

LODGING

Revitalized IDENTITY

RADISSON HOTEL GROUP'S
NEW NAME, LEADERSHIP,
AND PLANS FOR
EXPANSION

PROTECTING
EMPLOYEES FROM
HARASSMENT

WHAT IT
MEANS
TO BE A
JOINT
EMPLOYER

50

MANAGEMENT
COMPANIES
PROFILED



GOOD ADVICE
FROM SAVVY
OPERATORS

KEN GREENE
PRESIDENT, AMERICAS
RADISSON HOTEL GROUP

POISED FOR GROWTH

BY ELLEN MEYER

RADISSON HOTEL GROUP PRESIDENT OF THE AMERICAS, **KEN GREENE**, AND HIS "A TEAM" CREATE AND IMPLEMENT A FIVE-YEAR PLAN LEVERAGING THE NEW COMPANY NAME

Ken Greene, who was named President of the Americas for Radisson Hotel Group (formerly Carlson Rezidor Hotel Group) in June of 2017, has held many financial roles, including serving as the Wyndham Group (formerly Cendant Hotel Group) CFO who oversaw the company's reorganization in 2001. But, as he told *LODGING*, he always saw himself most of all as a "strategic plan type of guy." His current position calls upon his expertise in brand building, strategic and financial planning, franchising, hospitality, real estate, and financial services to drive the company's growth and expansion in the Americas. It also seeks to maximize the contributions of his once-in-a-career "A team" of hand-picked associates, whose relationships with him and one another define a company culture custom-made to spur the success of owners, the company, and the talent.



Ken Greene at the Radisson RED Minneapolis

WHAT WAS YOUR PATH TO INVOLVEMENT IN THE HOSPITALITY INDUSTRY?

I was the head of strategic planning for Coldwell Banker, which was purchased by HFS in the 90s. So, I entered HFS through that acquisition and ultimately worked for Steve Holmes, who, in 2001, gave me my first opportunity in the hotel industry as the chief financial officer for Cendant Hotel Group, which is now Wyndham Hotel Group. Although I kept finding myself in financial positions, I felt I was much better at running brands—our first was Howard Johnson—than being a CFO. I took on Travellodge, Days Inn, and Ramada, and ultimately was the group president for Wyndham Hotel Group, representing 3,700 franchisees. I spent three years in Asia, where I put a stake in the ground for Wyndham in Hong Kong, and otherwise opened up the doors for Wyndham Hotel Group in the Asia Pacific very successfully: We opened 350 properties in three years in 15 countries—one every three days. It was pretty wild.

Ken Greene speaking at Radisson Hotel Group's annual hotel awards celebration in 2017 at the Radisson Blu Mall of America.

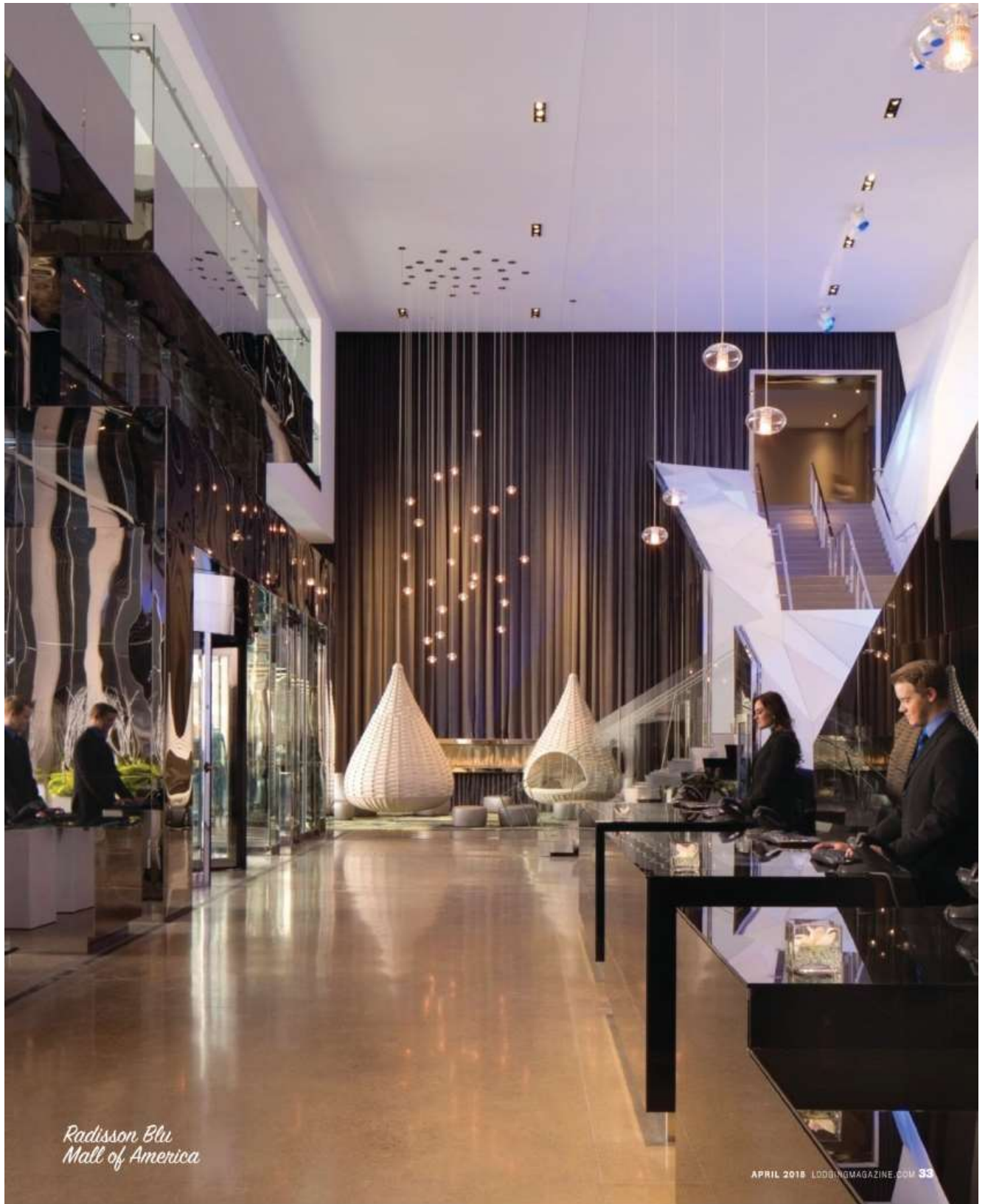


HOW DID YOU WIND UP AT RADISSON HOTEL GROUP?

Although we all enjoyed our time in Asia—and I myself found it professionally exciting enough there to remain indefinitely—after three years, my family wanted to come back to this part of the world. So, I took a position in Toronto as President and CEO of Delta Hotels and Resorts, where I repositioned the company as a leader in the Canadian upscale, full-service hotel segment. Then I took a two-year break from corporate life, becoming CEO of my own company, Greenhouse Consulting, which provided management consulting and advisory services on company strategy, branding, and real estate transactions. While I greatly enjoyed being on my own, when I heard the Chinese conglomerate HNA Tourism Group had acquired Carlson Hotels, which is now Radisson Hotel Group, I raised my hand and said, “I’m in.” I had known HNA from working out in Asia and been following them and their activities for about 20 years. I’d also always looked at Carlson as being a great portfolio of brands that just needed some love, attention, care, and investment—something I thought HNA would bring to the organization.

CULTIVATING SUCCESS STORIES

Radisson Hotel Group President Ken Greene says many underestimate the role of a company’s culture in its success. “Just like with any scoring game sports team, I think great companies, like ours, build a culture where people are working together as a team. We may not all agree on all things, but we’re similar in our hearts. We aspire for the greater vision of the company.” He describes how members of the team he put together—all veterans he worked with earlier in his career—work in a way that enhances the efforts of all based on a shared vision and mutual respect. “Everyone has a voice at the table. We’ve got to make quick decisions, and need everyone to fall in line and execute their parts with speed and accuracy, and, most important, with integrity.” He says, while some on this team never worked together previously, they have in common that they have all worked with him. “I worked with our CDO for the Americas, Terry Sanders, and our SVP of operations, Aly El-Bassuni, at Wyndham, and I worked with Charles McKee, SVP & COO, Americas, at Delta Hotels. They get along fabulously well because they have a similar mindset.” That mindset, he says, is somewhat like a family—they don’t agree on everything but they share common goals. “We know that at the end of the day, if we do the right thing for our franchise and our managed owners, if we build real value and do the right things for the brand, we can take pride in saying we took a company with a great portfolio of brands but no significant growth in recent years, and we drove one of the great growth stories in the industry. We all want that.”



*Radisson Blu
Mall of America*

HOW DID YOU GO ABOUT BUILDING YOUR TEAM?

When I went out to Asia for Wyndham, I hired a completely new team. I took people from other companies, other industries, and we built a truly incredible team. I had never before worked with any of the people I hired there, and it was really quite dynamic. Then, when I went over to Delta, we reorganized the company, and we kept part but replaced about half the management team. But once again, the people that I brought in were all new people, people I had never worked with before. But when I took over here, and pondered the knowledge and skills we would need to make the changes we wanted to make, I saw it as a once-in-a-career opportunity to pick my "A team" from among the people I had worked with, admired, and respected throughout my career. It was an amazing experience re-establishing relationships from before my years in Canada and Asia. We had a shared vision of what we could be based on having a great portfolio of brands, a great group of hotel owners, and a straight service culture. We've been able to build a culture of really smart, passionate, customer-centric people, who are rolling up their sleeves, working together cross-functionally, and they're doing it with speed and, most importantly, with integrity.

WHAT ARE YOUR TOP PRIORITIES AND HOW HAVE THEY EVOLVED?

Our five-year strategic plan—actually, everything we do—is focused on our ultimate goal, to create a revenue advantage for our owners. The whole plan for us starts and stops with the property owner. If it doesn't make sense or it doesn't drive return on investment for them, we really have no business doing it. We want to be great partners with them.

However, to build the plan, we needed to take a step back to get the lay of the land to see what the company was—and was not—doing well. We needed to identify our organization's knowledge gaps and the type of talent needed to fill them, as well as the necessary information technology infrastructure and the processes we needed to build in. To be more efficient and effective, we also determined the manual tasks that could be automated. Once we did all that, we focused on the metrics—making sure they were the right ones, measuring the right things, and that we had a plan to hold people accountable for delivering on those metrics. As a result, whether it's increasing our system contributions for marketing, loyalty, sales, and other services, we've got plans and initiatives for every one of those items.

The vision behind our five-year strategic plan is that we really want to be one of the top three hotel companies in the world, driving significant increases in rooms and revenue across the portfolio. In terms of growth, we ultimately want to go from 185,000 rooms to 255,000 rooms in the next five years. Our revenue goal is to increase it from \$302 million to \$450 million.

WHAT IS YOUR DEVELOPMENT STRATEGY?

Our first order of business is to put one of our highly recognizable flagship Radisson Blu hotels in each of the top 21 key gateway cities throughout the Americas as quickly as possible. Having them in these marketplaces allows us to build more properties because they not only stand out in these major markets, but they also allow us to leverage off our European, Middle East, and Asia partners that have globalized corporate accounts. As it is now, there are over 300 Radisson Blu hotels around the world, but only seven in the Americas (three in the U.S.), which offers an enormous amount of white space for the brand here. Our criteria for all properties, however, is the same: the right market, the right location in the market, the right product for the brand, and the right owner.

We are also very aggressively in discussions with potential owners of Radisson RED, a very cool lifestyle brand that's only been in operation just over a year but is offering great ROI. We also plan to accelerate the growth of Country Inn & Suites by Radisson in the right way. The last piece of our strategy is to shore up our core Radisson brand, which is a little dusty and needs a lot of attention and probably investment. We have great owners and there's a great service culture and a lot of passion behind that brand, but I believe you're only as good as your worst property. Great brands have really tight quality and consistency between the best property and the worst property. We needed to make that a little tighter, to make sure our worst property becomes better. As a result, we're going to be asking between 10 and 15 percent of the core Radisson system to exit because they just don't represent us in the right way.

WHO ARE YOUR DEVELOPMENT PARTNERS—EXISTING OWNERS OR NEW ONES?

On the Country Inn & Suites by Radisson side, many existing owners who have had success with the brand and are earning a good return on investment want to continue to grow with us. We are also fielding some conversion opportunities with brands in our segment. And, due to the vision of the company and relationships built by our new development team, we are in conversation with new developers. However, in the case of Radisson Blu—which really lends itself to the Asian market and to bigger institutional players or high net worth individuals—the prospective owners are all people that we've never really dealt with in the past. It's new development in a major market and a more expensive brand to join. But the smart money out there buys into the vision when they see what we're doing in these marketplaces. We intend to reward those who sign on through incentive dollars or management guarantees or a combination of both.

»»»» FRESH IDENTITY



*Radisson Admiral Hotel
Toronto Harbourfront*

HOW ARE YOU FINDING THE HOTELS THAT YOU THINK WOULD BE APPROPRIATE TO CONVERT TO A RADISSON HOTEL NOW?

In terms of identifying conversion opportunities, again, it's a pretty simple process. First, we determine the strategic markets we want to be in, then find out what's available to convert and whether they meet the criteria mentioned before: the right market, the right location in the market, the right product for the brand, and the right owner for the property. That's the filter. Marketplace by marketplace, we're very aggressively going after that for every one of our brands, whether it's a Radisson Blu, a Radisson, a Radisson RED, a Park Inn by Radisson, or a Country Inn & Suites by Radisson.

Interestingly, when we started building the five-year strategic plan eight months ago, we assumed the Blu's in the 21 key markets would be mostly conversions, but have found instead that nearly all are looking like new construction.

WHAT CHANGES CAN HOTELIERS EXPECT IN TERMS OF MARKETING AND BRANDING?

Our new go-to-market name, Radisson Hotel Group, compared to Carlson Rezidor, helps drive stronger awareness among consumers with a more consolidated approach globally to marketing across our eight brands. Our individual hotels also benefit from the name change. Our newly refreshed loyalty program, Radisson Rewards (previously Club Carlson), now aligns with our corporate identity and will make it easier for members to associate their benefits with all our consumer-facing brands. The new program comes with some exciting enhancements, including making status more accessible for members.

In January, we announced the name change of Country Inns & Suites by Carlson to Country Inn & Suites by Radisson, in anticipation of our corporate rebranding, which took effect in March. In March we also announced the launch of Radisson Collection, a premium lifestyle collection of iconic hotel properties located in unique locations. In June of this year, hotels that were part of our Quorvus Collection will become part of the Radisson Collection, with more hotels being added over time. At this time, we have no plans to introduce Radisson Collection in the Americas until we are able to establish a larger presence for our Radisson Blu brand.

HOW ARE YOU POSITIONING THE ASSETS TO BETTER COMPETE WITH ALL THE MEGA COMPANIES LIKE MARRIOTT AND WYNDHAM?

Unlike companies with two dozen or more brands, we have eight and plan to go to market in the Americas with five—just one for each segment. Our overall "pie" may be a little smaller, but because it is only being divided up five ways, we believe the piece we can give an owner is bigger than that of competitors with several in each segment. And we expect our pie to grow based on all we plan to do in terms of revenue management, new loyalty systems and platforms, new reservation systems, and new marketing. Because we are not acquiring new brands, our owners' piece of the pie grows proportionally as the entire pie grows. We think that's a real competitive advantage. If we can provide a bigger piece of the distribution pie to an individual owner in the property and can engage them and help them build our brands back to the roots of hospitality, we think those are two very compelling value propositions we can use to differentiate ourselves against the consolidation that's been going on in the industry.



continued on page 74

← continued from page 36

IS THERE AN OVERARCHING BRAND IDENTITY FOR THE PROPERTIES?

We want to be the company of choice for our guests, our talent, and our property owners and investors. We want to provide a great-quality guest experience—one that is comfortable, inviting, and memorable. Of course, we want to be sure our property owners and investors get the ROI they signed up for. And we want the talent—the people who make it all happen—to flourish because, without a great team of leaders and associates, we cannot achieve our goals with either our guests or investors.

That said, the thought across all our brands is breaking type consistency. We want to create really memorable moments for our guests, to have that great customer-centric approach of being great hosts and making their stay exceptional. We're especially focused on three aspects of that. First, we want people to feel at ease when they come to our properties, starting with a great sense of arrival. Next, their room should be a place to recharge—literally and figuratively. It should have the right lighting, WiFi, television, and a place to use and charge their electronic devices. To

make sure guests have a great sleep experience, there must be the right beds with the right bedding and linens. The bathroom should be designed for a great shower experience. We also want to impart a sense of place related to the property's individual location. Third, we believe that every one of our brands and every one of our properties should embrace its location. We don't want it to be a sterile cookie-cutter experience where everything's the same everywhere. Experiences that resonate for every guest can involve a lot of different things, but what it comes down to is having guests leave our property with the lasting desire to come back.

WHAT IS THE ROLE OF THE OWNERS IN THIS SCENARIO?

In the past—25 to 40 years ago—the major franchises, such as IHG, Hilton, and Marriott, were built on the backs of owners who bought into the vision of their brand and invested their own hard capital into that vision, and they represented those brands really well. Those owners back then had a voice at the table and greatly influenced how the brands evolved, how they improved. There was high engagement between the brand and property owners, and



*Country Inn & Suites by Radisson,
Bozeman, Mont.*

that's the way these great brands across the industry were built. We plan to go back to those roots of hospitality. Unlike most of our competitors today, we can engage our owners at a different level, make sure they feel heard. We want them to be part of our success. We value their opinion, their feedback on the issues they face out in the field, and believe they are the key to finding effective solutions. Great brands are the ones out there listening to property owners on what's working and what's not working and reacting and building solutions. We're trying to fix our brands so our worst properties become better, and the best way to do that is to highly engage our owners to be partners with us as we improve each of our brands. ☺