# Crowdsourcing in the Lodging Industry: Innovative Training on a Budget

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# My Background

**Formal Qualifications:**

BS: Electrical Engineering (Rochester Institute of Technology)

MS: MBA (Rollins College)

PhD: Methodology, Measurement & Analysis (University of Central Florida – In Progress)

**Professional Qualifications:**

Lockheed Martin: Subcontracts Management (JSF – F35)

University of Central Florida: Adjunct Instructor (Management Department)

The Walt Disney Company: Food & Beverage Revenue Management (WDW – TSR)

# My Research Interests

- Innovation
- Crowdsourcing
- Goal Conflict
- Mentoring
- Critical Friends
- Education ROI

# My Partnerships

Dr. Robert Ford

Professor (UCF)

William Perry

CII Hotels & Resorts

Rebecca Leadbeater

Hilton Worldwide

# Is a New Innovation Technique Needed for Training?

# Phenomenon – Example 1

"I feel that the training to handle guest conflicts was very generic and would not work in real life situations. There were a lot of classes for development, but I felt they did not meet real life expectations. For example, what do you say when you're walking a guest and he's very upset and the guest next to him checks in ? Or, when a Platinum member was guaranteed an upgrade, but it's not available when he arrives. I felt you should take seasoned veterans and see them act out situations they've been through, as both the guest and the employee, especially those most commonly dealt with."

-Front Desk Supervisor, Marriott, Orlando.

# Phenomenon – Example 2

"At Hilton, I do not feel the training was adequate for a Supervisor. I learned and shadowed with the entry level employees but not a manager . I shadowed the Supervisors, but I did not feel it was beneficial; it was only 2 shifts. For inspections, we do have about 50 points of inspections for a Housekeeper to check before releasing a room for check-in. We have anywhere from 30 to 60 check outs to inspect a day before releasing them in ready status.  We need to check the drawers, floors, fridge, balconies, etc; anything a guest will see."

-Housekeeping Supervisor, Hilton, Orlando.

# Phenomenon - Thoughts

- How can we train for difficult situations?

- How can we impart the wisdom of experienced employees?

- How can we properly train employees given the constraints (funding, turnover) in the lodging industry?

Goal: Can we provide a diverse set of in-depth recommendations to employees cheaply and efficiently?

# What challenges exist to innovation in Lodging?

# Industry Challenges (Antecedents)

- The rise of institutional ownership (Lifetime ➡ 5-7 Years)
- Multiple stakeholders with conflicting goals (Who is in charge of innovation)
- The spread of incremental innovations (Why invest in innovations)

Given these challenges, how can the lodging industry effectively invest in innovation in training?

Can Crowdsourcing overcome these challenges?

# Crowdsourcing: Definition

A business model or function that relies on a large group of users as third parties for outsourcing certain tasks. The popular use of the internet makes communication and coordination progressively cheap: tasks that would have been impossible to communicate and coordinate before have become extremely easy to set up and coordinate(Financial Times, 2013).

# Crowdsourcing: Examples

- Wikipedia (Encyclopedia)
- Amazon Mechanical Turk (Miscellaneous Tasks)
- Threadless (T-Shirt Design)
- TopCoder (Programming Competitions)

# Crowdsourcing: How is it possible?

- Surplus of underemployed and educated talent

- Web 2.0 allows for online participation (Fischer, 2009)

- Growing commitment to online communities (Howe, 2008)

- Intrinsic motivations (Rogstadius, 2011)

- Participants willing to contribute a minor investment in their discretionary time (Heylighen, 2007)

# Crowdsourcing: Why?

Crowdsourced Solutions are likely to be:

- Better Quality

- Faster

- Cheaper

(Lakhani, 2010)

# Crowdsourcing: For Lodging?

Some problems lend themselves to crowdsourced solutions, problems that:

1). are easy to delineate,

2). require knowledge not available to the firm,

3). can attract a large, motivated, and knowledgeable crowd, and

4) have solutions that are easily implementable.

(Afuah & Tucci, 2012)

# Crowdsourcing Solutions

# Solutions Types

*Organization* : crowd's ability to collect together and organize information.

*Optimization* : empirically measurable improvement over the existing state.

*Ideation* : generate new ideas and concepts, typically matters of preference.

*Analysis* : problems that are beyond current computational abilities.

(Brabham, 2013)

| Solution Type: | Brand | Management Firm | Ownership |
|---|---|---|---|
| **Organization:**<br><br>finding and collecting information into a common location and format | Amenity Preferences<br>Wallpaper Color<br>Bedding | Employee Benefits<br>Laundry Chemicals<br>Accounting Software | Financing Terms<br>Franchise Fees<br>Brand Availability |
| **Optimization:**<br><br>solving empirical problems | Wireless Internet<br>Business Center Layout<br>Room Ergonomics | Housekeeping Cart<br>Car Pool Program<br>Energy Savings | Location Selection<br>Meeting Room Design<br>CapEx Budgeting |
| **Ideation:**<br><br>creating and selecting creative ideas | Loyalty Program<br>New Logo Design<br>Kids Programs | Employee Menu<br>Staff Recognition<br>Cost Savings Program | Management Terms<br>Recreation Amenities<br>Spa Equipment/Design |
| **Analysis:**<br><br>analyzing large amounts of information | Comment Cards | Employee Surveys | Expense Statistics |

# Crowdsourcing: Solutions in Training
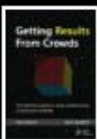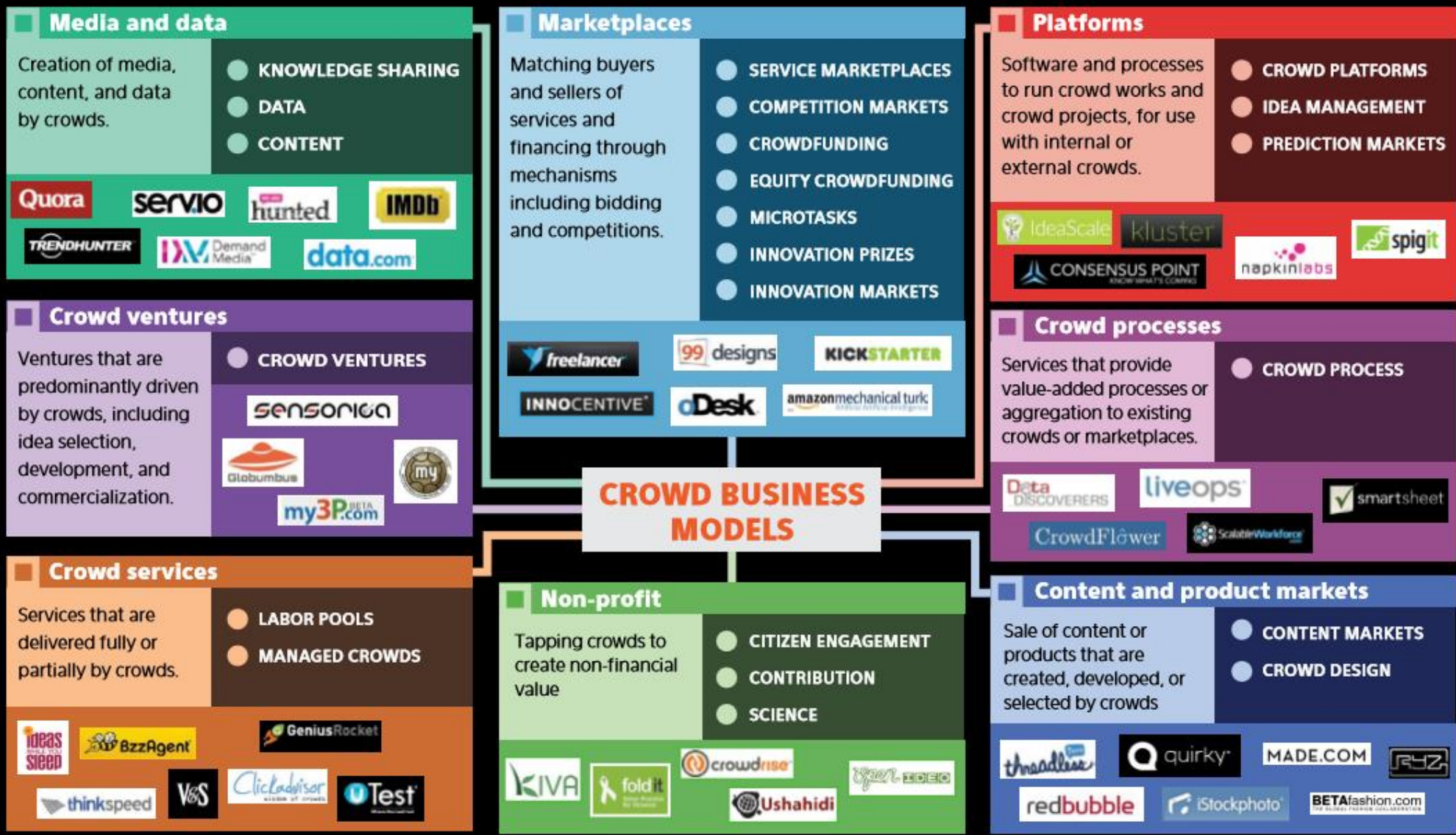
*Organization* : Ask the crowd to list and rank greatest challenges, and solutions to those challenges.

*Optimization* : Generate and optimize a model to predict the likelihood an employee will encounter specific challenges.  Orient training accordingly.

*Ideation* : Ask the crowd to think beyond training for challenges, an pro-actively develop ways to solve underlying problems.

# Crowd business models

## Media and data
Creation of media, content, and data by crowds.

- KNOWLEDGE SHARING
- DATA
- CONTENT

Quora · servio · hunted · IMDb
TRENDHUNTER · DM Demand Media · data.com

## Crowd ventures
Ventures that are predominantly driven by crowds, including idea selection, development, and commercialization.

- CROWD VENTURES

sensorica · Globumbus · my · my3P.com BETA

## Crowd services
Services that are delivered fully or partially by crowds.

- LABOR POOLS
- MANAGED CROWDS

ideas while you sleep · BzzAgent · GeniusRocket
thinkspeed · V&S · ClickAdvisor · uTest

## Marketplaces
Matching buyers and sellers of services and financing through mechanisms including bidding and competitions.

- SERVICE MARKETPLACES
- COMPETITION MARKETS
- CROWDFUNDING
- EQUITY CROWDFUNDING
- MICROTASKS
- INNOVATION PRIZES
- INNOVATION MARKETS

freelancer · 99 designs · KICKSTARTER
INNOCENTIVE · oDesk · amazonmechanical turk

## CROWD BUSINESS MODELS

## Non-profit
Tapping crowds to create non-financial value

- CITIZEN ENGAGEMENT
- CONTRIBUTION
- SCIENCE

KIVA · fold it · crowdrise · Open IDEO · Ushahidi

## Platforms
Software and processes to run crowd works and crowd projects, for use with internal or external crowds.

- CROWD PLATFORMS
- IDEA MANAGEMENT
- PREDICTION MARKETS

IdeaScale · kluster · spigit
CONSENSUS POINT · napkinlabs

## Crowd processes
Services that provide value-added processes or aggregation to existing crowds or marketplaces.

- CROWD PROCESS

Data DISCOVERERS · liveops · smartsheet
CrowdFlower · ScalableWorkforce

## Content and product markets
Sale of content or products that are created, developed, or selected by crowds

- CONTENT MARKETS
- CROWD DESIGN

threadless · quirky · MADE.COM · RYZ
redbubble · iStockphoto · BETAfashion.com

# Crowdsourcing: Proposed Implications

Goal: An innovation technique for training that is feasible and implementable

Potential Outcomes:

- Employee Satisfaction: Increase
- Employee Turnover: Decrease
- Guest Satisfaction Scores: Increase

# Questions

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# Crowdsourcing: Challenges?

Internal Challenges:

- Intellectual Property
- No guarantee of result
- Project Management

(Lakhani, 2012; Richard, 2013).