

# Create Great Customer Experiences: Exceed Guest Expectations

Totem Report October 11, 2017

By Bret Anderson

President Mark rang the bell at 12:30 to bring on **Howard Crabtree** and **Burr Stewart** to sing "America the Beautiful" in B flat. It was an energetic, up-tempo version.

**Trish Bostrom** offered up a thanksgiving for all and a prayer for peace.

Welcome to new member **Derryl Willis** from the Homestreet Bank. He teaches Tai Chi and is a banker with a heart but didn't bring free samples.

Who stole Mark's notes?

Be sure to see the *Totem* for information about how you can have input into the future of Seattle schools courtesy of the Education Committee.



Greg Hanscom, of Crosscut NW announced their annual *Courage Awards*. Crosscut NW is a part of Cascade Public Media along with KCTS 9 and Spark Public. This news organization is growing while many other news organizations in the country are shrinking. They try to find creative, new ways to get the message across.



Their annual breakfast *Courage Awards* features bold ideas in business and tech (an informed public is critical to solving the issues of our time). Honorees include David Harris, tech entrepreneur, for his work to connect African Americans with jobs in the tech industry. The "Gang of Four" are also being honored, with Larry Gosset accepting the award for promoting the rights of people of color (other members are Bob Santos, Bernie Whitebear, and Roberto Maestras). The *Lifetime Achievement Award* will go to Bill Ruckelhaus.

Leslie Helm, executive editor of *Seattle Business* magazine, introduced Stein Kruse.

Stein Kruse was born in Oslo, Norway. He graduated from Perdue University and worked on a cruise ship as a management trainee. 65,000 people now report to Stein Kruse as the Group Chief Executive Officer of Holland America Group. His purview includes the Cunard line with its

iconic *Three Queens* ships, the historic P&O line, Australian Princess Cruises, and Carnival as well as motor coaches, trains, and hotels in Alaska and Canada.

Leslie asked, “How do you manage them?” Mr. Kruse replied, “very well I should think,” and laughed. He went on to say that it is the people he works with who run it well. Mr. Kruse never asked anyone to do something that he was not prepared to do himself. To be successful, all must have objectives and goals.



Mr. Kruse went on to say that one of the greatest things he has ever done is to create great customer experiences. He and his company are in the business of providing an enjoyable vacation experience. All the employees want to exceed guest expectations. Proudly, Mr. Kruse said, “we are large and successful and we continue to invest in our company and our goals.”

*How do you manage this kind of organization?* Those in the front line have the authority to make decisions. The ability to create efficiency comes from transparent communication. We have a no blame culture. Employees are encouraged to take risks and be willing to admit it when it doesn't work. At the company headquarters, there are no offices. It is all open work space. Mr. Kruse works at a desk like everyone else. They have created a unique setting that encourages dialogue and open exchanges of information. Their goal is to have 65,000 people who know what they are supposed to do. Mr. Kruse talked about how he works with the leaders of the other three divisions of his company. “We have open relationships, we are competitive, but share ideas and resources. We get together a lot and meet every week in person or by video.”



*How do you make sure that the culture grows and is nurtured?* In his book, *Work Rules*, Laszlo Bock, in charge of people at Google, says you must have a compelling mission, be transparent and give your people a voice.

*What kind of questions do you ask a candidate for a job?* Don't spend time on the resume, said Kruse. Spend time listening. Great leaders spend a lot of time listening and not so much time talking.

Building ships is a labor of love. You have to anticipate what the ships will be delivering to the cruise guests in the

future. The *Majestic Princess*, third in the series, is being built to support the new cruise industry in China. It is designed to take into account the needs of Chinese customers. For example, the entertainment will be Chinese, the casinos are larger, the spas are smaller, and there are a lot of karaoke rooms. The *Majestic Princess* will carry 3,500 passengers and cost \$65 million to build.

Mr. Kruse talked about developing cruises that match the needs of the markets around the world. Holland America is the largest vacation company in Japan. The Chinese market is very nascent. Chinese need short cruises, three or four days long to match their vacation times. They travel to Korea and Japan. As Ken knows, it is the Aussies who are out for a good time.

Q and A (Laurel James handled the mic expertly despite having laryngitis):

*Any chance of Holland America relocating its headquarters? Seattle is home for Holland America Group. It is not leaving.*

*The Jones Act rule from 1926 prohibits the transfer of goods or people from one place to the other within the U.S. by non-American carriers. Maybe this will change.*

*How will you cope with climate change? By improving energy efficiency. Does it make global deployments such as the Northwest passage more attractive? Are there any other opportunities?* We are seeing a generational change: baby boomers are currently the majority of passengers. Younger generations are very different. The marketing department is working on how to attract the new generation. “We have superb marketing!” said Kruse.

*What separated you out from all other leaders in the company?* According to Kruse, he doesn’t shy away from doing things that are necessary. He believes in doing the right things, open communications, and he listens a lot. He doesn’t let complexity stop innovation.

President Mark ended with a tweet from recent speaker Howard Behar, “Servant leaders rise by lifting others.”

