



Thomas Cook case study

“People are our differentiating factor. Our success depends absolutely on how well we recruit, develop, train and retain our people.” (Phil Barnfather, Thomas Cook)

Thomas Cook is one of the largest leisure travel groups in the world and the second largest in the UK. In 2007 it took 16.3 million UK customers on holiday and employs 19,000 in its UK division alone. Key to Thomas Cook’s success is its people and central to this is the investment and commitment to training and development.

People1st spoke with Phil Barnfather and Elinor Carr, from the Learning and Development team, about the range of training and development opportunities Thomas Cook offers to its overseas resort staff. This short case study demonstrates the value of investing in training and development and describes the significant benefits this has brought to this particular business.

Working overseas for Thomas Cook

1666 people are employed in Thomas Cook overseas resorts, working in a range of jobs from front line resort representatives through to managers in resort. The seasonal nature of the work means that many staff work in one destination for the summer season, then either move to another destination in the winter, or work in another area of the business.

Training and development is important right from day one when someone joins Thomas Cook to work in the overseas division *“What we aim to do from the moment an individual joins the business is to offer them opportunities to develop.” (Elinor Carr, Learning and Development)*

Induction and initial training

All new overseas resort staff receive an eight day induction starting on their first day. This is delivered as a residential course in the UK and is designed to give them all the basic skills and behaviours they need to be a Thomas Cook representative in resort. They then join their resort where they receive between 6 and 12 days on-the-job training where they apply that knowledge in their local environment. Then they go live as a fully-fledged Thomas Cook rep!

Development and career progression through ‘STARS’

“There’s a clear progression path for every employee overseas” (Elinor Carr, Learning and Development)

As well as receiving regular training throughout the season, staff are offered a range of development opportunities. One such opportunity is STARS – Senior Training and Recognition Scheme - which has three levels and provides staff with training opportunities which are clearly linked to career progression.

STARS Level	Career progression	Training opportunities
Level 1	Front line to first line management (e.g. Head Rep)	5-day supervisory course in the UK, which enables them to lead and manage teams of people in resort.
Level 2	First line management to second line management (e.g. Head Rep to Resort Supervisor or equivalent)	3-day Train the Trainer course which enables them to train staff in resort and also be part of the UK Induction training team
Level 3	Second line management to resort management (e.g. Resort Supervisor to Gateway Supervisor / Manager)	5 day annual Manager's Briefing which focuses on operational updates and management development opportunities

The recruitment process onto STARS is rigorous and the required standard must be reached. Staff are expected to complete a range of tasks which have direct links to the company PROUD values. The tasks can be small (such as controlling the airport) or large (like organising a fund raising event in resort). Staff are expected to achieve a pass grade for each task and only when they have achieved the pass grade for all tasks set will they have passed the STARS in resort stage.

A key benefit of STARS is that it assists with succession planning, enabling suitable employees to be identified and trained for the next level. This in turn can help ensure staff are retained and promoted from within the business.

STARS also provides a clear career progression route for staff wish to develop and move up the career ladder. *“The main benefit of the STARS programme is that it’s very clear to every member of staff who starts working with Thomas Cook that there is the opportunity for career progression and for development.” (Elinor Carr, Learning and Development)*

Overseas Management Development Programme

Following the STARS programme, managers with a degree of experience are eligible to apply for the Overseas Management Development Programme (OMDP).

The Institute of Leadership and Management approved programme was introduced in 2007 to help overseas resort managers develop an improved understanding of the wider Thomas Cook business and to further develop their management style and skills.

“The main aims and objectives of the programme are several. One is to increase their knowledge of the wider business. Another objective is to develop their management competencies in terms of the way they manage themselves and the way that they manage and develop their teams overseas. So it’s really a two-pronged attack – looking operationally and from a man-management perspective” (Elinor Carr, Learning and Development)

Managers on the programme fly back to the UK three times during the summer season and complete three modules each time they return. The modules fall into two broad categories – operational and management.

Operational modules

Operational modules provide information on different aspects of the business such as Yield, Purchasing, Independent Travel, Product Development, Pricing, Publishing, Human Resources and Finance.

The modules are delivered by internal experts and typically involve a presentation from the relevant department expert. This is followed by interactive activities and a practical discussion about what it means for overseas managers and how they can use the information back in resort.

For example, the Yield module is delivered by the Director of Yield Management who, along with her team, provides a detailed explanation about the department and the role of yield management within Thomas Cook. The managers are then split into teams and given laptops that contain a business simulation exercise. Based on the information they're given their task is to maximise their revenue whilst balancing the holiday sales margin with the aircraft load. The session is good fun and competition is fierce across the teams!

The module gives them a deeper insight into the yield management function and helps them to understand the commercial factors driving the business and why decisions are made which may impact directly on them.

"They have an appreciation that if we ramp up our flight programme at any particular time of the year e.g. Glasgow half term, and all of a sudden Yield rings them and says 'we need an extra 400 beds in these resorts at this time and at this price' they'll have an appreciation as to why they're being asked that and the commercial reasons behind it." (Phil Barnfather, Learning and Development)

Operational modules also help managers to get to know their colleagues in different departments better and build relationships which enable them to work positively together towards achieving targets.

Management and leadership modules

Management and leadership modules explore the individual's management style from a soft skills perspective. They include modules on Change Management/Project Planning, Stress Management/Emotional Intelligence and Advanced Management Skills.

For example, the Emotional Intelligence module uses two tools – Myers Briggs and Emotional Intelligence (EQi) – to help them better understand their own personalities and the impact this has on their management style and how they interact with their teams. *"So we look at how that may impact on how they deal with situations, how they deal with people, how they may manage their staff in different situations, how that might have an impact on staff retention, morale etc. We look at what they need to do differently and then give them some tools to be able to take back into the workplace and implement with their teams to improve or enhance teamwork and performance."* (Phil Barnfather, Learning and Development)

Project

Managers are also asked to complete a business project during the winter months. They present their project findings the following year at the Start of Season Managers Briefing – an event that all managers attend. They also receive their certificates at the event to recognise their achievements on the programme.

Challenges

The main challenges of the OMDP are the remoteness of the workforce and the logistics and costs involved in bringing the managers back to the UK three times during the summer season. However, the benefits far out weigh the challenges as it helps them to understand the wider Thomas Cook business and to form networks with other colleagues:

"This is a part of the workforce that because of their remoteness and logistically they're very difficult to get to and they can very easily get left behind. So it's also about including them in the wider business and giving them

opportunities to build networks... It is quite a considerable cost, just for the logistics of moving people around, but I think it's a worthwhile investment" (Phil Barnfather, Learning and Development)

Impact

The OMDP is clearly linked to Thomas Cook's wider strategy and has a positive impact in helping the organisation achieve its goals. It helps managers to gain a deeper insight into the wider business and the commercial forces driving it. It helps improve managers' self-, their management style and ways in which they can lead their teams. It helps managers become more responsive to change and helps them develop supportive networks across the business.

A key benefit of the programme is that it improves manager's leadership skills. This can clearly be seen in their Team Satisfaction Questionnaire (TSQ) results. *"One of the key things that stand out for us is the feedback - from our TSQ's. These are 180-degree feedback forms on managers so everyone who works within a Gateway would be asked to feedback on how they feel they have been managed throughout the period that they've been there. What we've seen for nearly all the managers who have been on the management development programme is an increase in their TSQ feedback scores. So what that means is that the people who are being managed by people who have been on the management development programme have seen a difference in that person's leadership skills."* (Phil Barnfather, Learning and Development)

This is also evidenced through the managers themselves: *"My TSQ comments from the team were really encouraging and motivating for me. I believe that this is a direct result of the OMDP course."*

Whilst data isn't available to prove that the programme has impacted in other areas such as customer service, sales and retention, Phil believes that the OMDP does have a positive impact: *"Whilst we can't say for example 'that this programme has led to x% increase in revenue', common sense will say that if people feel they are being better led and better managed that will drive our retention rates, our customer satisfaction and our sales."*

The programme also continues to benefit those who have completed it. *"The programme continues to be of benefit, and the managers who were on it last year still talk about the OMDP in terms of what it does for them now and how it still helps them to manage their teams through difficult times in resort."* (Phil Barnfather, Learning and Development)

Looking to the future

The programme is constantly evolving, dependent upon the changing needs of the business. However, the longer-term goal is that every manager overseas has the opportunity to attend so that there is a consistent language, knowledge and a developed set of managers.

Final word

The case study highlights the commitment Thomas Cook places on training and developing its people. The positive benefits of the STARS and Overseas Management Development Programme are many, ranging from succession planning to networking to improving leadership skills to ultimately impacting on the business goals.

As Phil and Elinor conclude:

"We have a very clear people focus in Thomas Cook, which is promoted by the Executive Board and filters across the business. Part of Thomas Cook's strategy is that 'people will be our differentiating factor' and STARS and the Overseas Management Development Programme is one of many examples of how we're living that statement."

Further information

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September 2008 – accompanies People 1st/ABTA research on Travel Industry Benchmark Survey