

Case Study:

Penn State Hospitality Services
Pennsylvania

PI Worldwide 

Leader in Hospitality Services Builds Client Relationships That Last

At its hotels, Penn State University is building relationships with its customers that last. But as its management will tell you, it is hotel employees that take the first steps in building those relationships, and thanks to Predictive Index®, the hotels can build a quality workforce.

Penn State Hospitality Services is a wholly owned subsidiary of Penn State, consisting of two hotels and an on-campus laundry operation. The historic Nittany Lion Inn boasts 223 rooms on the University Park campus. The Penn Stater Conference Center Hotel is a 300-room operation with approximately 48,000 square feet of meeting space. At peak times, the hotels have as many as 1,000 employees on their payroll. According to Jim Purdum, who has been the general manager of Hospitality Services since 1997, it's the employees that set Penn State's hotels apart from others.

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Jim Purdum

General Manager, Hospitality Services

"Our business is people-focused and our employee credo is 'building relationships that last,'" Purdum said. "It's critical for the hotels to hire people with a strong focus on customer service and to identify and develop individuals who can move into leadership positions."

Purdum learned of the behavioral assessment tool, the Predictive Index (PI®), when he received a phone call from PI Midlantic, a PI Worldwide® Member Firm. He saw PI as a way to employ and retain the best people and to ensure strong leadership. As part of the sales process, Purdum completed the PI survey and was impressed by the tool's accuracy.

Strong Job Fit

PI's impact was felt within the first few months of application. Purdum said the hotels had been hiring and training about 800 part-time employees a year, the majority were enrolled at Penn State's University Park campus. It was a decentralized process and the hotels were getting mixed results with a high turnover rate. Hiring decisions were being made at the manager level without an HR prescreening process.

"We made the decision to centralize the process," Purdum said. "We hired an HR specialist to prescreen potential candidates." Using PI in conjunction with the PRO, the companion tool to the PI that profiles the behavioral requirements of the job, provided the managers with key insight up front to make the right hiring decision. "PI represented a major change in how we brought people into our organization. It provides critical information about potential employees as well as the people you interact with on a daily basis," Purdum added.

Between September 2006 and June 2007, turnover was approximately 85 percent. During that same period a year later, turnover dropped to 23 percent. In the last several months, annual customer survey scores have improved, and service level/guest satisfaction ratings are higher across the board.

"The shift in the competency of our staff has been significant," Jim said. "The reduction in turnover has allowed the organization to develop skilled staff in areas where part-time employees traditionally make up a large proportion of the work force for peak periods of the business cycle, something that was difficult to do prior to the implementation of PI as a component of the intake process."

Penn State Hospitality Services recently hired a new associate director of Sales and Marketing, and, as part of that process, Purdum enlisted Steve Picarde, president of PI Midlantic, to help analyze the team's PI profiles in order to restructure the group's responsibilities. They were able to identify those sales team members better suited to prospect for new business, and those who should

focus on nurturing and maintaining client relationships. PI helps managers place individuals in jobs where they are most likely to be successful, leading to greater job satisfaction and higher morale.

Identifying and Developing Future Leaders

PI provides Purdum's team with the tools to determine an employee's comfort level in a given position. "We will continue to look at individual strengths not only from an experience, knowledge, and skill set level, but also the behavioral competencies that are vital to job satisfaction and success, as well as leveraging the strengths of the existing team," Purdum said.