



Peter Shaindlin

An Evolution of the Legacy

An Interview with Peter Shaindlin,
Chief Operating Officer, Halekulani Corporation



EDITORS' NOTE

Before joining Halekulani Corporation, Peter Shaindlin was Founding Principal of Lotus Luxury Group; Vice President, Rosewood Hotels & Resorts; and previ-

ously managed many iconic luxury properties including Rosewood's Little Dix Bay, the Boca Raton Resort & Club, and the Stanhope Hotel and Grand Bay Hotel in New York City. He also was Assistant General Manager of Food & Beverage at the United Nations World Headquarters in New York.

COMPANY BRIEF Founded in 1980 and headquartered in Waikiki, Halekulani Corporation (www.halekulanicorporation.com), is comprised of two primary assets in the heart of Waikiki, which together make up Hotels & Resorts of Halekulani. Both hotels are internationally recognized luxury hospitality establishments. Halekulani Corporation completely redeveloped the legendary Halekulani in the early 1980s and manages both hotels. Halekulani Corporation is a wholly owned subsidiary of Mitsui Fudosan Co., Ltd.

What makes a hotel iconic?

It's an intangible soul and spirit, but what they all have in common is an individual legacy. You should ideally leave an iconic property with inspiration and enrichment.

Going back to Halekulani's origins in 1917, there is a legacy, and we have a natural advantage against a newly built property, which may excel in terms of contemporary design aesthetics but that soulfulness takes time to integrate itself and develop into a legacy over the years.

So we don't promote ourselves as a luxury property so much as a legacy property.

How are you able to achieve consistent service standards?

Inconsistency is the enemy of good service. So we have defined our standards and we use those to school the new employee and refresh the veteran employee.

Manuals are dust collectors, so it goes back to the iconic institution itself. If we enrich and inspire employees, let them deal with the guests on the floor without scripting them, and tell them the standard is to never say no and to exceed every expectation, they will do well.

Are you happy with where the product

is today and do you foresee major changes for the future?

Part of my job is never to be satisfied, but we're excited overall. Despite the challenges of the past three years economically, we are in the midst of launching a 10-month "renewal program". It's an extensive refurbishment that involves 453 guest rooms and the back-of-the-house infrastructures.

We'll spend about as much on this renewal as would be spent purchasing a comparable-sized hotel in this market, but all the capitalization is direct pure net operating income that we have earned through the property's efficiency and profitability over the decades.

This results from planning ahead with a long-term capital cycle but funding it internally. It comes from the idea that luxury makes money if you also manage your business well. There is no debt, so we can do this even in a stressed financial environment. Because we can focus 80 percent of our time on product and guest experience, we're different than our competitors in that the majority of their time is spent struggling to make a mortgage and managing real estate deals and third-party contracts.

With the room refurbishment, will you keep the same feel?

Yes. It's not about a revolution but an evolution of the legacy. It's a heavy refreshing but it includes things we felt were altruistic towards the environment like efficient lighting and air-conditioning.

Has the word luxury lost some of its meaning and is it tougher today to define what true luxury is?

Yes. It's so broadly used that it has lost some of its value. So we're redefining luxury. The key for us is not so much focusing on material opulence but on opulent service. The guest is not necessarily paying for the room – he's paying for what he can't have at home.

Will you talk about the spa product and how important that is to the property?

We have an intimate facility that indoctrinates those professional spa employees with the Halekulani service ethic. People constantly tell us our staff is lovely. So it's not just the physical treatment.

People talk about wellness with spas but Halekulani is moving the spa towards wholeness. Wellness refers mostly to the physical being but we want to include a focus on the emotional and spiritual side of each individual. For instance, we have a therapist who shares one-on-one meditation techniques in an hour-long treatment.

Does technology enhance the service or does it threaten to take that away?

There is a tendency in Western culture to use technology before it's sufficiently refined. If it's efficient and non-intrusive, it can have value. But we also have to look at these devices like the tablet and determine if they're in alignment with the character of the hotel.

At Halekulani, we have the latest selective technology but we consider ourselves more high-touch than high-tech.

Is there effective airlift into the area?

The lift from Western based carriers is not sufficient for the regrowing demand. But Hawaiian Airlines, for example, doesn't respond reactively to demand but creates demand by creating availability. If we can provide a hospitality experience that has value and other hotels can do so collectively, then an airline like that goes out with an aggressive vision and they can share in the availability of that product and facilitate visits.

What makes a successful hotelier today?

The role used to be about style. It flipped in recent years so owners want a manager to be a business manager 80 percent of the time, which is a mistake. You need a balance in terms of style and substance that you can achieve on a long-term basis. The substance is not only the leadership and disciplined business management of the institution itself, but also introducing product that has substance.

In the industry today, particularly on the luxury side, there is too much throwing things against the wall and seeing what will stick in terms of short term programs that only have short-term media appeal. If it works, it was at best a short-term solution instead of going back to that core DNA of what your hotel is about and why people would be interested for the long term.

How has the industry changed over the years and where is it headed?

In the 1980s and 1990s, luxury hospitality became homogenized because it became institutionalized. Some of the greatest hotel companies have portfolios of a hundred or more hotels and they do a wonderful job.

Now there is such a commercial homogenization of most products and goods in America that a certain percentage of travelers are looking for independent experiences. So we're moving into an era where the independent legacy properties like ours have an opportunity to shine. ●

Sunset at the Halekulani