

June 2005

Hospitality

TECHNOLOGY

An ENR Publication

Rock Solid *Support*

RockResorts puts IT to work for the business

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Cover Story

By Reid A. Paul • Editor-in-Chief

ROCK SOLID



SUPPORT

RockResorts puts IT to work for the business



RockResorts' IT team (from left): Andrew Arthur, Matt Seim, Marc Roberts, and Jeff Knowlton in front of The Lodge & Spa at Cordillera, in Vail, Colorado.

The role of information technology in the hospitality industry is undergoing an important shift. Once upon a time, IT departments were on the outskirts of power, removed from the boardroom and relegated to a secondary and support function. Increasingly, however, IT is becoming a more integral element in the overall company strategy and acting as a true partner and equal at the table.

Part of the transformation is the increasing importance of technology in shaping a hotel company's identity. No longer can hotels focus exclusively on thread counts and drapes when thinking about the guestroom experience. More and more access to high-speed Internet, video-on-demand, and telecommunications are shaping the guest experience. Information technology is no longer in the shadows.

However, just as important to this transformation is a growing cadre of technologists that understand that the business case for a technology solution is as important—if not more so—as the technologies showcased. Many in this new vanguard come to hotel technology with extensive consulting experience.

If successful technology consultants recognize anything it is that projects do not succeed (whatever the quality of the actual technology) unless they have buy-in from the operation people that must ultimately use the system. For RockResorts implementing technology is built around these basic principles: getting operational buy-in, working as a close-knit unit within IT and throughout the company and understanding the business case for each and every technology implementation.

Getting buy-in

RockResorts may be a mature hotel company, but it clearly has a youthful vigor. Founded in 1956 by Lawrence Rockefeller, RockResorts developed luxury resorts that appealed to adventurous, nature-minded travelers. The

Photograph By Robert Millman

Rocky Mountain High Tech

A subsidiary of Vail Resorts, RockResorts operates luxury resorts and mixed use properties that cater to an affluent and energetic clientele.



PMS Software: Springer-Miller Systems and Agilysys
POS: Micros, InfoGenesis
Back Office Accounting: PeopleSoft, ADP, Data Plus
Data Warehouse/Mining: Cognos
Central Reservations: Pegasus
Revenue Mgmt: IDeaS
Electronic Locking: Assa Aloy Hospitality, Saflok
HSIA: Wayport, StayOnline
Server Hardware: HP, IBM AS/400
Server OS: Windows

portfolio changed over the years, but the essential brand identity and philosophy remained the same.

After the brand went dormant for a period, Vail Resorts acquired RockResorts in December of 2001 and separated its growing hospitality division from its core ski business. As Vail Resorts realized, the dramatic post-9/11 lodging industry downturn was a time of opportunity and potential for growth.

Each of the RockResorts properties—including the 56-room Lodge & Spa at Cordillera, which was acquired in May—are small signature properties that cater to “affluent traveler who likes to be active and explore some of the world’s most stunning natural settings,” Matt Seim, director of hospitality technology explains. Now spread over seven states, but with a large concentration in Vail and throughout Colorado, each of the RockResorts properties are intimate and unique.

Vail Resorts reorganization and acquisition of RockResorts provided an opportune moment to start fresh and rethink running a hotel and resort company. Recently I sat down with Seim and later we continued the conversation with the rest of his IT team, Andrew Arthurs, Jeffrey Knowlton, and Marc Roberts. During the conver-

sations it became exceedingly clear that the RockResorts technology team put a great deal of emphasis on their role as an internal consulting group, supporting and supplementing operations. It was also clear that they brought a youthful energy and activity—not unlike RockResorts guests—to reshape the role and place of technology within RockResorts.

Building a team

Given RockResorts small portfolio of properties, the information technology department needed to be small and versatile. According to Seim, each person is responsible for a slightly different part of the overall technology puzzle. Roberts, who has been with Vail Resorts since 1996 focuses infrastructure, networking and security, while Arthurs with a hotel technology background specializes in back-office systems, and Jeff Knowlton with years of hotel operations experience is the go-to-guy for property-level applications.

Before joining RockResorts one year ago, Seim was a consultant for Deloitte, working on technology and project management. Seim’s focus is

on consolidating strategies for each of the team members. “I ensure they all come together in a timeline that is achievable and that everything will integrate properly,” he explains.

“We recognize that each member of the team brings a unique background and skills set to the table,” Seim says. “I think there is a tremendous amount of respect because of that. We are not necessarily hierarchical during a project or even within the department. The expert in a particular discipline takes the lead on issues or decisions in their area.”

As each member of the IT team was brought on, they learned three key concepts: standard project management methodology, the basic principles of accounting, and the ability to use the first two concepts to evaluate the effect a technology solution will

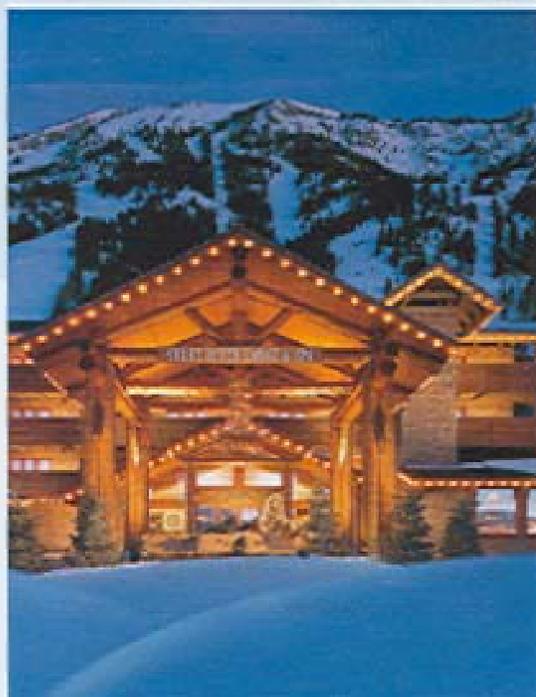


The Lodge at Vail in Colorado is one of RockResorts signature properties.

have on the bottom line of the RockResorts business.

According to Seim, this approach has helped provide RockResorts with

Do you know who your best customer is?



Although best known for its Vail, Colorado ski lodges, RockResorts also includes the the Cheeca Lodge and Spa in Islamorada, Florida (top) and Snake River Lodge in Teton Village, Wyoming (bottom).

more accurate assessments of project complexity and risk, operational impacts, effects to the capital and operating budgets, and long-term support implications. This in turn leads to an accurate accounting of the total cost of ownership for the system and a more reasonable ROI analysis. The second result of this approach, he adds, is a higher percentage of projects completed on time, on scope, and on budget.

Taking dictation

"Coming in with experience as a consultant, I have learned that dictating a technology direction is ineffective because it does not guarantee buy-in from the business," explains Seim. "Business support is attained through presenting how a technology solution can

positively impact the bottom line of the operational units."

The approach Seim and his team has taken is to put an emphasis on educating the business departments on available technology solutions and working with them to evaluate the impact on operations as well as the long-term technology plan for RockResorts. This way, Seim ensures the projects RockResorts commits to have proper support.

"The technology is not always intuitive to most people," continues Marc Roberts. "However, if you can put technology in a business context and show how it will affect financials, operations, customer satisfaction, etc., the GMs appreciate that you are not looking at it from a completely technological point of view, but approaching how it can really help the company. You get a much stronger buy-in with this approach."

Getting that buy-in has become a top priority for IT at RockResorts. "When we research vendors and solutions we are going to be implementing at properties, we look at it not only from a cool technology or stable technical environment but also ask if we can convey what that environment will bring to the business," adds Roberts. "I think it's a value we add that a lot of IT departments struggle with. Before I came to RockResorts, I really didn't understand what I was doing from a big-picture point of view. I was putting in solid networks but I didn't know how they affected things from a financial perspective."

One of the biggest gains from this approach is the development of a collaborative environment between technology and business. "We sit with the business and operations leaders to lay out the technology options and develop a realistic view of what it will cost," Seim notes. "It allows our business to make the decisions with a full set of information. Technology is viewed more as an enabler than a roadblock."

Teachers and students

In many respects, after the project is rolled out, is when the RockResorts IT team kicks into gear. "After project initiation we augment property-level staff so that when new projects are going on—especially at property level—we don't have interruptions to the business," says Seim. "It is important that with new systems we aren't taking operational staff away from their daily jobs."

"Keeping the lines of communication open with the properties is something we do very well so in the event there are any issues with the systems or there are any technologies they want us to look at, nobody at the property would have a problem picking up the phone and giving us a call," adds Arthurs. "We are very receptive to feedback because of our relationship. This is part of the culture of a service-based business, but an idea that sometimes does not translate to corporate offices. We all go out of our way to make sure we excel at internal service so that our properties can excel at external service to our guests."

Looking ahead

As Seim comes to the end of his first year with RockResorts, he is beginning to establish a three-year technology plan that addresses where RockResorts needs to go from both the application and infrastructure point of view. The plan will include a roadmap of what the final vision will look like and all of the steps required to get there across every application and network component. "This is a dynamic plan that is meant to change over time, but provides a benchmark to measure potential projects against," he explains.

Not surprisingly, Seim has made sure that a broad range of opinions are reflected in the technology roadmap. "Every six months I poll every GM, director and VP within our division on what they see as the top eight business issues they feel could be addressed through technology," Seim notes. He then consolidates and prioritizes the input and creates a final plan.

"The final rankings are used to determine where we put our focus and e-commerce has been at the top of our list for the last six months," he adds.

Of course, the best way of ensuring buy-in for technology projects is to spend a lot of time listening and supporting. As RockResorts focuses on its online reservations and other capabilities including a push toward customer-relationship management, tighter integration, and standardization across its diverse group of properties, the one thing Seim will be able to count on is the cooperation and support of business and operations across the company.

Why? Because the ideas for these projects came not from IT, but through company-wide discussion and have the added bonus of rock solid support. ■

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