

Case Study 4

Jurys Doyle Hotel Group

The approach to partnership at Jurys Doyle provided an important competitive advantage for the Hotel Group in its response to the problems experienced in the industry in late 2001 and into 2002. It enabled Jurys Doyle to respond with greater flexibility to the developing crisis and ensured that the need for the strategies and actions undertaken were widely understood and supported.

Important developments at Jurys Doyle include the development of a more innovative culture among employees, the mainstreaming and diffusion of partnership as an approach to change and the approach to sharing gains within the Group.

The Company

Jurys Doyle Hotel Group is Ireland's leading hotel group. It employs approximately 4,000 people in 32 hotels throughout Ireland, the UK and the US. A further five additional hotels are under construction in the UK and US. Sixteen of the hotels are located in Ireland, employing approximately 2,600 people. The Company operates in city centre locations, and is primarily focused on the corporate market. The organisation has undergone significant change and expansion in the last ten to fifteen years, including the development of the highly successful Jurys Inns concept in 1993 and the acquisition of the Doyle Hotel Group (including such properties as the Westbury, Berkeley Court and Burlington Hotels) in 1999.

The Partnership Context

Jurys Doyles' competitive advantage is derived from its ability to respond rapidly to customer needs, and its business is a people-oriented one. With the rapid expansion in the Irish economy from the mid-1990s, and the expansion of the group itself, both management and unions recognised that changes needed to be implemented which would enhance the input of employees and the competitiveness of the organisation. This was reinforced by the effects on the industry of the Gulf War, which resulted in a dramatic reduction in visitor numbers, with a consequent impact on business. It led to a realisation that a range of set customs and practices which did not necessarily promote flexibility and customer responsiveness needed to be changed. These customs and practices applied as much to management's approach as they did to the unions. It was also widely recognised that in order for an initiative to have credibility within the organisation, it needed to be strongly supported by the union, SIPTU.

The Structures

In 1998, such an opportunity arose. SIPTU received support from the EU under the ADAPT programme to examine the issue of workplace partnership, and to pilot some initiatives. Jurys Doyle was approached to participate, and nominated its flagship Jurys Ballsbridge Hotel employing approximately 500 people at the time. The employees are represented by SIPTU at the hotel.

A partnership steering committee was formed, consisting of five management and five union representatives, and an independent facilitator was employed to support the process. The role of the facilitator lessened as the process developed momentum. It was challenging at times to maintain momentum when steering committee members changed, as new members needed to be brought up to speed on the process. What was particularly significant was that the team included the general manager on the management side, and other senior managerial representatives. The team also included key union personnel who could clearly be identified as champions of the process.

The Activity

In the initial stages, the steering committee focused on team dynamics and building trust. Formal and informal training in areas such as decision-making and communication skills facilitated this process. Also, union representatives received training to assist them in understanding financial information, for example, so they could make meaningful contributions once they fully understood the company's financial position. All IR issues in existence at the time were "ring-fenced" and dealt with in the normal way. The aim was that future issues of this nature would be dealt with through the partnership process. The importance of communication was emphasised, and the steering group briefed all employees in the hotel on the partnership group and its function. Minutes of all meetings were put on the appropriate notice board and sent to all employees with their payslips. Department partnership committees were established in areas such as banqueting, accommodation and the kitchen to actually carry out the detailed work. All parties agreed that a series of quick wins were required to give the process credibility.

The practical work carried out by these committees was significant. For example, a pilot job-sharing initiative was carried out in the accommodation and reservations sections of the hotel, and was sufficiently successful for it to be introduced on a permanent basis after the pilot period.

Employees began to have greater input into decisions affecting their work. Housekeeping personnel were consulted at the design stage when rooms were redesigned, and this enabled practical issues of concern to them to be addressed. A new reception area was designed and all those with a capacity to advise on the best way of achieving the objective were involved. Productivity deals were also addressed using the partnership mechanism, including one which involved gain-sharing for front desk personnel in return for a reduction in their manning levels.

The actual way of conducting business within the hotel itself began to change, and the relationship between management and unions began to change also as trust was established at all levels. A SAYE (Save As You Earn) scheme was introduced in 2000. When issues such as the Foot and Mouth crisis emerged, the existence of the partnership committee offered a vehicle to all sides to help them to understand the impact on the business, and the strategies that needed to be adopted in order to survive crises of that nature. This was further emphasised in the aftermath of the events of September 11th last year. The organisation's partnership approach helped it to compete well against its rivals during an extremely difficult period for the industry.

The Jurys Doyle group recognised the value of this approach, and two of the union members on the steering committee were seconded for a period to brief the other hotels within the group on the approach. This offered an excellent opportunity for the other hotels to raise issues that were of concern to them, and as a result, for example, the sick pay scheme has been standardised. In the Berkeley Court Hotel, Ballsbridge, department meetings have been established as a result of the process, and the communications process within the hotel has improved significantly.

The process, like any process, has had its ups and downs, and needs to be constantly monitored and reviewed. The original steering committee structure is constantly updated, as are the compositions of the local partnership committees and their focus of activity. A significant amount of the partnership approach has been mainstreamed into the way the hotel does its business on a daily basis.

The Benefits

The main benefits of the partnership process have included:

- **An enhanced capacity to respond to market changes, through appropriate organisational change. The steering committee and local partnership committees have tackled difficult issues and resolved them through a partnership approach. In a fast-changing customer-oriented business environment, this is a significant achievement of the partnership process**
- **Higher levels of trust between management and unions. The spin-off benefits of this are evidenced in the relationship between the two on an ongoing basis**
- **The development of a more pragmatic approach to problem-solving. Better quality solutions are now devised as a result of involving all key stakeholders in the development of a solution**
- **The identification and delivery of shared benefits. The process has delivered more cost-competitive and flexible working arrangements for the organisation, and has provided employees with an opportunity to influence decisions that affect their work and with the possibility of financial reward as a result of certain initiatives.**