



POSADAS Case Study

Grupo Posadas Achieves Ambitious Performance Goals and Exceeds Financial Targets With Betterworks



Industry

Hospitality

Employees

14,000+

Headquarters

Mexico City, Mexico

Posadas, also known as Grupo Posadas, **is a hospitality company with more than 180 hotels and resorts** operating under 12 brands **in more than 60 destinations throughout Mexico**. The leading hotel company in the country, Posadas had **over 14,000 staff members** working in its hotels and over 29,000 hotel rooms across its properties. The corporation's roots date back to 1967. Through a series of mergers and acquisitions, **the company grew and changed its name to Grupo Posadas in 1992**, shortly thereafter becoming a publicly traded entity.

The Situation

The largest hospitality company in Mexico, Grupo Posadas operates more than 180 hotels under 12 brands – from five-star luxury resorts and boutique hotels to more budget-minded options for vacationers and business travel. It is the top-rated hotel chain in Mexico, and is ranked in the top ten for diversity, equity, and inclusion and as a “Great Place to Work.”

In 2018, while developing its strategic plan for the next few years, Posadas recognized inefficiencies in its manual processes for performance, which relied on Excel and PowerPoint files that were time-consuming to develop and difficult to manage. The organization needed a faster, more efficient way to keep the team aligned on its mission to fulfill its strategic plan. Even after trying other performance management solutions, Posadas continued to have issues efficiently communicating priorities and expectations to its workforce across the sprawling organization.





The Challenge

Posadas identified four key areas it needed to address:

1

Disconnected teams

2

Unclear priorities

3

Lack of accountability

4

Unambitious goals



The Action

Posadas created a matrix with goals, user experience, reviews, and other important factors to consider before deciding to implement Betterworks in 2019. Previously, goals hadn't been clearly defined and the organization was often misaligned on its biggest priorities. In implementing the Betterworks solution, Posadas wanted to create focus and accountability around these strategic imperatives.

Posadas began the program with just 50 users in the executive committee and corporate strategy team. The organization adopted an objectives and key results (OKRs) framework to support strategic management and execution, using Betterworks as the platform to enable performance and bring its strategic plan to fruition.

Posadas began holding monthly meetings to both support adoption of the Betterworks platform and promote understanding of the OKR methodology — how to define an objective, the importance of different team results, and the establishment of metrics, or milestones. These meetings focus on developing, reviewing, and improving OKRs throughout each quarter.



The Outcome

Monica Cabrera, manager of corporate strategy at Grupo Posadas, credits these metrics and the regular communication around them as a major contributing factor in the company’s success, especially during the early days of the pandemic. As teams moved to remote work, she noted, these performance enablement touchpoints were critical to help employees stay focused and build personal connections across teams.



Betterworks has helped us see where we are in relation to our goals, to and pressure ourselves to think differently, and to be honest with ourselves. ...Betterworks helped show us we were not where we needed to be, and more importantly, to understand why we’re not there.

Monica Cabrera | Manager of Corporate Strategy

Armando Smeke, head of strategic planning at Grupo Posadas, says Betterworks was able to help their teams maintain focus on company objectives even while experiencing major disruptions from the ripple effects of the pandemic. “When we started working with Betterworks, I thought it would help us with a lot of things, but I never thought it would help us with our mental health,” Smeke said. “Everyone knew what to do to keep the company moving. One of the key drivers to survival was our ability to keep working and keep creating objectives.”



At the beginning of the pandemic, weekly objectives, then monthly, then quarterly again, helped us keep the company moving. Everybody worked. Everybody aligned. To us, that is our great history with Betterworks. We can talk about sales or margins or some specific initiative, but these impact the whole company, and I think that's the most important.

Armando Smeke | Head of Strategic Planning

Posadas tapped Betterworks and OKRs to support a new product launch that was struggling to attain initial sales goals. "Betterworks has helped us see where we are in relation to our goals, to pressure ourselves to think differently and to be honest with ourselves," Cabrera said. "OKRs have forced us to think about those types of goals and see where we were underperforming. Betterworks helped show us we were not where we needed to be, and more importantly, to understand why we're not there."

Posadas continues to build on its success with Betterworks. From its initial rollout to 50 users, the hospitality company grew its program to 550 users in 2019, now cascading strategic priorities to five levels under corporate. Internal surveys indicate that employees company-wide are impressed with the results, with more than 90% of respondents stating that they would recommend both the Betterworks platform and OKRs.



The Impact

After experiencing financial losses resulting from the pandemic, Posadas has achieved strong fiscal health. Its ability to remain agile and focused with Betterworks has enabled it to exceed its financial goals in the two years since. After surpassing last year's revenue goals, along with recent RevPAR (revenue per available room) increases of over 13%, the company expects to have a major reactivation of its core businesses this year. The widespread adoption and prioritization of OKRs by 97% of users was a major factor in helping Posadas consistently exceed business goals.

As it prepares for the future, Posadas continues to explore additional opportunities to leverage insights gained from its partnership with Betterworks and is evaluating expanding their program to include conversations, feedback and recognition.

According to Smeke, "If you talk with any of the members of the executive committee, they all would agree that Betterworks and OKRs are key for us to focus on the different priorities that we have. Everybody works. Everybody aligns. To us, that is our great history with Betterworks."

