

## OBSERVATIONS OF A HOTEL MANAGER

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James Deering has been a part of the cruise industry since the 1970's. Today he is the Passenger Services Director (*i.e.*, hotel manager) on CARIBBEAN PRINCESS, which will be sailing from New York in the warmer months this year and next. Before coming to Princess Cruises, he worked for many of the major lines including Holland America, Norwegian Cruise Line, Star Cruises, Seabourn and Royal Caribbean International, as well as some lines that are still fondly remembered but which are no longer operating such as Renaissance Cruises and Royal Viking Line. I recently spoke with James about the work of the hotel manager on a modern cruise ship.

"Twenty years ago, we would come into port and I would go ashore, have a nice lunch or dinner or go shopping for the afternoon or go to the beach. As long as we didn't run into something or sink, things went pretty well. You'd get a telex if something was really urgent."

Today, things are quite different. "I can't leave the ship, not that I mind. It has gotten to the point now where so many e-mails are coming in that I can't leave the office for more than an hour or two because if I take longer than that and come back, I'll be overwhelmed, I'll never catch up again. It is hard to believe that 20 years ago we had no e-mails and we managed to do it anyway."

"All the new safety regulations that didn't even exist a few years ago force us into many more inspections, meetings and reports and that sort of thing, which takes us more and more away from the human touch and the interaction with passengers into the nuts and bolts of the operation. That is the biggest change."

The change in the demands placed upon a hotel manager also reflects the increased significance of a ship's hotel department. The hotel department has the responsibility of turning the promise of a particular style of cruising contained

in the cruise line's brochure into reality. This is key because a cruise line's style is what distinguishes one line from its competitors. "In mass market cruising, there are higher levels and lower levels but we are all in the mass market realm. The pricing is about the same. The clientele, even the nationality mix, is not so different. At Princess, we have a few more Brits on than we would see maybe at NCL; on Holland America Line, maybe a few more Canadians, but generally, the same people. It is just the style of cruise line that is a little different. Each one of us has our strengths and weaknesses. Each one of us emphasizes one thing and not another."

One area where the lines try to differentiate themselves is in the style of dining. Traditionally, each guest on a cruise has had a specific table reserved for him or her in the main dining room and a set time for dining. Then NCL implemented a system where in theory a guest can dine at any time and wherever they want. In response, Princess has introduced "Personal Choice Dining," which gives passengers the option of selecting either system. "In our comment cards, we ask people do you prefer open dining or fixed dining and the response is most of the year about 65 percent say that they want open dining. We have three dining rooms; two of them, 65 percent, are open dining rooms. So that works out perfectly, although it does not work out perfectly every cruise because demographics change. One cruise, we might have 50 percent who want fixed dining and then we are in trouble because only 30 percent of our dining is fixed."

The dining system affects not only the restaurants but also the activities and entertainment. "When you have only traditional dining, all of the activities and entertainment are governed by dining times. So everything revolves around the restaurant as far as activities go. When you have mostly open dining like you have at NCL, for

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example, then the restaurant revolves around the activities. At NCL, they can adjust the shows and all of the other activities to assist the restaurants if they get overloaded." For example, if the restaurants are too crowded at 7:30, "then you just have the shows run a little late into that 7:30 area. Those people can't go [to the restaurants] at 7 or 7:30 because they are still in the show.

"The difficulty arises when you have a situation like we have where a substantial number of the people have fixed dining so their activities must revolve around the dining time. But then another substantial group has open dining which means the opposite. We have to cater to both."

Hundreds of employees work for the Passenger Services Director in the ship's hotel operation. "We have a few training schools on shore but not very many. So we go to the agencies and say we need people who have this sort of experience and this sort of background. In most cases, we require that the people have a certain level of expertise when they get on board. Then they come up with a pool of people and we vet the final ones.

"We have corporate trainers who are on here. We do training constantly, as much as we can bearing in mind that the crew are working anywhere from 11 to 13 hours a day already. There is never enough training time. Plus, these days more and more safety training is required first."

Like many of the major lines, Princess has gone over to a system where a gratuities charge is added to each guest's onboard account, replacing the traditional system of handing the waiter and the steward tips at the end of the cruise. Seemingly, such a system reduces the incentive for a waiter or steward to provide good service. "Back at the beginning of the 20th century, the shipping lines decided that they would rather have the passengers pay the salaries of the crew than the cruise line directly. I have been told that J.P. Morgan started all this when he bought the White Star Line. He could keep his operating costs down by paying the crew next to nothing and forcing them to work for tips. Also, if a crew member did a good job, he'd make lots of tips and would stay. If he did a lousy

job, he'd get nothing and he would starve and he would leave. It was a very incentive-based idea.

"What most people don't realize is that since the 1970's, the tips have been pooled. Everybody thought that at the end of the cruise when they gave the envelope with the money inside to a waiter he kept it. But, at the end of the cruise, [the maitre d' hotel would have all the waiters put their envelopes on one of the dining room tables and the money would be distributed].

"In the old days it was the head of the department who held all the money and handed it out. It wasn't entirely fair because if he was related to you or he liked you more than the others, you got a little bit more. Today, it is more even. The money is pooled primarily with the purser and given out along with the salaries.

"There is a new element to it now. If a guest wants to remove the tips or reduce them, we always say, 'No problem, but would you mind telling us why, because if it is a service issue, we want to deal with it.' The people who want to remove the tips or reduce them are very vocal about it and very specific. There aren't many, but the report on those people goes to the heads of departments. When they have their briefings, they bring up the fellows who got all the complaints and had all the money removed from the pool. Now you have peer pressure because you have 150 waiters in the room and five guys have to stand up and explain to the other 145 why they are all losing money because these guys screwed up. They also have to sleep in the same cabins with these people and do a lot of other things with them and their lives are a lot more miserable because people complained about them. So, in some ways there is more incentive than there ever was."

Princess also has employee motivation programs. "Each month I give away about \$5,000 cash to any number of employees who are chosen due to guest comments [and the You Make A Difference cards filled out by passengers and other crew members to point out an outstanding employee performance]. Then the ones who get the greatest number of positive comments actually get a day off, which to them is worth far more than money. That is priceless."