





HOW WORKING GROUPS STARTED

The Association is a global organization formed in 1955 by Holiday Inn® founder Kemmons Wilson, who "wanted to hear the voice of his franchisees." Those voices have grown and changed as the organization expanded across the United States and beyond, but Adriane Achey, Senior Working Group Manager for the IHG Owners Association, notes that the Association's purpose remains the same. "Though we have evolved into a very complex organization, everything relates back to our core mission, which is preserving and bolstering the relationship between IHG, the Association and our owners," Achey explains. "To stay true to our mission, we have fostered a very collaborative environment, offering educational opportunities and acting as advocates for our owners in conversations with IHG. The Working Group Managers facilitate these conversations because our owners' voices need to be heard and represented."

Beyond fostering a collaborative environment, the Association is also supremely focused on owner economics. "It takes a prominent role in all of our conversations with members and IHG. Representation is one of our most important values," Achey notes.

Throughout the years, as the Association grew, the need for a more specialized and focused approach became apparent. And so the Working Groups were born.

HOW WORKING GROUPS COME TOGETHER

As the necessity of Working Groups became apparent, the Association had to figure out how to build them from the ground up. A typical Working Group team is comprised of hotel owners and IHG executives, led by Association Working Group Managers. Interested owners must apply to become a member of a Working Group. Applicants are then vetted and placed in the Group best suited to their subject matter expertise and interests.

Once a Working Group's member lineup is established, the Manager works with IHG and the Association Board of Directors to select the Group's Chair and Vice



Working Groups have taken on many challenges throughout the years. They have successfully helped owners grow their businesses, save money, operate more efficiently and stay ahead in an extraordinarily competitive industry.

Chair, with whom the Manager will work to establish its Charter. A Working Group's Charter defines the task the Group is tackling and dictates the timeline and structure of how the Group will dedicate its efforts. It also determines each member's role.

Owners meet with their Working Groups as needed in either formal meetings, conference calls or via webinar. The Groups—which include Task Forces, Committees and Councils—focus on business priorities that affect owners' revenues and profits. These priorities are established annually and jointly by the Association and IHG, but all Working Groups members discuss and vote on items related to standards. Certain Working Groups, like the ones that focus on brands, programs and functions, are ongoing, while others are formed for a specific project and then disbanded once that project is complete.

Additionally, some Working Groups are global (such as the Guest Registration System/Hotel Management System [GRS/HMS] Task Force, and IHG® Rewards Club Committee), while others exist only in their region. Achey explains that the way these Groups are organized reflects the density of Association membership and regional differences.

Achey says that while owners are diverse, they still have a lot in common. "Despite their varied experiences in the hotel industry, all owners want to save money, drive revenue and discuss brand performance," she notes.

HOW WORKING GROUPS WORK

Working Groups are led by Working Group Managers who coordinate and conduct meetings and act as liaisons between IHG and their assigned regional members. In addition to Achey, there are three Working Group team members assigned to the Americas region: Pietra Craig, Annie Greenwood and Teresa Sanchez. There are also two team members assigned to Europe: Carly Hunt and Careen von der Behrens. Most manage several Groups for their region and handle one or two global Groups as well. For example, Greenwood oversees the global IHG Rewards Club Committee, as well as several Americas Working Groups. She also co-manages the Technology Committee with Achey.

Craig handles the Americas' extended-stay brands, Holiday Inn Express® and Procurement Committees, as well the Sales Task Force and the Emerging Leaders Network (ELN). She is especially excited about ELN, which drives the development and education of individual owners under the age of 40. Initially, this Working Group was different than the others in that

it didn't revolve around a Charter that outlined specific goals. "In a regular Group, we outline priorities and discuss initiatives, making tangible steps toward an end goal. ELN, however, was unique in that it served as a mentorship opportunity for younger owners, with its only goal being to help them succeed in business and prepare them for future leadership within our organization," she describes.

Recently, however, ELN underwent a major reorganization that brought it closer in-line with the requirements of the other Working Groups. Now, the Group has a Charter, which, among other objectives, requires that at least one

ELN member is a member in every other Association Working Group, allowing them to bring their unique and fresh perspectives into the decision-making process. The shift was a huge success. "With a Charter in place, the ELN has flourished. Now, its members are better equipped to contribute to the big conversations happening throughout other Groups," Craig adds. Craig also calls franchisee Robert Jensen, 2017 Chair of the ELN, "a force to be reckoned with." "He's really holding these young owners accountable as he leads this Group," she notes.

Beyond their quantitative accomplishments, the Working Groups give members a venue where they

can make connections that could positively impact their careers. Teresa Sanchez, Regional Manager, Mexico, Latin America & Caribbean (MLAC) repeatedly stressed the importance of relationship building among owners, with suppliers and with IHG corporate. "In-person meetings are the most important way to get together and make decisions. Among MLAC committee members, there is a very strong sense of unity. Communication, listening to different opinions and sharing experiences are the key to making decisions. Also, having the opportunity to form respectful and friendly business relationships is the best way to succeed."

HOW OWNERS CAN GET INVOLVED

Craig strongly encourages all owners to get involved. All of the Working Group Managers agree, saying that becoming involved in the IHG Owners Association is the best way to help represent their—and their brands'—interests, while also forming relationships with their fellow owners and influential IHG leaders.

Hunt says that in Europe there is a real sense of community

Becoming involved with the Association is the best way for owners to represent their—and their brands'— interests, while forming relationships with fellow owners and influential IHG leaders.

HOW WORKING GROUPS SUCCEED



Working Groups achieve countless accomplishments on behalf of the owners they represent. Here is a brief look at some of the successes Working Groups have had that impact owners' bottom lines.

- Produced a tool with IHG that tracks net RevPAR and the impact of Your Rate against hotel cost of sale.
- Formed a global Task Force focused on the cost model for IHG's new Guest Reservation System (GRS). This system is due to launch at the end of 2017.
- The Association and IHG are collaborating on a three-year, ongoing project overseeing the new GRS's functionality.
- Established a new Reward Night reimbursement policy with the IHG® Rewards Club. It had a collective annual savings for owners of \$19 million USD.
- Introduced an improved Free Nights Program for IHG Owners Association members, with online booking, enhanced hotel protections and improved yield management features.
- Worked with IHG to implement IHG Rewards Club Welcome Amenities in the MLAC region. Amenities include rewards points or a snack and drink and are given to Rewards Club members upon check-in.
- ** Over the last two years, Working Groups provided advice and counsel regarding Crowne Plaza Accelerate, as well as helped implement a reimbursement plan for compliant hotels to offset the costs of the new program.
- **Over the past 12 months, the Europe standards committee has offered advice and counsel on more than 100 standards and ensured that costs have been kept as low as possible for owners.
- ** Worked on improvements to the Holiday Inn, Crowne Plaza and Hotel Indigo F&B programs.
- ** Worked with IHG to reduce the "lookback" window for Performance Marketing for an annual savings for owners of \$11 million USD.
- Reduced the costs associated with IHG Connect in Europe. The total Internet Solution is now 21% lower than the original quote in January 2017. Cost price is capped over the next 5 years and a robust waiver process is in place for hotels with a Heartbeat score of 75 and above.
- Made it possible to buy bathroom amenities in bulk for Holiday Inn Express and extended-stay brands, which created an average savings of approximately \$5,000 per property.



and devotion at the Association – once owners are involved, they stay involved for a number of years. There is a core set of members that attend the Regional Owner meetings (these are outside of the seated Working Groups) who meet twice a year through the Association's meeting structure and work hard to co-create solutions by serving as a bridge between the owner and IHG perspective. Additionally, strength in the region comes from the Europe Regional Council (ERC), which represented 30+% of the Europe's IHG brand hotels in 2017. The ERC seats are made up of the Chair of the main countries from the regional meeting structure, along with the largest franchisees in the U.K. and Continent, and the Chairs of the committees.

Hunt also shared that ELN in Europe officially re-launched in 2017, and now provides a vehicle for future leaders in hospitality to develop their skills and network. Similar to the

U.S. structure, ELN Europe will place members on all of the groups in order to add value and new perspectives that will ultimately help fuel positive change.

Hunt adds, "Europe Working Groups are really consistent and full of people who are invested specialists. Having almost one-third of Europe IHG owners represented is certainly an accomplishment and gives us a good baseline from which we can plan initiatives that positively impact the group as a whole."

Owner engagement with the Association and its Working Groups is key. Sanchez points out that attending meetings is a start, but committing to Working Group membership is the best way for new owners to learn and contribute. "Getting involved in the Association provides the opportunity to meet owners who understand their concerns, who want to listen and who can be partners to help them succeed in their businesses."

Greenwood elaborates. "These Committees really do drive change in IHG initiatives to benefit the owners. The advice and counsel process is effective, collaborative and infinitely valuable to both IHG and our owners," she says, adding, "The involvement of owners may stall the progress of an initiative at the outset, but through continued collaboration, Committees are often able to land on a compromise that both drives the corporate initiative and has also been altered to best fit owners' needs."

Achey adds that the Association and its Working Groups offer IHG owners a competitive advantage in the ever-growing and evolving hotel industry. "The Association Working Groups are comprised of owners who care about their brand so deeply that they volunteer hundreds of hours all over the globe to build and strengthen their relationship with IHG. We are the only Association in the industry that does that," she explains. "There are Working Groups meeting all over the world—Canada, the United States, Mexico, Latin America, Continental Europe, the U.K. and Ireland, South Africa, Australia and China, just to name a few. When you think about it like that, the impact that we're making becomes even more profound."



WHY WORKING GROUP **MANAGERS** WORK

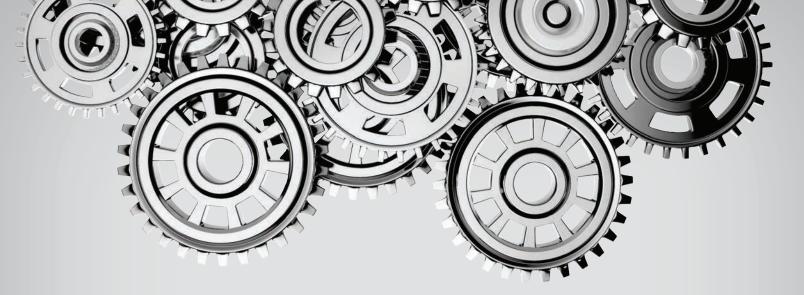
ALL OF THE WORKING GROUP managers say that they enjoy being the voice of the IHG Owners Association and find it deeply satisfying to accomplish goals on behalf of members. According to Greenwood, "The Working Groups' success can be measured in how an IHG proposal is adjusted as a direct result of owner feedback."

Hunt says, as Regional Director, Europe, her role is different than that of those in the Americas, which tend to be more specialized. "I'm involved in a huge array of subjects, with a level of knowledge across many, many disciplines. I find it very interesting to keep a tally of how our different initiatives link together within IHG. So, while IHG may present something in isolation—e.g., Holiday Express Breakfast—we may be able to see what else Holiday Inn Express owners need to invest in, now or in the future. We can link that project to others and take it back to IHG and discuss how to modify it to fit into the 'bigger picture."

Craig finds her role as a Working Group Manager to be very fulfilling. "It can be challenging to bridge the gap between IHG and its owners. For example, IHG may want to change out pillows when owners consider other issues more pressing. In my position, I can give IHG the insight they need to make better decisions. She says that even when IHG is intent on sticking to its agenda, Working Group Managers can advocate for owner issues and push to make sure they get answers. "This can sometimes mean poking the bear a little to make sure everyone understands the ramifications of franchise decisions on return on investment, rather than just signing off to get things done," she says, adding, "I also have the opportunity to work with some amazing owners who have incredible properties, but who also may need some help figuring out what to do next."

When the new IHG® Rewards Club Reward Night reimbursement policy was established, owners collectively saw an annual savings of \$19MM US

When the new IHG® Rewards Club Reward Night reimbursement policy saw an annual savings of \$19MM USD.



FOR MORE INFORMATION ON WORKING GROUPS, **WATCH THESE TWO VIDEOS:**



What Are Working Groups? How Working Groups Work (2:13)



(2:32)

IHG OWNERS ASSOCIATION

Three Ravinia Drive | Suite 100 | Atlanta, GA 30346 770.604.5555







