

Hospitality

A Different Vantage Point

An Interview with Steven Pipes,
Managing Director and Vice President, The Jack Parker Corporation
and Managing Director, Le Parker Meridien New York

EDITORS' NOTE *The recipient of a bachelor's degree in hotel administration from Cornell University, Steven Pipes began his career with Le Meridien Hotels in July 1983, when he joined Le Meridien in San Francisco as Front Office Manager. He was Resident Manager for two years at Le Meridien Vancouver; then General Manager of Le Meridien in Athens, Greece; and two years later, General Manager of Le Parker Meridien New York where he is now Managing Director. Since 1994 Pipes has also served as Managing Director and Vice President of The Jack Parker Corporation, the parent company of Le Parker Meridien New York.*



Steven Pipes

COMPANY BRIEF *Founded in 1955, The Jack Parker Corporation (www.thejackparkercorporation.com) is a family-owned company that has designed, built, and managed more than 15,000 residences, including high-rise luxury rentals, condominiums, and single-family homes, located throughout the Northeast and Florida. The company's hotel division comprises Manhattan's Le Parker Meridien New York, the Parker Palm Springs in California, and the Holiday Inn in Ronkonkoma, New York. Located on West 57th Street, the modern and luxurious Le Parker Meridien boasts 731 rooms and suites and offers three restaurants, a 9,000-square-foot banquet space, and a fully equipped spa and fitness center.*

How has the recent credit crunch impacted the hotel industry in New York?

In New York, we have two different hotels. We have a hotel that is Sunday through Thursday, and we have a weekend hotel, which is much more leisure driven. Everybody is waiting to see what will happen with the corporate business, but I think that will come back fairly quickly. International travel will continue to do well because New York is still New York. While New York takes hits the fastest, it also comes back the fastest. Eventually people will get more comfortable, and I think we will recover.

Is it important during an economic downturn to reduce rates to keep occupancy up?

Maintaining balance between rate and occupancy is one of our biggest challenges. The

reality is, when

demand stops, rates go down. It's not going to be a bloodbath – rates won't drop dramatically – but the pricing power hotels have is weakened to a certain extent.

How critical is food and beverage to your business?

Our food and beverage outlets are very important to us for two reasons: one, financially, and two, they are the window to the hotel for New Yorkers. A New Yorker does not generally stay at a New York hotel, but very often

is asked where to stay by people coming from out of town. If you are familiar with the hotel through its food or beverage offerings, you're going to suggest someone stay there. So it's a marketing tool for the hotel.

Do you need a spa product to be competitive?

The spa business has probably taken on more importance in the eyes of my colleagues than in the eyes of customers. In New York, we are much stronger on the fitness side than on the spa side. It's a nice amenity, and we offer a very good small spa, but the fitness side is more important.

How broad is your target market?

We compete in a lot of different segments because we are blessed with a great location and great facilities that lend themselves to business or leisure travelers or moderate-sized groups. We try to keep our fingers in as many pies as possible, so when times change, we're able to adapt. We also have one enormous advantage over a lot of our competitors, and that is the stability of the people who work here. In most hotels, two or three years is considered a good tenure; we feel that after three years, you've just gotten started. So from the customer perspective, there's stability in who they are dealing with, and from the product and services perspective, we view things with very long-term sight. This is the only major hotel in New York that has had the same ownership for 28 years. So we have a different vantage point.

Have you been able to implement technology without losing human contact?

When people come to a hotel, they want to deal with somebody. They don't want to wait in a line for 15 minutes to get checked in or checked out, and they don't want to be treated like a robot. Our biggest challenge is to have



a staff that can read people. I don't think machines play a role in that at all. We are a service-oriented business, and we need to continue face-to-face interaction. Having said that, you also need to have technology so that people can book and get confirmations easily, know what the best rates are, and get their requests fulfilled. There is an enormous amount of technology behind the scenes that the guest never sees, but it should have a positive impact.

Are you able to teach your staff the skills of greeting the customer and understanding customer needs?

Our interview process is lengthy. We don't believe in doing psychological profiles, but a front desk candidate will interview with five people before coming to work here. Our hiring decision focuses almost entirely on human qualities. We don't care if you've worked in a hotel; this job does not require a Ph.D. What you have to be able to do is empathize, and be efficient and friendly, and have a personality. It's a question of hiring people who have a sense of who they're dealing with. We want people to have fun when they're working because that comes across to the customer.

How critical has the owner/manager relationship been for the success of the property?

The ownership of the hotel is hugely important. A year and a half ago, this hotel could have been sold for a huge amount of money, but that was not what we wanted to do. This property is a jewel in the crown of the company, and it will be here for generations to come. Everybody working here knows that. I'm very fortunate to be in such a situation, as there are very few like it.

Is staying calm part of your nature, or do you hide stress well?

It's my nature. Stress is a dramatically overused term and should be put in perspective. If you have a sick relative or friend, that's stress. If you're in the dentist's chair getting your tooth drilled, that's stress. If you lose your home and don't know where you're going, that's stress. But if you're looking at how to make our operation a little better, it's important, and it's something you want to look hard and passionately at, but it's not stress. It's just what you do every day. ●

Le Parker Meridien's gravity pool, with a view