



Helping LHM uncouple without a hitch



Late 2015 saw the sale and purchase of a £1 billion portfolio of hotels in what proved to be one of the year's largest hotel transactions.

The portfolio comprised 18 Holiday Inns and 3 Crowne Plazas, with a total of 5,000 rooms and an annual turnover in excess of £190m. Trophy hotels include the Holiday Inn Heathrow, Holiday Inn Regents Park and Holiday Inn London Mayfair. The assets were put up for sale by LRG Acquisition – a consortium of Lehman, Realstar and GIC – after the original management deal with InterContinental Hotels Group expired at the end of 2014.

Following acquisition a change in strategy required a full operating platform and revenue management centre be established, in order to take operational control with a 6 month lead in time, from March 2016.

LHM had to manage the transition of the sites to new management, whilst keeping control of revenues and drawing the portfolio, and team, together.

We engaged Cogent Blue to set up the revenue management centre and prepare the business to take over from the existing management company. From policy writing, full team recruitment, induction and training, with a professional passionate approach, the successful uncoupling and full operational set up was achieved on time. It was a pleasure working with Shona and her team; I would highly recommend their services and happily endorse them on a call.

Simon Teasdale, Managing Director

Client

Lapithus Hotels Management UK Limited (LHM)

Industry: Hotel Management

Turnover: Over £190K

Size: Over 1650 staff
21 Hotels

Description

LHM was formed in 2015 to focus on managing the operation of mid and upscale hotels under global brands Crowne Plaza and Holiday Inn. The 21 hotels within the portfolio are sited in excellent locations throughout the UK. They are operated by a dedicated team of hospitality professionals, who have a wealth of experience working with a variety of international hotel brands.



The business challenge

In March 2016, as the result of a strategic change, LHM served notice to the incumbent management company, RedefineBDL (RBH), thus allowing 6 months before taking over the management of the hotel portfolio (i.e. uncoupling) from RBH by 1st September 2016. In order to achieve

this, LHM recognised that the transition would require dedicated project management support. An additional challenge was the fact that the portfolio of hotels required the creation of an 11-strong fully centralised Revenue Management team.

- Existing hotel management contract still in force
- Help needed to handle the 'uncoupling' process
- New Revenue Management team required

Our 360° solution

LHM engaged Cogent Blue, who brought in an experienced team with expertise in project management and interim revenue support within the hospitality sector.

Overall project management for the "Uncoupling Project" involved:

- Set up of project and project governance
- Use of cloud-based tools accessible by the project team (Basecamp and Smartsheet)
- Chairing/managing all project meeting and calls
- Managing risks and actions

The Cogent Blue project team developed a detailed project plan covering all workstreams – from the building and technical commissioning of the corporate office to recruiting for all key head office roles and ensuring

the smooth migration of IT, legal compliance, due diligence etc. They worked closely with the LHM team to deliver all activity; initially with just the MD, IT and Finance, but within 6 months it had grown to a corporate team of over 20 people. Furthermore, Cogent Blue managed regular communication between LHM and RBH from when notice was served right up to the transition date.

Cogent Blue's engagement to deliver the Revenue Management workstream involved:

- Advising on the structure design; costed and industry benchmarked
- Design of the recruitment and logistics plan

- Recruiting a team of 11 (role briefs, job descriptions, applicant screening, campaign plan, designing and facilitating candidate assessment centres)
- On-boarding plan (induction, training and handover of hotel revenue management)
- Running a cross-functional workshop with LHM UK team and General Managers (GMs)

In addition, Cogent Blue supplied full-time Interim Revenue Management cover from February to June 2016 to support LHM through the commercial transition.

- Delivered comprehensive project management
- Provided Interim Revenue Management cover
- Resourced central revenue team

"Cogent Blue's support, to me personally, has been much appreciated; the new Revenue Management Centre is in a much stronger position thanks to your hard work and guidance"

Sheena O'Mahony, Revenue Management Director

To find a 360° solution for your business, get in touch:

Call **+44 7854 987 578** or email **Shona@cogentblue.co.uk**