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George Hall,  
*Senior Vice President, Marriott*

## The Customer

Marriott's heritage may be modest (it can be traced to a root beer stand opened in 1927 by J. Willard and Alice S. Marriott), but today, Marriott International has nearly 3,000 lodging properties located in the United States and 67 other countries and territories. Headquartered in Bethesda, MD, Marriott produces revenue of \$13 billion and employs over 150,000 associates.

Marriott brands are among the world's most recognized and respected lodging brands, making the company the leading worldwide hospitality provider. In addition to its self-branded properties, Marriott operates Bulgari, Renaissance, Ritz-Carlton, New World, and a host of Marriott Select Service Properties including Courtyard, Fairfield Inn, Residence Inn and Springhill Suites, among other lodging assets.

Marriott deployed RedPrairie's VLM (Visual Labor Management) solution in 2000 at 262 full service properties and in 2006 rolled out RedPrairie's Workforce Management Suite at 500 select service properties.

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## The Challenge

Upon completion of an in-depth review of its operation, Marriott determined there were a number of strategic directives required to move the company forward. Three goals were put into place:

- Growth—grow in the hospitality market that was right for them, and also in the different brands they represented, which ran the gamut from luxury to economy.
- Preference—be the hospitality brand of choice in all of their markets, responding appropriately to the different types of travelers.
- Profitability—improve its ability to manage costs while driving revenue.

A specific approach to accomplishing these goals was enabled with the company's formal initiative, code-named "Project Mercury". The project had multiple drivers, each reflecting business challenges Marriott was facing at the time.

"The company needed to reduce operating costs at the hotel," says Chhaya Kapilashrami, Sr. Director of Program Management and Enterprise Solutions for Marriott. "Back office, finance, and HR methods were either manual or utilized outmoded applications for tracking, and required labor-intensive effort. We knew that a focus on improving back office, workforce, AR and billing would pay dividends, especially for those repetitive processes that may, or may not, have been run uniquely by differing segments of the business."

Another area of focus was customer satisfaction. Tracking and improving scores in this area directly correlated to uplifts in the profitability and preference goals. Marriott wanted to directly address its business analysis capabilities. They were acquiring a lot of data, but lacked the appropriate tools for analyzing what they wanted to know about their guests and their own operating costs. Another dimension to customer satisfaction was to make sure that the company's associates were, likewise,

pleased with the environment. At the time, there was no clear way to track or request time off, and the lack of control led to unnecessary overtime. The resolution would mean a commitment to tools and processes that would better manage and motivate the company's employees.

To align the operational environments of the company's many branded chains, these objectives needed to occur across the entire Marriott enterprise. With over 3,000 hotels to consider in 67 countries, this directive would prove to be one of the most challenging and, indeed, continues today.

"Marriott envisioned a comprehensive workforce management solution that could link the labor scheduling process with the hotel business forecast, improve visibility of labor costs for its hotel managers and corporate executives, and provide the type of flexible and accessible interactivity that improves associate satisfaction and retention," adds Kapilishrami. .

## The Solution

The wide scope of the project required management in two tracks, one focused on Finance and the other, HR. The latter track introduced the implementation of RedPrairie's VLM solution (Visual Labor Management; client/server-based time and attendance, forecasting and scheduling software) to the properties most likely to receive the broadest initial benefit; Marriott's 250 full-service properties. These included Marriott Hotels, Resorts, Suites, Golf Clubs, Conference and Reservation Centers, as well as the upscale Renaissance properties.

"Based on Marriott's objectives and infrastructure, VLM was an ideal application for achieving early success in Project Mercury," explains Pete Reilly, SVP, Retail Sales, RedPrairie. "VLM provided the functionality required, as well as the flexibility and architecture to work with Marriott's existing systems."

RedPrairie's VLM helps Marriott accomplish their project goals by providing highly accurate labor schedules and labor performance reports. Marriott's full service properties leverage existing business forecast and associate data systems (NGS & PeopleSoft/Oracle, respectively) to feed RedPrairie's VLM labor and scheduling engines. The system takes associate information such as names, departments, jobs and rates and appends this with schedule and work preferences and time-off requests to determine availability. Weekly forecasts for rooms, F&B, and banquets work to generate an accurate labor requirement based on business demand.

With this information, RedPrairie VLM then calculates the optimal labor schedule, assigning associate preferences, analyzing and solving situations that result in overtime, and facilitating shared associates among departments and properties. A daily update to the business forecast can be quickly accommodated by managers who leverage the power of the system to make informed and accurate scheduling decisions.

RedPrairie's VLM is fully leveraged across the company by the various departments, managers and executives that are impacted by labor costs. By providing visibility to labor plans, each user quickly absorbs the effect that labor has on their appropriate budget through real-time access to labor cost information. Additionally, best practices are now shared among properties to drive consistency in handling the many workforce management scenarios that occur.

By collecting data from Marriott's time clock systems, RedPrairie VLM allows single-system on-line editing, before sending time and attendance information to the company's in-house payroll system (Marrpay). This facility eliminates duplicate efforts between department managers and payroll administrators.

Building on the success of the early full-service implementation, Marriott then approved a rollout of RedPrairie's Workforce Management suite, a

key component of RedPrairie's retail & hospitality solution, to its 500+ managed select service properties, which include the company's Courtyard, Fairfield Inn, Residence Inn, Springhill Suites and TownPlace Suites brands.

RedPrairie's integrated set of web-architected, Microsoft .NET-based applications is designed specifically to help hospitality providers deliver exceptional service while managing their single largest controllable expense—labor. "Similar to VLM, RedPrairie's Workforce Management solution provides automated business forecasting, labor scheduling, time and attendance and enterprise reporting," adds Reilly. "Marriott's select service properties were more strictly focused on optimizing hotel operations and the workforce, so the full-suite of functionality delivered in a hosted, subscription format lined up perfectly for this deployment."

### The Results

After using RedPrairie's systems over a period of several years, Marriott has been able to identify a number of benefits. "One of the big benefits is that our hotel managers can be much more effective "managers" because they aren't spending days every week working through the schedule," said George Hall, Sr. Vice President, Marriott. "Now, they spend more time taking care of customers and solving other issues on property."

### For more information

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Automating with RedPrairie's systems has brought new levels of speed and accuracy to Marriott's labor management initiative by automatically matching associate availability with on-site demand. It has increased accessibility to labor cost information and improved labor performance reporting across the organization. The solution also synchronizes business rules for labor scheduling and time and attendance across the rolled-out Marriott enterprise.

Marriott discovered that empowering their associates with input and feedback into the scheduling process contributed to a distinct rise in associate satisfaction. Contrary to the feared perception of a "big brother" mentality driving a rigid schedule, associates responded by saying their needs were being more directly met because now they could offer up schedule, task and/or shift preferences along with requests for time off, and that these requests were more likely to be accommodated without issue. They also indicated that they felt the schedules were being more equitably administrated.

Now that Marriott's workforce management system is running successfully, the company is investigating ways to expand it. Hall adds, "We're always looking to take better advantage of the operational aspects of the solution. Now, we're going back to properties that have been rolled out for some time and making sure that, with managerial turnover, they are using the full capabilities of the system. We're also looking at implementing the solution internationally and throughout the Marriott franchise network. RedPrairie has been a tremendous partner, and made a real impact in our business."

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