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GAYLORD OPRYLAND™

RESORT & CONVENTION CENTER

Nashville

GUEST SATISFACTION AT GAYLORD OPRYLAND



▼ SNAPSHOT

COMPANY NAME

Gaylord Opryland Resort and Convention Center (NYSE: GET)

Employees: 4000

Management: 200

Annual revenues: \$300 million

Date of study: May 2006–April 2007

INDUSTRY

Hotel hospitality services

KEY CHALLENGES

Improve guest satisfaction scores

SOLUTION STRATEGY

Apply FranklinCovey's 4 Disciplines of Execution

Administer xQ Survey before and after intervention

STATUS QUO TIME 1

Opryland had the lowest guest satisfaction score of any of Gaylord's three convention properties

KEY RESULTS

Guest satisfaction scores rose 21 points by the end of Q1, 2007

RECOGNITIONS

Danny Jones was given the company's Flywheel Award for best performer

For the first time, Opryland achieved the best guest satisfaction scores in the entire hotel chain; customer loyalty also improved

KEY WORDS

Hotel; convention; customer satisfaction; execution; hospitality industry

The Gaylord Opryland Resort and Convention Center in Nashville, Tennessee, is one of three convention resort properties owned by Gaylord Entertainment. The other two are the Palms in Kissimmee, Florida, and the Texan in Grapevine, Texas. A fourth property near Washington, D.C., will be completed in 2008. Opened in 1977, the Nashville resort boasts 2,881 guest rooms and 200 suites, potentially accommodating up to 10,000 guests. It is the largest non-casino convention hotel in the world. It has 4000 employees divided into 75 departments. Amenities include seven restaurants, two outdoor pools, a plethora of shops, a golf course, and full wedding facilities. Besides the mammoth scale of the 54-acre hotel, which always impresses guests, special features include the nearby Grand Ole Opry country music hall and the beautiful glass-enclosed atriums (some 9 acres worth of glass) landscaped with rivers, waterfalls, and tropical plants. The resort hosts 1.5 million guests a year.

The Problem to Solve

Senior vice-president and general manager, Arthur Keith, has maintained for years a regular schedule of hotel modernization (some \$80 million spent since 2003 on room upgrades and a \$400 million expansion in the works). Yet the improvements, while welcomed by everyone, have not resulted in higher

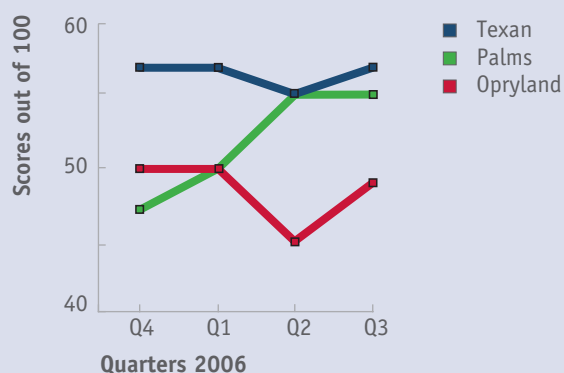
guest satisfaction scores. Whether the guests were expecting traditional “Southern hospitality” or a more “hip” hotel experience, they found reason to complain about things: the lengthy and “painful” front-desk registration procedures the equally long and frustrating check-out system, and so on. Despite its mission as a convention resort, guests found it difficult to get cooperation on such a simple matter as splitting room charges with fellow convention registrants. Furthermore, although some guests had carefully preselected their rooms, say, with a view toward the beautiful atrium landscaping, they sometimes found they were switched to less desirable rooms without prior notice. Typical of frustrated guests was that of a national honeymoon and wedding consultant who stayed at the hotel in the early 2000s and then posted on the Web a scathing description of the poor service she had received. She had to wait 30 minutes for a room reassignment, and she was insulted by a bellman who refused to carry her luggage into her room, despite her having an obvious walking impairment at the time (Sardone). Such reports were not uncommon.

As a result of these kinds of behaviors, of the three Gaylord properties, the Nashville property almost always placed last in guest satisfaction. In fact, on an annual basis, it had never beaten the other two properties on guest satisfaction scores, despite the fact that Opryland had, by far, more amenities to offer. At Gaylord properties, guest satisfaction is measured by responses to three questions: “Is the staff friendly?” “Is the staff helpful?” and “Is the staff prompt?” Hotel guests are asked to answer these questions using a scale of 1 to 100. Figure 1 shows that Opryland was almost always lower than its sister properties in guest satisfaction scores in 2006. In fact, the monthly score for October 2006 (not shown) was an all-time low of 43, or 13 points lower than the annual figure of 56 for the leading property. Gaylord ended the 2006 year with a guest satisfaction point difference (compared to

Figure 1

Guest Satisfaction Scores for Three Gaylord Properties

Quarterly Averages for 2006



the top property) of negative 7 points. Scores for 2005 had been equally low.

John Caparella, Gaylord’s Chief Operating Officer, was less than pleased with these consistently poor scores. He visited Opryland in late summer 2006 and put considerable pressure on the Leadership Committee to improve. As it happened, there were already changes underway that would dramatically alter the problem and, in the next few months, propel Opryland into first place in guest satisfaction companywide.

The Intervention

In May 2006, Danny Jones, the new Executive Director of Operational Excellence and Innovation at Opryland, had meetings in Chicago and happened to meet consultants from FranklinCovey. The discussions suggested, among other things, that the size and age of the property was not the likely cause of low scores in guest satisfaction. FranklinCovey

senior consultants set up a meeting schedule to assess the actual sources of the problem and assist Opryland leadership to establish workable goals to remedy the situation.

FranklinCovey first met with top leadership in a two-day executive session in June 2006. This was followed by separate two-day sessions with each of the three relevant sections: Convention Services, Food and Beverage, and Rooms. Later, other areas such as Human Resources and Engineering were brought into the process. Leaders were trained to implement for their staffs the principles they had learned. Finally, there was a one-day follow-up meeting and a half-day executive-report meeting. Altogether, FranklinCovey staff were on-site a total of ten and one-half days, during which time they had face-to-face contact with 85 leaders and certified that 75 division and department heads were prepared to launch the solution process. Later, an additional 300 employees were trained by in-house leaders.

In June, FranklinCovey asked 112 employees (20 executives and 92 managers) to take the Execution Quotient Survey (xQ). This baseline survey compared Opryland to national norms on such topics as organizational goal clarity, commitment, and teamwork. The responses revealed that Opryland was actually doing quite well in a number of areas. For



instance, Opryland executives and managers showed a higher level of commitment to the goals of the company (71 points out of 100) than that found at most companies surveyed by FranklinCovey. Likewise, Opryland employees felt that their colleagues were generally committed to the direction the company was taking. Out of a potential score of 100, employees gave each other a score of 78 (compared to the national average of 58). Thus, as one leader explained, "The culture was already set up to provide good service, but it didn't happen until we implemented *The 4 Disciplines of Execution*."

However, the xQ Survey also revealed serious conditions that, despite the personal commitment of the employees, were impeding progress toward achieving company goals. Some of those dysfunctional conditions were: a weak commitment to teamwork, poor cross-functional communication practices, lack of accountability by individuals for their areas of responsibility, and inadequate progress markers.

FranklinCovey helped Opryland leadership identify these problems. They also encouraged the leadership team to clarify and document their most "Wildly Important Goals" (WIGs), and to create a pattern by which progress toward those goals could be regularly measured and accounted for. The company decided that everything should be driven by two goals: establishing "Hi Touch" (that is, high guest satisfaction) and "Hi Volume" (that is, high occupancy). Each division, in turn, would establish and prominently post their own goals that would contribute to Hi Touch and Hi Volume.

The front-office team decided they could contribute to Hi Touch by increasing check-in process efficiency (minimizing how long a guest has to wait to be checked in). Their goal was to raise their check-in efficiency score from 55 percent to 65 percent by year-end 2007. Likewise, the reservation Call Center set a goal to improve guest satisfaction by answering 95 percent of incoming calls. That would represent a significant improvement from the past when only 88



percent of the calls were handled. The engineering team set a goal to make a weekly walk-through of the entire hotel to make sure guidance signs were well lit and properly placed. Nando Rodriguez, general manager of the Old Hickory Steakhouse, decided to implement “universal service”—a plan wherein each waiter would assist guests at any table, regardless of which waiter “owned” the table.

Thus, each division and department established unique goals and then met weekly to report on progress and create new goals for the following week. Division heads reported the weekly “WIG” meetings to be the most important meetings of the week. Leaders looked forward to reporting what their teams had accomplished. “We wouldn’t think of missing a WIG meeting,” said Sheryl Chesnutt, manager of the Call Center and Reservations, who in April 2007 was conducting her 27th consecutive WIG Session. The 30-minute WIG Sessions in her department were fun, positive, and efficiently executed. Scoreboards to show goal accomplishment were displayed prominently in the meeting room. There was a spirit of teamwork and open communication.

Although top leadership was well aware of the goal-execution process, did rank-and-file employees also know what the companywide goals were? If someone asked a valet if he knew what “Hi Touch” was and what specific goal his department had established

that week to contribute to “Hi Touch,” would he know the answer? In April 2007, two researchers from FranklinCovey visited Opryland. They randomly stopped employees throughout the hotel and asked about their WIGs. The researchers found that so effective was the “cascading” of company goals, everyone—from the grounds crew to shuttle-bus drivers to shop clerks—was “goal-aware.” Indeed, it would be accurate to say that the entire hotel staff (all 4000 of them) was fully aware of, and committed to achieving, the company’s goals.

This is an amazing accomplishment, especially given that nationwide, on average, only 54 percent of employees know what their company’s goals are and what they are supposed to be doing to achieve them (FranklinCovey, 2004, p. 6). Danny Jones explained that the 4 *Disciplines* process had become like a Microsoft Windows computer operating system. “We’ve got 4000 people on the same page working on the same goal,” he said. To keep the process alive and fresh, Jones regularly rewarded employees with public recognition and award items to display at home or in their offices. The hotel also paid cash bonuses when goals were met.

“Once they saw how easy *The 4 Disciplines of Execution* was to do, they became champions of the model and began to spread their enthusiasm to others in the division.”

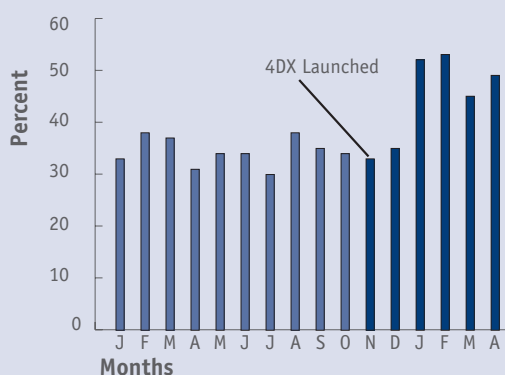
*Danny Jones, Executive Director of
Operational Excellence
and Innovations, Opryland*

The Results: Customer Loyalty

Application of *The 4 Disciplines of Execution* process produced amazing results. Proof of this came from the hotel's own customer-loyalty survey (sometimes called Net Promoter Score). At the end of their stay, hotel guests are asked if they would enthusiastically recommend Opryland to others. Comparing the first four months of 2007 with the same period in 2006 before the *4 Disciplines* process was implemented, it was found that only 35 percent of guests in 2006 said they would enthusiastically recommend Opryland, compared to 49 percent in 2007—a 14-point increase (see Figure 2).

Figure 2

Customer-Loyalty Scores
January 2006–April 2007



See www.franklincovey.com/CFAR/Opryland for video interviews related to this study.

The Results: xQ (Execution Quotient)

In addition to the dramatic improvement in guest satisfaction scores, Opryland also showed significant improvement in xQ scores. "xQ" is FranklinCovey's measurement of organizational health as it relates to execution. The first xQ Survey was administered to 112 people in August 2006, two months before *The 4 Disciplines of Execution* was launched. A follow-up survey was administered in April 2007 to 109 people, seven months after the *4 Disciplines* process was implemented.

The first xQ scores were similar to an "average" company in the United States where employees have only a moderate understanding of the company's goals and weak accountability around those goals. The second xQ scores were so dramatically improved that in three areas (highlighted in Figure 3), Opryland catapulted into the ranks of FranklinCovey's top 10 percent of companies. The overall company score of 77 was a full 20 points higher than FranklinCovey's average client. In fact, to have over 80 percent of employees in a 4000-employee company aware of and committed to executing company goals is phenomenal.

Figure 3

xQ Scores Before and After *The 4 Disciplines of Execution*

Execution Category	Before 4DX	After 4DX
Goal clarity	68	83
Goal commitment	71	81
Translation to action	62	71
Enabling	65	78
Synergy	61	74
Accountability	54	76
Goal alignment	68	80
Team goals	61	78
Individual goals	63	72
Hotelwide Score	63	77

Figure 4

Opryland Guest Satisfaction Scores

January 2006 Through March 2007



The Results: Guest Satisfaction

In addition to customer-loyalty score improvements, Opryland found that its guest satisfaction scores began to climb immediately after *The 4 Disciplines of Execution* process was fully rolled out. Figure 4 shows that leadership training began in May 2006 and the full launch was implemented in October 2006. In November, guest satisfaction rose from 43 percent to 51 percent. In December, the score rose again to 54 percent. By March 2007, the score had risen to 64 percent, and Opryland found itself with the best guest satisfaction scores in the entire

hotel chain. Hotel managers and other employees were elated. "The morale of the leadership went through the roof," said Group Housing Manager Jennifer Greer. The corporate offices were also very pleased and awarded Danny Jones with the Flywheel Award. Jones stressed that everyone earned the award because everyone had raised the bar on customer service. Suzanne Perry, director of the Call Center, explained that since implementation of the *4 Disciplines* process, employees were "just thinking differently." "We know it works," she said.

The Results: Customer Feedback

Did the hotel guests notice the difference in service? The following letter is typical of many received at Opryland several months after the launching of *The 4 Disciplines of Execution*. From this British visitor, we learn what kind of business culture was being created at the hotel:

Dear Mr. Cline,

I recently attended a conference at Opryland Nashville Resort and Convention Center. I managed to get lost in your huge establishment, and my team was getting very cross, when we were saved by one of your staff members. A gentleman named Richard Norton approached us and asked if he could assist us. I was overjoyed. We had traveled from Essex, England, for the bowling conference, and were very tired.

Your chap, Mr. Norton, not only gave us directions, but led us across the resort to our rooms, which were, I might add, at the opposite end from where he found us. He offered assistance, and we welcomed it. He made evening reservations at Old Hickory Restaurant and sold us on the Opry. He even suggested we not queue up for the tickets; rather, he logged us on my computer, and we purchased them online.

He needs to be commended for his superior customer service and never leaving any doubt in our mind that Opryland is a great place. Well, we would like to say you have a "Great" employee. The calling card reads he is "Executive Housekeeper"; my colleagues suggest he should be your concierges!

Please let him know we returned to the UK safely, and we had a great time thanks to his attention.

Cheerio,
Bruce Smyte — *Director EBT*

The Results: Employee Behavior

One of the most important parts of the *4 Disciplines* process is the impact it has on employee behavior. Do WIG Sessions, scoreboards, and so on, produce positive changes in employee behavior? Below are two examples of positive changes at Opryland:

Front Lobby

Standing in front of a wall displaying WIGs for his Guest Services team, Director Jayson Atherton explained that as a result of a WIG to increase check-in efficiency, his department added "mobile greeters and way-finders" to the front lobby. Normally working behind the check-in desk, these employees were assigned, on rotation, to wander through the lobby helping people find their way to elevators or to the shortest check-in line. As a result, check-in efficiency increased by about five points and, believes Atherton, guest satisfaction scores thereby received a big boost.

Rooms

Theresa Norman is Opryland's Housekeeping Rooms Manager. She and her staff are tasked to have rooms ready for guests who are checking in. But once in a while, a room is not ready because the previous guest did not check out on time or for some other reason. At a WIG Session, Theresa and her staff brainstormed about this problem and decided that what angered guests the most was not only being unable to move into their rooms, but also having their inconvenience go unrecognized by the staff. They decided that, instead of ignoring the inconvenience or trying to act as if it were normal, they would go to the guest who was checking in and openly apologize for the delay. The result? A big improvement in guest satisfaction in the Housekeeping area.

Other Causes?

Beside the 4 *Disciplines*, were there other changes in management style or procedures during the period FranklinCovey principles were implemented? Was there anything else that might have accounted for the dramatic rise in guest satisfaction? According to Danny Jones and other leaders, there were no other changes of any kind. The dramatic improvement in guest satisfaction scores was the exclusive and direct result of the application of *The 4 Disciplines of Execution*. Opryland made the decision to inject the 4 *Disciplines* into every level of the organization, from top to bottom. Soon there was ownership of the principles throughout the entire company and champions of the process at the head of each division. Indeed, when the first improvement in guest satisfaction scores was announced, each division head felt it was because of the efforts of his or her own division that the score had improved. In other words, each division had taken on ownership of the overall goal, as well as of the success.

Some might suggest that an emphasis on modernizing the “look and feel” of the resort was responsible for the improved scores. Under Arthur Keith, the hotel has been revamping its image from a staid “Southern hospitality” venue to a hip hotel with such modern “musts” as restaurants that serve sushi and miso soup. But some of these modernizations (for example, the sushi bar at the Cascades Restaurant) took place two years ago, and yet the guest satisfaction scores did not improve. The improved physical plant, while a necessary source of customer satisfaction, does not seem to be sufficient to drive up scores when service is not superb.

Fighting Issues

Did Opryland have difficulty “selling” the 4 *Disciplines* to its employees? Opryland’s staff is a mixture of “left-brained” accountants and lawyers along with “right-brained” gourmet chefs and wedding organizers. How did such a “mixed” company handle implementation of the 4 *Disciplines*? How

did *The 4 Disciplines of Execution* go over with those employees not naturally attuned to targeted goal setting?

At first, some of the employees were reluctant, even resistive, to the idea of goal-setting (WIG) meetings and progress scoreboards. “You can’t force us into this,” they said. But after the first few improvements in performance, even the detractors began to see the value of the 4 *Disciplines*. “Once they saw how easy it was to do, they became champions of the model and spread their enthusiasm to others in the division,” explained Danny Jones. “If you expect this to work the way you would turn on a light—just switch it on and hope it will work on its own—it won’t work. But it will work if leaders start thinking, ‘How much into the culture of the company am I willing to drive this? Am I willing to live and breathe this thing?’ If they think that way, it will work,” he said.

Lessons Learned

We have learned four things from this company: (1) Patience is needed at the front end of *The 4 Disciplines of Execution* program. Opryland used a full five months of training and self-preparation before they launched the program hotelwide. (2) Great success can only come if all departments and divisions in the company are aligned to the most important goals. (3) It is very important to have a person on staff who is, above all, committed to relentlessly implementing the 4 *Disciplines* program. (4) When *The 4 Disciplines of Execution* is properly implemented, companies can and do achieve dramatic improvements.

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