



Susan Steffy
Director of Staffing

Hyatt Hotels Reduces Turnover with Enhanced Recruiting and Internal Mobility Processes for its Hourly Workforce

As a leader in the travel and hospitality industry, Hyatt Hotels Corporation (www.hyatt.com) manages 119 Hyatt Hotels and Resorts in the United States, Canada and the Caribbean. Today, using Taleo, Hyatt Hotels manages its external hiring and internal mobility processes for approximately 40,000 employees, comprised of 80 percent hourly workers and 20 percent full-time workers. Hyatt's Director of Staffing Susan Steffy stated, "Using supply chain principles, Taleo provides us with the staffing platform we need to recruit and deploy talent across our organization. With 80 percent of our workforce comprised of hourly workers, many of them part-time and seasonal, it is important that we have the means of finding, attracting and retaining qualified candidates quickly, over the long-term."

The Business Case

Reducing Turnover. With many new hotels under development, Hyatt expects to hire 10,000 employees in 2003. Hyatt Hotels needed a solution that would support its growth and simultaneously work to reduce potential turnover. Steffy notes that retaining good employees among the various hotels is highly dependant upon a company's recruitment and internal mobility practices. She and her team wanted a solution that would not only find external candidates having the right skills, experiences and interests, but also one that would provide visibility into its existing internal talent pool to redeploy talent as appropriate, for the benefit of employees and the organization. Today, seventy percent of open management positions are filled from within the company. Steffy stated, "Retention is important to us and we want our employees to see the lateral and job growth opportunities available to them on an ongoing basis. Taleo allows internal and external candidates to enter and update skills-based profiles, which become part of our structured database of talent." She added, "The right staffing practices really make a difference when we need to hire part-time, hourly and seasonal workers quickly, which range from line cooks, wait staff, concierge services, groundskeepers and housekeepers to front desk clerck."

She added, "Our human resource managers are very busy and it is important that the interviewing and hiring process is not rushed, as this increases the risk of bad hires in our hotels, which increases turnover, overtime and other unnecessary costs. The new processes available to us with Taleo solutions ensure that the proper steps are taken systematically to bring the right candidate on board for our managers quickly, the first time."

Reducing Administration and Structuring the Hourly Hiring Process. The initial drive to implement an hourly solution stemmed for a need to reduce the administrative burden of manually creating applicant flow logs and to allow all stakeholders to be updated about the applicant's status throughout the process. Steffy noted, "There are certain regulatory agencies we need to show that we are complying with such as the EEO and OFCCP. With Taleo we can post all jobs individually and track the information we need about each applicant, which helps us with compliance and also to find the best matches for open positions, fast." Using Taleo, Hyatt Hotels is able to manage its staffing process while operating in a decentralized fashion. Steffy noted, "By defining processes and structuring the business requirements upfront, the prescreening and assessment process is more efficient and prevents managers from making emergency hires or missing an important step in the process such as background checking."

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TALEO CASE STUDY

Hyatt Hotels

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Although Hyatt manually completes the applications for capturing substantial tax credit dollars, it lacked centralized and consistent practices of identifying new hires eligible for federal Work Opportunity Tax Credits (WOTC) and Welfare To Work Credits (WTW) programs and for state and city programs. “We want to increase the percentage of credits for which the company is eligible and therefore add dollars to the bottom line. The automation and integration of this process will help ensure that our organization captures all of the local, federal and state hiring-based tax credits during the candidate application process,” stated Steffy. “Taleo understands the importance of strategic tax credit screening and integrates it into its staffing supply chain, which includes everything from requisition management, sourcing, resume scanning, searching, background checking, testing, pre-screening, assessment and career preference portals to retention, and more.”

Implementing Solutions that Leverage Hyatt Hotels’ Brand to Attract the Best Candidates.

Today Hyatt Hotels directs candidates to apply on the company’s website on hyatt.com. Steffy stated, “We believe our customers select Hyatt Hotels because of our caring and attentive employees who work hard to provide efficient service and meaningful experiences to them. In today’s competitive environment, that says a lot about who we are. We care about our employees and we care about our customers. Our hourly employees interface with customers all the time and we need to make sure the hiring decision is the right one as that decision will have an impact on our brand.”

University Recruiting – A More Consistent Process

In general, Steffy feels universities are a great source of hourly, seasonal and professional employees. Prior to Taleo, there were many instances where students would not return paper applications and found the application process cumbersome. Steffy stated, “Students have visiting friends, alumni and families that tend to stay at nearby hotels. We want to extend our brand to continuously reach those types of audiences.” Steffy also noted that Hyatt used to rely on arranging on-campus visits with the career service centers of various colleges and universities. Although interested students attended the on-campus visit, there was no preliminary screening and assessment. With Taleo, Hyatt Hotels is able to post job requisitions on its Taleo hosted career preference portal to invite students to fill-out applications before the campus visit. With the back-end system of Taleo’s solution, Hyatt Hotels’ staffing managers can identify the students they are interested in and then contact the career service centers at the schools and arrange in-person meetings during the on-campus visit. This is possible because recruiters are able to search the existing supply of candidate profiles before visiting the campus.

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Steffy stated, “As a result, the staffing managers reach a short list of higher quality candidates quickly and spend face-time only with the candidates that are best suited for the position.” Through its University Program, Hyatt provides its employees the high quality training necessary to understand Hyatt’s operational issues, key management skills and superior customer service. Hyatt is committed to promotion from within. Steffy added, “Our programs are designed with our employees in mind, to give them an optimal learning experience on an ongoing basis that will enhance their careers.”

Staffing a New Property with Hourly Workers Quickly

With Taleo, Steffy and her team recently staffed a new Hyatt Property located in Huntington Beach, CA. “Within days, we staffed a 500-employee property online,” stated Steffy. For this project, Hyatt decided to host a large job fair for three days.

TALEO CASE STUDY

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Prior to the event, targeted advertising was used to instruct all candidates to apply and complete structured skills-based profiles online. The online staffing processes were defined upfront according to Taleo’s ACE™ Staffing Methodology on the configurable workflow platform. Taleo’s best practice workflows can be defined by job function, location, organization and work group. Steffy stated, “Of the 1,300 people who came to the job fair, only about 50 of them had not already applied online. We told them where to go to apply, and not one person was reluctant to apply online. We saw absolutely no resistance at all from interested candidates.” Using Taleo to manage staffing for this hotel, students didn’t have to apply only when the employment offices were open, but could apply 24 hours a day. This gave Hyatt access to more qualified applicants, many of whom were considered passive, or already employed, and would therefore never have been able to apply during regular hours. Steffy stated, “We used to interview everyone. That has stopped. We now focus our time only on applicants who complete the application process and are ranked well according to Taleo’s methodologies.”

With Taleo, Hyatt Hotels Cuts Costs and Cycle Time in Half and Increases Retention

Now that Hyatt Hotels has implemented the right tools and processes, it’s getting measurable results. Using Taleo’s Staffing Metrics Reporting application module, the team can see exactly which hotels have open positions and also what skills are available in its candidate database. Staffing managers can use its ready supply of candidates in the structured database to deploy and redeploy talent quickly. Candidate profiles are also shared among the different hotels, and the information about a candidate’s history is tracked and reported on as necessary in real-time. Similarly, if employees are moving geographically, or want to change careers, they can view the available position in real-time.

Steffy stated, “Results were evident instantly as the right candidates were prescreened and assessed faster. With Taleo, staffing managers reach candidates faster and develop a short list of quality candidates to give to hiring managers. Hiring better reduces costs associated with poor service and reduced sales, which can negatively affect our brand.” Since implementation, Hyatt realized a cycle-time reduction of 50 percent. Hyatt communicates on an ongoing basis to a broad group of candidates through a variety of sources and, since implementing Taleo, has been able to better target its sourcing expenses and reduce sourcing costs. “We actually spent, in years past, an exorbitant amount of money on advertising costs with newspapers. Sometimes we would get a few candidates and, sometimes, no candidates at all,” explains Steffy. “We do not place ads in the Chicago Tribune or other major classified sections as often, and because we are better targeting those sourcing dollars we have been able to achieve a 50 percent reduction in advertising expenses.”

With its structured candidate database, comprised of a growing number of candidate profiles, Hyatt is able to extend its branding to that candidate pool and also maintain long-term relationships with candidates, allowing recruiters to make better hiring decisions, faster. Steffy added, “We believe that we are reducing turnover by hiring more qualified applicants. We are being more selective than we were before and improving job performance which has a positive impact on our organization.”

