

Employee-Driven Innovations Fuel Growth

BY CHRISTOPHER J. NASSETTA

For more than a century, Hilton has pioneered innovations that define the hospitality industry today.

Most of us take for granted ordering room-service, having a TV or minibar in our room, making reservations from a centralized booking system, staying at airport hotels, and even enjoying air-conditioned rooms—all innovative firsts pioneered by Hilton and reflective of our commitment to create exceptional experiences for travelers.

Other innovations have extended far beyond our industry firsts and into pop culture, like iconic foods and beverages that trace their roots to Hilton team members.

For example, the average person might not recognize the name Ramón "Monchito" Marrero. Ramón was a bartender at Hilton's first property outside the U.S. mainland, the Caribe Hilton in San Juan, Puerto Rico. He experimented with a new recipe that blended rum, coconut cream, and pineapple juice into a refreshing and sweet beverage. After three months of perfecting the recipe, Marrero felt the drink finally captured the flavors of Puerto Rico, and that is how the "piña colada" was first introduced.

Marrero served the new cocktail for 35 years, and it became the official drink of Puerto Rico in 1978. It has since inspired everything from a jellybean flavor to a hit song, and has become

a fan favorite in our hotels and bars and restaurants around the world. The innovation doesn't end with the piña colada—from brownies to eggs Benedict and the famed Waldorf salad, there are countless examples of team member innovations with long-lasting impact on global culture.

As proud as I am of Hilton's century-plus legacy of firsts, we can't rest on our laurels. That entrepreneurial spirit fuels us today and inspires a culture of innovation that will shape the hospitality industry for years to come.

With hundreds of thousands of team members working in our more than 7,000 hotels around the world, every day we find opportunities to refine the guest experience and deliver for our stakeholders. There are five simple ways we look to drive innovation with insights from our Hilton family as the inspiration for impact:

EMPOWER PEOPLE

I was struck by findings of American Management Association's recent survey of 6,000 employees across 11 countries about innovation. Two findings jumped out: First, nearly 40% of employees said they had an innovative idea to improve



something at their workplaces but didn't share their ideas. Second, only 26% of employees indicated their managers encourage them to bring forward innovations.

These are distressing data points when you imagine the number of creative ideas and solutions that could have been introduced—and the potential those ideas had to transform a business. More important, businesses that fail to foster a supportive culture of innovation risk losing their talented employees—and their ideas—to other companies where a solutions-oriented mindset is nurtured and recognized.

Alongside the many technological advances that drive business innovations at Hilton and beyond, I have always believed that a company's workforce—particularly for customer-centric industries like ours—drives customer satisfaction and, importantly, fuels growth. At Hilton, we never forget that we are in the business of people serving people. The hospitality we show our guests starts with the hospitality we show our team members. We know that when our team members feel that they can bring their authentic selves to work, in an environment that supports their professional ambitions, they will go above and beyond for our guests.

That's why we've developed industry-leading programs and initiatives to support our team members. Adoption assistance and parental benefits, GED assistance and sabbaticals, mental health support, lifelong learning opportunities with partners like GUILD Education, our "Go Hilton" team member travel program, and other leadership and development programs are all part of our strategy to take care of our people, and in turn, our guests.

And though these efforts may not inherently seem tied to innovation, countless studies, leadership books, and management courses point to employee satisfaction as a key factor to help businesses thrive. The opportunity for career growth within a company fuels deeper engagement, too. Many Hilton team members started in one role within hotels and advanced into expanded leadership responsibilities throughout their careers by being champions of innovation.

Hilton would not be able to grow as it has into a global brand opening more than one new hotel a day without a culture that encourages and rewards hard work while at the same time showing team members that we care about the input they share based on their interactions with guests.

GET ON THE GROUND FLOOR

Fostering innovation cannot be confined narrowly to one department, operating unit, or leader, nor be bogged down in a process too rigid to bring innovative ideas forward. I strongly believe that in order to effectively lead a business, you must understand what happens on the front lines or ground floor. This is especially true for businesses like hotels, restaurants, and retail, where guest experiences cannot be fully understood through data alone. The direct feedback I get from our best-in-the-business team members and guests when visiting our hotels is invaluable.

For example, at Hilton, we instituted an immersion program for senior leaders to spend a week in a hotel doing the foundational jobs of our business to both gain an inimitable perspective and appreciation for the many roles impacting our guests'

“As leaders, it’s our job to offer a strong foundation and paint a picture of a brighter tomorrow for our teams—we have to inspire them to push toward growth and innovation.”

experiences, as well as provide an opportunity for our teams to share their ideas for improvements or enhancements directly with our most senior leaders.

KNOW THAT LITTLE THINGS MATTER

It might not surprise you that I spend a lot of time traveling—in a typical year, about 80% of my time is spent on the road, visiting our teams and hotels around the world. And though not all our guests are road warriors like me, there are some travel experiences that are universal.

Take a hotel room bathroom, for example. It’s an unfamiliar space—you don’t know its quirks like you do your own bathroom at home. When you turn on the shower for the first time, what can you expect? I can guarantee that no matter your preferences at home, what you aren’t looking for is a face full of cold water while you calibrate that dial, which is why I check every bathroom I visit to see if you can turn the shower on without getting wet. Similarly, if the pillow isn’t comfortable or the lights in your room aren’t easy to turn on or off, you’ll remember.

We certainly aren’t perfect, but our teams are intensely focused on getting the little things right and taking friction out of the guest experience. And the pre-arrival and arrival experiences matter just as much as how a guest makes use of the room, which is why we’ve invested in our Hilton Honors app to allow our members to check in, choose their room, and get their room key all on their phone. Guests can even book confirmed connecting rooms, a newly released feature that solves an age-old travel conundrum for groups and families. The app functionality also frees up our team members to focus on the experiences they’re creating for our guests. Those little details can make or break a stay—and in the long run, a customer’s trust in our brand.

CREATE CONSTRUCTIVE FRICTION

When you’re leading one team or an entire company, it’s easy, and all too common, to surround yourself with people who have the same point of view as you or come from the same experiences. That’s putting your business on the express lane to stagnation. Echo chambers stifle innovation and leave you mired in a sea of sameness.

Throughout my career, I’ve intentionally assembled leadership teams by bringing together people who have different expertise, perspectives, and passions to create constructive friction. This

does not mean that you’re fostering combativeness; rather, you’re making space for unique points of view and experiences that bolster innovation and progress.

As a leader, you’ll make mistakes and you won’t always get the balance of personalities and experiences absolutely perfect, but by making the effort to get outside your comfort zone and invite some differing points of view you’re setting your business up for greater success in the long run.

DRIVE INNOVATION WITH STEADY PLANS

Finally, and perhaps counterintuitively, Hilton does our best innovating when we are laser-focused on executing against our long-term business strategy. Maintaining a steady approach gives our teams a freedom within the framework of our consistent business strategy to creatively solve problems and achieve our goals. As leaders, it’s our job to offer a strong foundation and paint a picture of a brighter tomorrow for our teams—we have to inspire them to push toward growth and innovation, and I’ve found that comes easier when everyone is focused on the same key priorities. Chasing fads or responding to every potential idea can introduce a lot of uncertainty among teams and a lot of distractions from the primary focus and longer-term growth.

A wiser management strategist than I once said that “culture eats strategy for breakfast.” Throughout my career, those words have been proven right time and time again. And as you push your teams to innovate within your business and deliver for your stakeholders, remember that the culture you create for your teams defines your business results. Innovation simply won’t happen if you don’t create the environment for your people to thrive.

On behalf of our 365,000 Hilton team members around the globe, I hope we will have the opportunity to welcome you to one of our hotels and share our signature hospitality very soon. And if you have a suggestion for how we could make your stay better or deliver a new generation of innovations to meet your needs, my team and I would love to hear it. You can reach us at ceo@hilton.com. 

Christopher J. Nassetta is president and chief executive officer of Hilton. He joined the company in 2007 and regularly encourages Hilton team members to be innovative by empowering them to improve customer experiences and share their perspectives while fostering career growth. Nassetta has led the company’s cultural and business transformation, earning many accolades over the years, including Great Place to Work and Fortune Magazine’s #1 Company to Work for in the U.S. two years in a row.