwide to celebrate the exceptional work they do every day. Our colleagues are brand ambassadors who make each guest’s stay a meaningful and memorable one, and, in recognition for their own continued outstanding performance, we wanted to give them the opportunity to create those same memories for themselves.”

### Creating a Culture of Appreciation

Fairmont Hotels & Resorts is known for its superior customer service-focused mission of “turning moments into memories” for its guests. Its brand promise: providing guests with experiences that

are authentically local while staying in hotels and resorts of unrivaled presence with service that is thoughtful and engaging. The company wanted to incorporate that same philosophy on an employee level — encouraging and engaging employees to be the best they can be. Fairmont therefore conducted a thorough evaluation of its employee recognition efforts to assess their impact and identify areas for improvement.

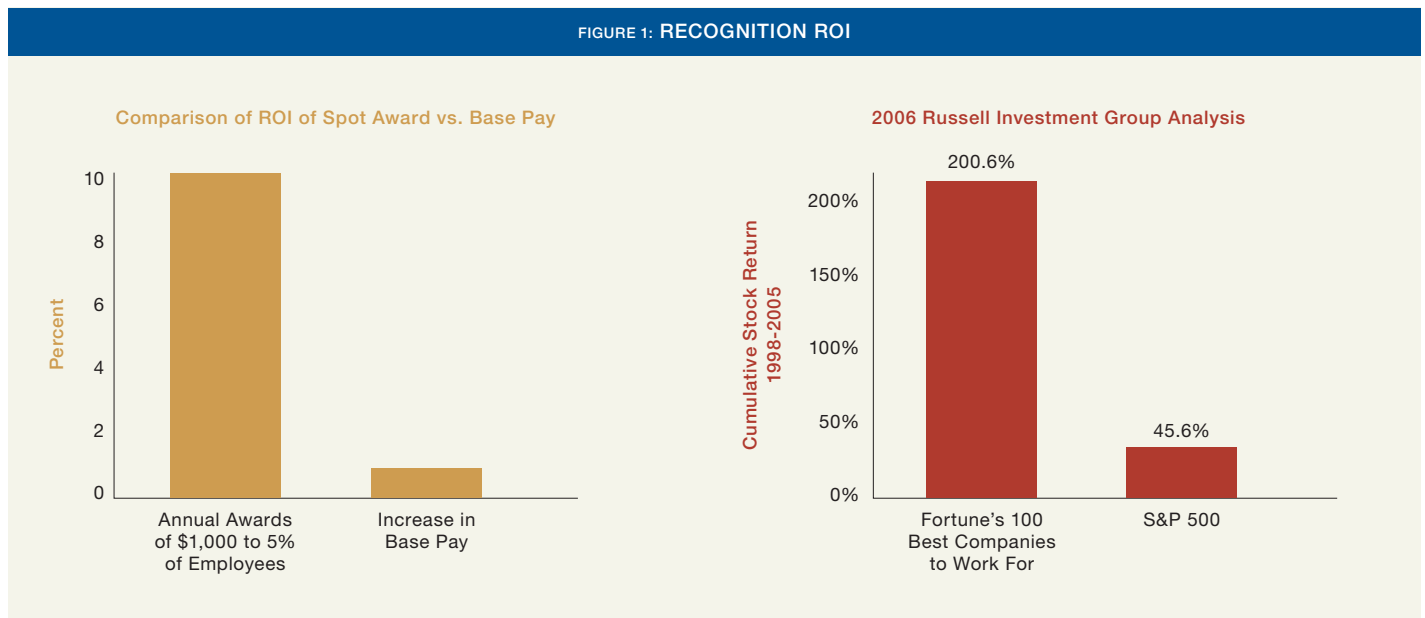
Working consultatively with recognition strategist Globoforce, Fairmont made significant changes to its recognition program structure, launching a retooled and enhanced, high-impact program designed to further strengthen its service-oriented culture of appreciation that would reach

and inspire employees at all levels and at all locations around the world.

Fairmont’s company culture already highlighted employee contributions, but focus-group feedback on the company’s original recognition efforts showed dissatisfaction with the program’s limited reach, and Fairmont wanted more people to be reached. Employees, meanwhile, wanted additional opportunities to recognize peers and team members for memorable service moments immediately, wherever they happen to be — such as in the lobby, in a restaurant or at the reception desk — while rewarding them in a more meaningful, personalized way.

Survey comments showed employees wanted to maintain the program, but ensure that recipients of monthly and

FIGURE 1: RECOGNITION ROI



**FIGURE 2: CONSOLIDATE PROGRAMS AND SAVE**

50%-70%	on current investment in multiple disparate programs
30%-40%	on shipping and handling
10%-40%	on inappropriate, inequitable awards
100%	of international shipping, customs and duties fees

quarterly recognitions were consistent role model performers. Feedback also revealed that reward selection was limited and not always personal or culturally appropriate, while the program itself was not fully understood or easy to use. This meant that the rewards given were not motivating nor engaging to the workforce.

Other considerations for a restructured recognition program included a desire to move away from merchandise-based rewards, which were costly due to shipping markups to Fairmont's global properties; the need to add more countries and languages to the program to address the many cultures reflected among Fairmont colleagues; and alignment with the company mission and brand promise. A foremost concern was also to ensure the program easily worked in an offline mode to allow on-the-spot recognition, and that rewards could be redeemed online or by phone.

With the survey results in hand, Fairmont set out to restructure and enhance its employee recognition program so it would:

- Recognize employee behaviors that deliver on the Fairmont mission statement and brand promise, as well as recognize consistent star performers
- Reduce overhead costs and reach more colleagues with meaningful, personalized recognition
- Enhance engagement and reinforce Fairmont's service culture

- Address the recognition needs of Fairmont's diverse hotels across the globe with one unifying, yet flexible, program.

Fairmont then worked closely with Globoforce to implement significant changes to Fairmont's Serviceplus Colleague Recognition Program.

### Embracing Employee Engagement

As a service-oriented organization, employee engagement is critical in creating and maintaining the Fairmont brand and reputation. Fairmont's recognition task force therefore set out to align Serviceplus with the company's mission statement and brand promise

Fairmont offers a number of award options ranging in denominations of \$10-\$50, including a free "Bravo" call-out to employees whose performance should be recognized in smaller, more public ways.

Fairmont colleagues who receive an award can visit a special Web site or call a host of international toll-free numbers to redeem their award from thousands of merchants all over the world. This type of specialized program allows Fairmont employees the opportunity to personalize their recognition moments and create their own meaningful memories, and this global approach to recognition supports



across its 30,000-strong workforce in 16 countries around the world.

Fairmont's retooled Serviceplus Colleague Recognition Program aims to encourage, recognize and reward outstanding employee achievements in the delivery of the company's mission and brand promise in all Fairmont locations around the world. The program features different award levels, such as "Memory Maker" for an outstanding show of thoughtfulness and creativity, and "Star of the Month" for colleagues who demonstrate consistent star performance, embody company values and act as role models for success.

Fairmont's own philosophy to keep its collection of one-of-a-kind hotels local in nature, but operating under the same global rewards principles.

### Program Adoption: Exciting Employees about Recognition

How did Fairmont excite its workforce about Serviceplus? The company implemented an aggressive global communications campaign that included a formal Serviceplus launch, monthly recognition celebration receptions, Serviceplus pins, lobby displays and a guest ballot box where guests can nominate employees for exceptional service.



Since the program's launch, employee surveys and qualitative feedback have shown that **employee engagement has increased significantly.**



This communications approach and commitment from senior leadership to recognition set the stage for Fairmont employees and helped showcase the importance of creating a culture of appreciation and recognition among everyone from housekeeping to senior management, from the United States to China.

**The Voice of the Employee: Measuring Recognition Success**

Since launching the program in May 2007, Fairmont has seen impressive improvement regarding employee recognition. In fact, according to the company's most recent employee engagement survey, the following survey items have shown significant increases:

- I'm recognized for a job well done.
- The best performers receive the greatest recognition.
- I'm recognized in ways that have special meaning to me.

In addition, since the program's launch, employee surveys and qualitative feedback have shown that employee engagement at Fairmont Hotels & Resorts has increased significantly.


And, with the addition of the Memory Maker award category, Fairmont colleagues can now be recognized for specific incidents of exceptional thoughtfulness and creativity that deliver on the company's mission and brand promise. An employee at The Fairmont Olympic Hotel in Seattle, for example, coordinated the safe

return of a beloved "blankie" to a young hotel guest. This colleague's added touch was taking the time to wash the blanket before arranging for its return, which is a gesture worthy of "engaging service," warranting a Memory Maker award. A colleague at The Fairmont Hamilton Princess in Bermuda hosted a young guest who was a huge soccer fan. A player for the Bermuda Arsenal's soccer team in his down time, this Fairmont colleague delighted his young guest by surprising him with an "authentically local" Arsenal's jersey, which was signed by the entire team. This Memory Maker award-worthy recognition moment would not have been possible prior to the restructuring and relaunch of Fairmont's retooled colleague recognition program.

Of note from the employer perspective: In a recent *BusinessWeek* and J.D. Power & Associates survey, Fairmont scored third place overall out of the 50 best providers of customer service across a variety of industries in the *Customer Service Champions* survey. And *Maclean's* magazine has rated Fairmont as one of Canada's top 100 employers for eight years running.

**Conclusion**

Fairmont continues to see vast increases in the use of Serviceplus, and the engagement factor of employees continues to rise. Serviceplus has helped Fairmont extend its global

presence beyond Canadian borders and encourages employees worldwide to celebrate the exceptional work their colleagues do every day, whether it's given right on the spot, weekly, monthly or annually. 

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