



A PRIORITY-BASED WAY OF WORKING

CHANGE IN PROGRESS



JANUARY | 2014

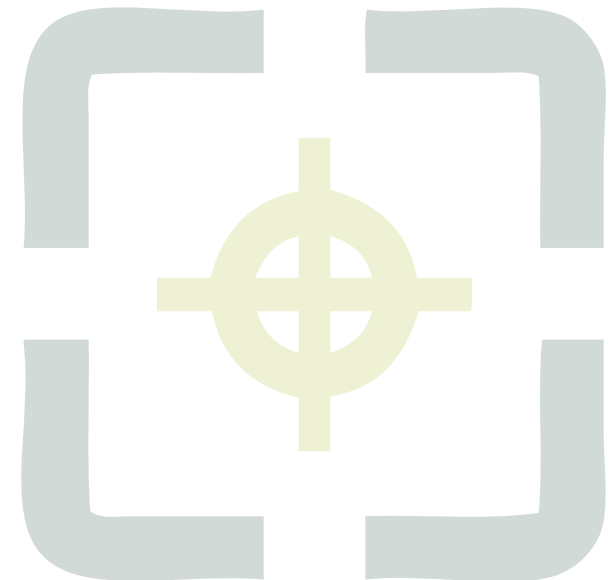
PRIORITIZATION, FOCUS, COHESION:

A CONTINUED COMMITMENT TO POSITIVE CHANGE

During 2013, the Association implemented sweeping changes in our approach to working with IHG—an initiative borne of the need to narrow our strategic focus with IHG to improve owner margins and market position.

The Joint Leadership Team (JLT), formerly the International Advisory Council, identified key strategic priorities and comprised of Association officers and IHG senior executives. Each member of the JLT was assigned a priority to oversee—and was provided with appropriate support from IHG and the Association. Each priority was supported by a revised Working Groups Structure that included Committees, Task Forces and Advisory Councils.

We achieved a major reorganization of the process in 2013 with a single focus: Improving owner margins by increasing preference for guests and owners.



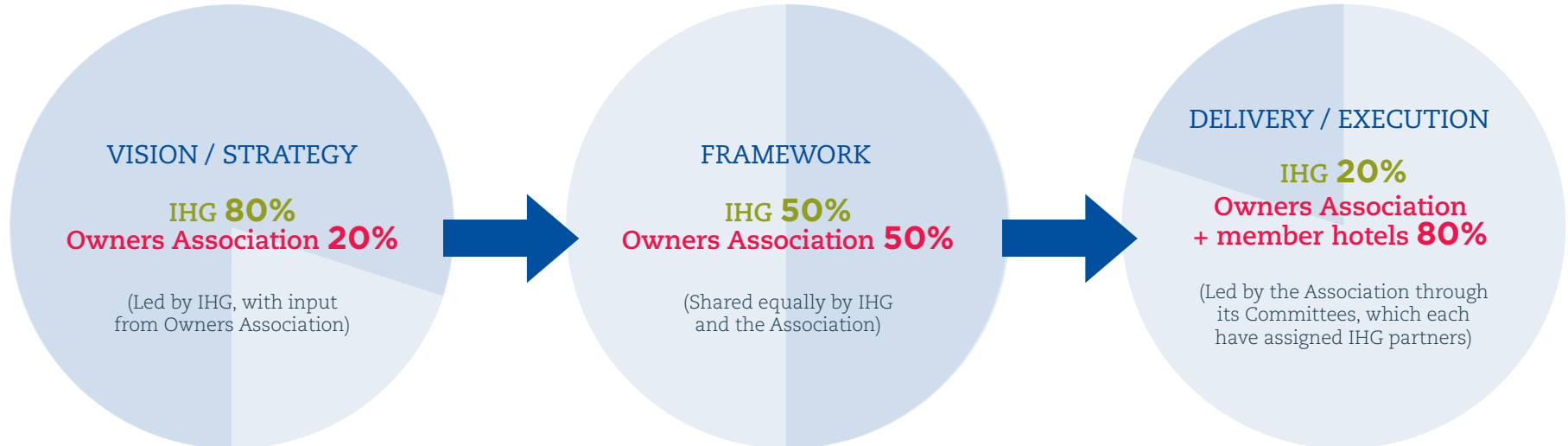
THE PROCESS DEFINED



The process to identify strategic priorities starts with IHG's vision for its brands, with the goal of helping hotels deliver results that support the vision.

Below is an overview of the process:

PROCESS/INFORMATION FLOW



THE PRIORITIES

Increasing owner margins by

Strengthening brand preference through

Energizing our general managers to be brand promise-keepers,

Mastering the IHG revenue tools in every hotel, and relentlessly

Pursuing standards that matter, while

Working responsibly to support our communities and colleagues.



BRANDS

Strengthen IHG brands to become first choice in every market in which we compete



STANDARDS

Support the strongest approach to developing and implementing standards in the industry



TOOLS

Master the IHG revenue tools in every hotel



PEOPLE

Strengthen General Manager role by making a culture change and positioning as Brand Manager



RESPONSIBLE BUSINESS

Maintain the strongest reputation for doing business the right way

THE COMMITMENT:

FORM FOLLOWS FUNCTION

The JLT forged a joint agreement and committed to the following:

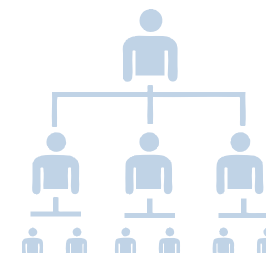
- 1** THE ASSOCIATION'S MODIFIED COMMITTEE STRUCTURE, AND NEW CHARTERS FOR EACH COMMITTEE
- 2** OBJECTIVES FOR EACH COMMITTEE
- 3** CONSIDERATIONS OF REGIONAL PERSPECTIVES AND DIFFERENCES

The overarching mandate for our work together: Form must follow function. Working groups are now formed only when they can be proven to support our shared priorities.








THE STRUCTURE 2013

PRIORITIES, OBJECTIVES AND LEADERS

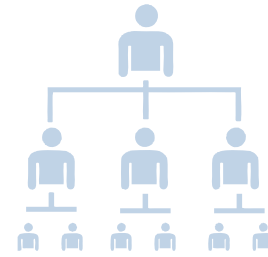


After thoroughly exploring the vision for IHG (focused on Brands, People, Delivery), the JLT agreed to the following priorities, objectives and leaders for Working Groups (Committees, Advisory Councils and Task Forces) in 2013:

PRIORITY	2013 ASSOCIATION LEAD	2013 IHG EXEC LEAD	2013 IHG LEAD	OBJECTIVES
 Brands	Mike Hembree	Larry Light	Jane Bednall, Tim Small	Guard brand frameworks. Increase HeartBeat scores. Innovate.
 Standards	Buggsi Patel	Angela Brav	Andy Poulter	Agree on new standards for priority brands (Holiday Inn Express, Crowne Plaza, Holiday Inn). Build enthusiasm for adoption of new process. Align standards process across IHG & estate.
 Tools	Kerry Ranson	Steve Sickel	Lara Hernandez, Michael Menis, Andrew Rubinacci, Bruce Lahood and Craig Eister	Inspire innovation (while providing competitive insights) in distribution and loyalty strategies. Drive increased utilization of existing revenue tools. Drive profitable revenue through review of channel/business mix (cost of sale).
 People	Steve Ehrhardt	Tracy Robbins	Tim Small, Lori Gaytan	Hire and develop new & existing GMs. Educate owners to support GM as Brand Manager. Drive awareness & support for existing IHG programs (Celebrate Service, Employee Survey, Hotel Solutions, People Tools).
 Responsible Business	Glenn Squires	George Turner, Kirk Kinsell	Paul Snyder	Drive utilization of Green Engage. Support Give Kids The World. Increase awareness of IHG Academy & IHG Shelter in a Storm

THE STRUCTURE 2014

PRIORITIES, OBJECTIVES AND LEADERS



PRIORITY	2014 ASSOCIATION LEAD	2014 IHG EXEC LEAD	2014 IHG LEAD	OBJECTIVES
 Brands	Mike Hembree	Keith Barr	To Be Confirmed	
 Standards	Buggsi Patel	Angela Brav	Colin Gray	
 Tools	Kerry Ranson	Keith Barr	Lara Hernandez, Michael Menis, Andrew Rubinacci, Bruce Lahood and Craig Eister	[TO BE CONFIRMED] JANUARY, 2014
 People	Steve Ehrhardt	Tracy Robbins	Tim Walker-Jones	
 Responsible Business	Rick Takach	George Turner, Kirk Kinsell	Paul Snyder	

THE **WORKFLOW / FEEDBACK** LOOP



JLT (Establish priorities & outcomes.)

>>> **Association Officers** (Determine appropriate Association activity.)

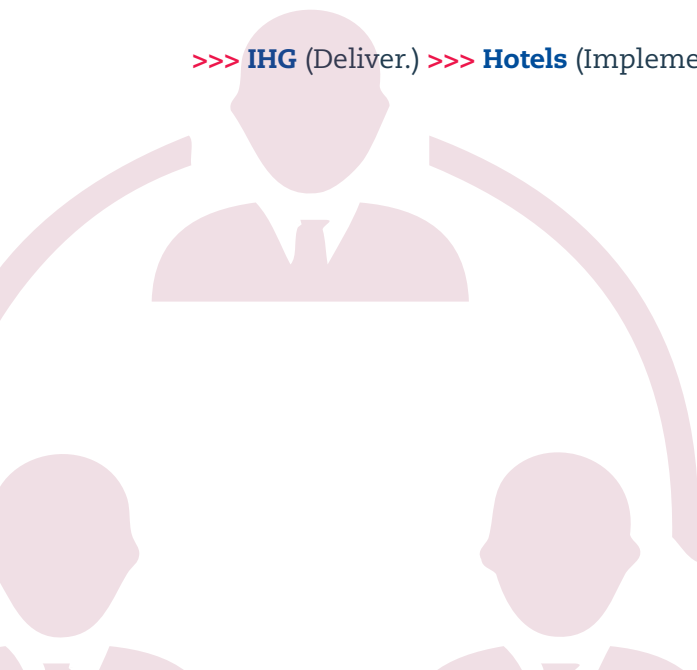
>>> **Committees** (Guide work with IHG to meet outcomes.)

>>> **Board** (Review and discuss. Establish next steps. Provide Big Picture oversight for all committees.)

>>> **Committees** (Launch pilot programs. Test & refine programs.) >>> **Board** (Endorse standards.)

>>> **IHG** (Deliver.) >>> **Hotels** (Implement.) >>> **Association and IHG** (Receive feedback through owner interactions.)

>>> **JLT** (Using feedback, maintain or modify priorities & outcomes.)



PROGRESS WITH **A PURPOSE**



The revised Working Groups structure aligns with the strategic priorities in a way that keeps every Committee, Council and Task Force focused on the single, united purpose of improving owner margins.

With our updated Working Groups structure in place, the Association has completed appointing volunteers to serve. These volunteers, who are appointed based on their areas of interest and expertise, are also leaders in operating high-quality IHG brand hotels.

MOVING **FORWARD.**



With our new way of working in progress, the Association and IHG will evaluate the process and examine outcomes to determine its effectiveness. In February 2014, look for a review of 2013 outcomes and successes in the Association's annual report. And be sure to follow Association communications for other updates on specific priorities.

Three Ravinia Drive, Suite 100 | Atlanta, GA 30346

p: 770-604-5555 | f: 770-604-5684

For questions or comments, contact Eva Ferguson at 770-604-5555 or eva_ferguson@owners.org



www.owners.org