

Transcription - Rob Fahey Part 3

Welcome back. I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec. This week we have Part 3 of our discussion with Rob Fahey, the General Manager of the Holiday Inn Express hotel in Newcastle, Australia. And we're going to look and talk about Rob's views on the perhaps permanent changes that may occur in the hospitality industry as businesses begin to look to recovery after the coronavirus pandemic of 2020.

In terms of the changes that you've had to make because of the restrictions, is there anything that you will continue to do, that you've learned, that you would not have thought about that you will continue to do when everything is back to normal or what will be the new normal?

Yes, I think it has forced a lot of businesses to reassess the normal, you know, or reassess their ways of working as far as looking for efficiencies a answer and we've been forced into that. I guess to answer your question, there will be things around food and beverage that I think don't think we'd go back to our way of pre-covid days. I think because guest expectations have changed as well. As an example, we used to offer the full menu with the burgers, pizza, schnitzel etc. So now it's very much outsourced with delivery services. That may change again, but I think in the short time that will remain and it's almost become not so much an expectation but accepted, I guess, from a guest perspective, this is the new world we live in, delivery is fine, I'll just order my food in rather than go down and grab a meal at the restaurant. So I think that will probably remind as is.

I really do hope the buffet brekky will come back in some way, shape or form in the near future and although it won't be back to what it used to be, I'm confident or at least hopeful, that we will see at some point, what we used to offer. That was a huge drawcard for us and something we'd love to be able to offer as well.

If we look at the broader industry as a whole, what do you think that the the hospitality industry would look like in ten years time? Ten years? I think it'll take a while for it to bounce back to where it was and as a whole, I think the smaller cafes really bore the brunt of the coronavirus pandemic and going back to them having to reinvent themselves. As an example there was a cafe in town that could only offer takeaways at some point during the early days of the pandemic. There was a story that they did that and then actually realized that it was more profitable, more efficient, to do that rather than have the doors open. I guess then, the question when they were able to get people back in and sitting in the restaurant, it was that question, will I actually do it this way, do I even want to or

do you I need to.

So business is evolving and not going back to the way they were previously. In ten years time we might find they've stayed the same, doing takeaways or providing in the not traditional ways. I think there'll be a lot of automation. In our industry, particularly in hotels, there's a lot of robots been thrown around and the cleaning or delivering room service or even the check-in process. There's a lot of automation, I think, that's being looked at and it was being looked at prior to the pandemic but it might have been accelerated, we've been forced to accelerate the thinking around that. So that might be something that'll change in the next 10 years, more automation and less interaction with people.

Do you see a move towards more standardized room sizes or hotels sizes, as a whole? Not necessarily hotels although I think there's always a need like the hotels in Japan, really small pod sort of hotels like the airport hotels, when you're just looking for a place to sleep. So I guess this is a need for that in certain markets but I think there's also a need for full-service hotels. It's really heavily dependent on the market. I know that there's hotels going up that have got no food and beverage service whatsoever, it's just very much a room. You've got everything you need and then there's restaurants down the road. So there's that way of thinking, then why do I need to build a restaurant in my hotel? Without a food and beverage outlet, we can just build it specifically for a certain purpose and everything else can be outsourced.

It's interesting. The basis for the question is that I do a fair bit of travelling for my my flower stuff that I do. What I find when I travel in regional Australia, is that often the accommodation is taken up by transient workers and I just wondered whether there was a move towards having places that were geared to that rather than the business traveller or the holiday maker and the airport stay or whatever else it is. That's a fair argument. I guess what we've got to be careful of there that we need to be quite diverse as well. If we rely too heavily on one segmentation then there is that risk of becoming unstuck if something were to happen. As an example, with this pandemic, if you were very much a corporate hotel and nothing else, then all of a sudden your main form of custom and income has disappeared. So it's really important to maintain that diversity, to have a few fingers in different pies to ensure you're well covered.

It depends on your target market and your location. It can be, as you said Kim, for the the workers, and I've experienced that a lot when I go visit family in far north Queensland. There the motels are geared for the local trades mainly working in the area, then you can go all the way to a resort where you're going

there to stay and play and there's a whole lot in between. Business travellers, just a bed to sleep, clean, one big room, you want to study in that. So yeah, you've got to cater for whatever your market is. That's right.

I have one more management question before we go on to the last one that we gave you. It's a question that occurred to me in the last few weeks. We've been talking about success sharing and about dealing with praise as much as you deal with criticism and we've talked a little bit about how well your staff do that. I'm interested in how you are comfortable managing when you're not there all the time. Obviously looking after something that provides the 24/7 service and you can't be there all the time, how do you convince yourself that it's all okay? I'm very fortunate with the leadership team that I have in place that I can leave the hotel with full confidence that if anything were to happen, then it'll be handled well and of course, I'm only a phone call away. Our team have got quite an open communication channel that if there was anything there unsure on they could call myself or any of the assistant managers at any time and it's happened, 3 or 4 in the morning. That's fine. What we do, or what I do, is encourage them to always back themselves, to make a decision based on their gut and what they feel is the right one. But I also encourage them that if they're unsure, give me a call. I'm all for trying to empower people to back their own judgment because more often than not, it's the right call. So it really comes down to having that trust in the people, in my duty managers and people that are running the hotel and again I'm very fortunate that they're competent and confident in doing so.

We've come to the last question. that's the one where we want you to think about if we were having this conversation in 12 months time, what would you like to have looked back on and say that you were really pleased that you had achieved. It's probably a few things, I suppose, to be measured. You can look at the people side, at the financial side and then the guest experience. So if you break that down in 12 month's time, I'd love to still be here with the same core team around, everyone still happy and engaged . It has been a tough six months for everyone so I think in 12 months, if we can consolidate all the hard work that we've done over the past six months, or three months, in getting the hotel reopened and really capitalizing on all that hard work and enjoying those results in 12 month's time. That'll make me a very happy camper. There's talk around the market of not getting back to pre-covid numbers in 2, 3 or 5 years in the hospitality and accommodation sector. I'd like to think that we'd be well on the way to be doing that in 12 months. Even recent results for us, it's been quite good, quite positive. So I'd love to see that momentum continue with all the hard work that we're doing and then be able to reflect in 12 months on a really positive story there and just maintaining guest experience. So pre-covid we

enjoyed some outstanding scores, we get measured as I said before and we were sitting at 90+ since we opened. Like you said Kim, it has become more challenging to provide that level of guest experience in this post covid climate for want of a better term, so I think it's 12 months if we can maintain some really positive guest experience scores then I'll be extremely happy with doing that in a really challenging environment. There's a few different areas I would gauge success. Those three, I'd be pretty happy if we were sitting here in 12 months and chatting around those.

Is there anything that we haven't covered that you did want to talk to us about today? I think we've covered everything. Nothing comes to mind at the moment. Well Rob thank you so much for your time today, I know it's a big chunk out of the day for you but we really do appreciate it. You're welcome.

There you have it out, our final discussion with Rob Fahey, General Manager of the Holiday Inn Express hotel in Newcastle, Australia. If you haven't heard the other two podcasts, I recommend that you do so, but for now I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.