

the mystique



I am proud to be Ritz-Carlton



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The 2005 hotel of the year





a legacy of empowerment

Ladies and Gentlemen:

Innovation has always been a part of our legacy of excellence, dating as far back as Cesar Ritz. One of our most recent innovations is the launch of our Service Values, a milestone in the history of our company. The Service Values are an evolution from the core beliefs in our Credo. They build upon our foundation of empowerment, recognizing the important role our ladies and gentlemen have in creating The Ritz-Carlton Mystique. The Service Values raise the benchmark to ensure that our service delivery is relevant and exceeds the expectations of the evolving luxury guest so that we can achieve our vision as the clear leader in luxury experiences.

The 12 Service Values are a tribute to you—our ladies and gentlemen. They allow you to unleash your talents and natural personality to deliver guest experiences that are unique, memorable and personal. After all, it is not products but people who create The Ritz-Carlton Mystique. It is your warmth, caring and emotional connection with guests that produces strong relationships and lifetime loyalty.

Also part of our evolution is our company's rapid growth: 33 hotels, 24 residences, seven clubs and three serviced apartments are in the pipeline over the next three years. This growth will provide many opportunities for our ladies and gentlemen around the world.

Thank you for embracing the Service Values and for your unique contribution to the success of our company.

Warmest regards,

Simon F. Cooper
President and Chief Operating Officer
The Ritz-Carlton Hotel Company, LLC

un legado de empowerment

Damas y Caballeros:

Desde la época de Cesar Ritz, la innovación ha formado parte de nuestro legado de excelencia. Uno de los más recientes proyectos de innovación es el lanzamiento de los Valores de Servicio; sin lugar a duda un gran avance en la historia de nuestra compañía. Los Valores de Servicio son la evolución misma de los principios clave de nuestro Credo. Están contruidos sobre los cimientos del “empowerment,” reconociendo la importancia de la función de las damas y caballeros en crear la Mística Ritz-Carlton. Los valores de servicio elevan el nivel de competencia que asegura que el servicio que ofrecemos es superior y excede las expectativas de los huéspedes de lujo quienes continuamente evolucionan. Así alcanzaremos nuestra Visión de claro liderazgo en brindar experiencias de lujo.

Los 12 Valores de servicio son un tributo a ustedes—nuestras damas y caballeros. Esto permite que su talento y personalidad natural fluyan para crear experiencias únicas, memorables y personalizadas. Finalmente, no son los productos sino las personas, quienes crean la Mística Ritz-Carlton. Es su calidez, cuidado y conexión emocional con nuestros huéspedes lo que genera relaciones sólidas y huéspedes leales de por vida.

Igualmente, parte de esta evolución es el rápido crecimiento de nuestra compañía: durante los siguientes tres años abriremos 33 hoteles, 24 residencias, siete clubes y tres apartamentos con servicio completo. Este crecimiento incrementará las oportunidades de crecimiento a nivel mundial para nuestras damas y caballeros.

Gracias por adoptar los Valores de Servicio y por su especial contribución al éxito de nuestra compañía.

Saludos Cordiales,

Simon F. Cooper
Presidente y Director General de Operaciones
The Ritz-Carlton Hotel Company, LLC

breaking the rules of engagement



Curt Coffman, co-author of *First, Break All the Rules: What the World's Greatest Managers Do Differently*, led The Ritz-Carlton team that was involved in the introduction of our new Service Values. Now an independent researcher, *New York Times* best-selling author, speaker and consultant, Coffman spent 22 years at The Gallup Organization and served as its senior VP and global practice leader for employee and customer engagement consulting. In the past 10 years, Coffman has presented to thousands of groups on the topic of creating great places to work. He has consulted with many Fortune 500 companies, and his work has spanned the Western Hemisphere, Europe, Asia and the Middle East.

This is his exclusive interview:

Q: Did you apply the concepts on your book, *First, Break All the Rules*, to the evolution of the new Service Values?

A: Absolutely, beginning with the identification and study of excellence, versus average or status quo. We looked at who are the best and what do they do differently to drive exceptional emotional outcomes with guests. Within *First, Break All the Rules*, we identified the characteristics of the most productive cultures and how they are built. The best performers do not achieve excellence doing it the same way or by exhibiting the same behaviors.

Q: Discuss the research involved in the evolution of the 20 Basics to 12 Service Values.

A: I was asked by Simon Cooper to evaluate the traditional Credo card and 20 Basics to test for relevancy in this new luxury arena. The research started by spending hundreds of hours interviewing general managers, ladies and gentlemen and leaders of The Ritz-Carlton across both domestic and international hotels. Literally thousands of guest interviews were conducted by The Gallup Organization across every hotel. When all of the research was combined and the data dust settled, several critical discoveries were made:

1. There is no such thing as one overarching model of luxury anymore. Previously, luxury meant same service standards or guidelines and even a code of conduct (escort, use the guest's name, answer the phone before the third ring, "my pleasure," etc.). This worked very well in an environment where the guest and their needs were highly consistent and predictable. Today's Ritz-Carlton guests have very different expectations based upon each hotel and circumstance.

2. Defining the right steps that everyone should follow is a great start in the orientation process for ladies and gentlemen. The steps are the fundamentals, but they are not the outcome. Great, talented employees move past the steps and create their own personal style that is natural and very effective. We need to focus on desired outcomes not step-by-step instructions.

3. True 2006 luxury is about creating unique, memorable and personal experiences, aiming for the emotional outcomes of each guest and trusting the ladies and gentlemen to use their talents and personalities to get there. This is where the selection of the right talents comes into play. The Ritz-Carlton invests in finding and hiring the best talent in the business. The problem was, we got the right people and then said to them, "Do it like this," thus limiting their potential. Guests respond strongly to a natural and individualized interaction versus a rather rehearsed or scripted one.

4. Emotionally engaged ladies and gentlemen create emotionally engaged guests for life.

5. Many luxury hotels are very clear on what they don't want from their employees. Effective organizations and the best Ritz-Carlton hotels create a clear vision and expectation of what they do want.

6. We need a new competitive advantage that cannot be easily copied by the competition, and we have one. It is a culture where the fundamentals are perfect every time and where the guest feels a strong emotional attachment to the hotel because of the people creating a "mystique" level of delivery.

Q: How did the Sixth Diamond evolve?

A: As we all know, the ratings of hotels stop at five diamonds. While there is currently no six-diamond criteria for designation, there is at The Ritz-Carlton. As the industry leader, great pressure is placed upon Ritz-Carlton to lead the way for the future. The market leader must always be setting the bar, and challenging the entire industry. If they don't, well, they will not remain the market leader.

Q: Explain the Mystique, Emotional Engagement and Functional levels.

A: The Functional components are issues around the physical or hygienic—no errors, timeliness, quality of furnishings, meeting basic expectations. These are so critical because if they are not met (and by the way, they only get noticed by the guest when they do not occur) the guest doesn't evolve to the next level of the Sixth Diamond: Emotional Engagement.



**Service Values
1-3**

MYSTIQUE

**Service Values
4-9**

EMOTIONAL
ENGAGEMENT

**Service Values
10-12**

FUNCTIONAL

The middle piece of the Sixth Diamond is enlivening the emotions and memories of our guests by genuinely caring and making them feel recognized, important and unique.

Creating the Mystique happens when we hear guests' requests even before the guest knows them, going so above and beyond the call that folklore ("wow" moments) spreads throughout guests and hotels.

Impossible? Absolutely not. We have set the desired outcome at that level and let you, the ladies and gentlemen, discover your own natural talent to get there.

Q: How can each of our Ritz-Carlton ladies and gentlemen release their talents and potential through the new Service Values?

A: Become a student of these service outcomes—interview those you work with to understand how they view and understand these outcomes. Study how others energize the Service Values. Carve out your own unique ways and means to create the outcomes and see this as an ongoing process toward excellence.

We asked our ladies and gentlemen to expand on the statement: "I am proud to be Ritz-Carlton." This is what they had to say.

in their own words



"I am proud to be Ritz-Carlton' means honest friendliness, anticipating unexpressed needs and continuous striving towards a personal vision. Ritz-Carlton lives in the hearts of people, creates emotions and connects us to each other."

— *Saskia Oemke*, administrative assistant, catering, The Ritz-Carlton, Wolfsburg



"I am proud to be Ritz-Carlton' means that we serve our guests wholeheartedly, with passion and with the hope that with just a smile we can brighten someone's day. It means more than luxurious surroundings; it is the understanding that simple gestures such as a handshake or a smile create unforgettable memories."

— *Sambala Boyd*, front desk agent, The Ritz-Carlton, Cleveland



"Having worked at reputable international companies for 21 years, I know how exceptional our company is in the way we value people and for our service quality. To know and to feel that my colleagues and I are valued as much as our guests and that we are part of a big family makes all the difference."

— *Erdogan Cukuryurt*, engineering supervisor, The Ritz-Carlton, Istanbul



"To me, the phrase represents the significant personal impact that we each have on our brand. The memories that we create for our guests are each special and unique. In every moment of truth, we have the distinct opportunity to create an experience that will launch a lifetime of loyalty."

— *Amber Sherman*, quality analyst, The Ritz-Carlton, Key Biscayne



"What this means to me is I am one of the top 1 percent of service professionals in the world and provide the finest personal service and memories for some of world's most elite and well-known travelers. It is nice to be trusted and empowered to serve the guest and handle their needs without stopping to ask a manager if it is okay."

— *Jonathan C. Hall*, loss prevention department trainer, The Ritz-Carlton, South Beach



"It means that The Ritz-Carlton is both the future and my future. This company has changed my life."

— *Mohamed el Gohary*, bartender, The Ritz-Carlton, Sharm El Sheikh



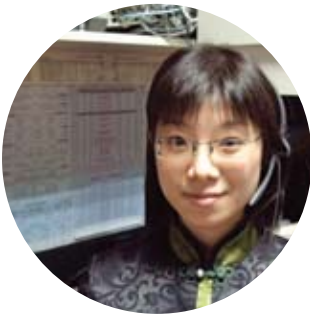
"I am happy.
I am motivated.
I am passionate about what I do.
I am proud to be Ritz-Carlton!"
— *Joyce Lyons*, departmental
trainer for lobby concierge team,
The Ritz-Carlton, Dearborn



"All of our ladies and gentlemen have
different talents and each is empow-
ered with the opportunity to provide
support to other ladies and gentle-
men. The Ritz-Carlton is a place where
all the facilities and ambience are not
just excellent but a wow experience
for everyone."
— *Mayble Yu*, food & beverage,
The Ritz-Carlton, Millenia Singapore



"The improvement of the com-
pany is the improvement of my
quality of life! The Ritz-Carlton
philosophy is in line with the
human need to be treated as an
individual, as it appears in the
company's Gold Standards."
— *Adrian H. Utomo*, butler,
The Ritz-Carlton, Kuala Lumpur



"I am proud to be Ritz-Carlton means
being a symbol of legendary service,
serving with heart."
— *Queenie Lam*, reservations &
communication agent,
The Ritz-Carlton, Hong Kong



"Compassionate, kind and caring
Genuine traits for me to share ...
Whatever I do, wherever I go
I am an embodiment of The
Ritz-Carlton values.
Humble in thoughts, words
and action, yet proud to be
Ritz-Carlton."
— *Cynthia de Mesa Jendra*,
assistant training manager,
The Ritz-Carlton, Bali Resort & Spa



"The Mystique, it lies in me ...
It is in the etiquette of my talk, it is in
the groom of my walk.
I am a lady
and that is how I serve others.
I am proud to be Ritz-Carlton.
The Employee Promise. It was created
because I am an important resource.
No service commitment would be
fulfilled without me.

I am proud to be Ritz-Carlton.
I am a pledger of fine service.
I am the instiller of well-being.
I am responsible for my company
objectives.
I am joy.
I am pride. I am an ambassador.
I am properly trained.

I am proud to be Ritz-Carlton.
Mr. BIV! After following the Three
Steps of Service, I was able to put
him aside. So when in my presence,
greet me with a smile. Anticipate
my needs and bid me a fond fare-
well. Because **I am proud to be
Ritz-Carlton.**"

— *Cindy Butts*, call center agent,
The Ritz-Carlton, Buckhead

