

Galadari A Commemoration



Having provided its guests with luxurious hospitality for quarter of a century, today, Galadari Hotel is among the most sought-after places to stay in Colombo. Sampath Siriwardena, General Manager, Galadari Hotel speaks of the Hotel's challenges and successes over the years, and how Galadari is equipped to take on the new wave of visitors that is anticipated in the coming years.

Galadari celebrates 25 years this year. Can you briefly tell us about the journey of Galadari so far?

Galadari hotel opened in 1984 and we are celebrating 25 years this October. The hotel has had its ups and downs through the years while it had to go through two major bomb attacks as well in the late 90's. One was the Central Bank bomb, as a result of which, part of the hotel rooms facing the Continental Hotel was damaged and a major refurbishment had to be carried out. However, the biggest damage was done in 1997 when a truckload of bombs went off in the Galadari car park. Though the target was the World Trade Centre, considerable damage was done to the hotel. Since Galadari was not fully insured, Rs 500 million granted by the Government was used for key refurbishments and the soft refurbishments were done much later. All these were in addition to the other problems that the country faced such as war, terrorism, the JVP riots and so on. It was unfortunate that the hotel had to go through these bad periods, but I am happy to say that the hotel survived through the tough times and today we are proud to celebrate our 25th year in business. I think it is definitely a major milestone.

You have been with Galadari for six years. What were the changes that you made to the hotel since then?

When I assumed duties, due to the 1997 bomb and also due to the limited funds, only a limited number of rooms in the hotel were in operation. Some of the floors were closed as the rooms needed refurbishment. As soon as I took over, we started refurbishing the rooms that were closed down and in 2007, we refurbished our Presidential Floor, which was completely closed down. This floor was re-opened to guests in late 2007 along with the Presidential Suite. This is the best floor in the hotel and that is where the Iranian President, Afghanistan President and the Prime Minister of Pakistan stayed when they visited Sri Lanka. Those floors were refurbished and the rest of the floors were done up in terms of wallpaper changes and carpet changes.

Since 1997 we did not have a Ballroom as such and we just had a small area where we could cater to about 200 people. That area was the previous Ballroom's foyer. About Rs 200 million was invested for the new Ballroom in 2006 and I believe that the biggest achievement was convincing the owners to redo the Ballroom. We did a

brand new Ballroom which I would say is one of the biggest in the country. We also added a brand new Retro Pub in 2006 by the name Margarita Blue and we also added a new café called Café 64. A small refurbishment of the lobby was also done after I joined.

In your opinion, what describes the personality of Galadari?

I think first of all, I must mention our staff. I feel that our biggest strength is our staff and they have been with the hotel through good times and bad and some of them are completing 25 years of service with the hotel this year. I was surprised to learn that there are about 27 staff members, who will be completing 25 years of service this year. I can say that our staff is very passionate about their job and has the right attitude to serve the guests. We get a lot of guest comments and I am very particular about those. We usually conduct a study and a survey. Of course there could be little faults here and there as naturally everybody makes mistakes, but one thing that I really get good comments on is the staff attitude, their genuineness, their warmth and their eagerness to help people. That is the type of staff I have and I must say that they are a definite asset to the organisation.

Another plus is our location, which is by the sea. All our 450 rooms have a magnificent sea view. Our rooms are the biggest in size and I can definitely boast of the biggest beds in town.

Another unique feature for us is that we are a 100% Halal hotel and this attracts the Muslim clientele. As a result, delegations, especially business communities from Iran, Pakistan and other Muslim countries, prefer to stay at our hotel because they know that here it is guaranteed that there is no mixing of pork in the food.

You spoke about staff who have been with Galadari since the very beginning. How have you retained the talent in your team at Galadari?

I think one of the key roles of the General Manager is to motivate the staff and keep the staff morale high. I am sure even the previous General Managers have done this. In good times or in bad times, whether the business is high or low, as long as they are recognised for the things that they do, and not only penalised for what is

done wrong and also if you are very fair by them, the staff will remain motivated. I follow an open door policy and I am open to anybody who wants to talk to me, but of course first they need to address the issue with the respective Department Head and the HR Manager, before coming to me. By looking into the staff welfare, conducting staff get togethers, rewarding them for things that they have done well and selecting the employee of the month, I try to keep the staff morale high. Those activities keep them motivated and I believe that if the staff is not happy, the guests won't be happy. It's as simple as that.

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How has the décor and suites in the hotel evolved over the past quarter of a century?

In 2007, a complete change in the interior of the Presidential floor was done by a new interior decorator. He came up with a very modern concept and custom-made hand woven carpets were brought down especially from Malaysia for this purpose.

Over the years there have been a number of changes in the management of Galadari, would you like to tell us how Galadari weathered these changes?

When the owners decided to invest money, they obviously wanted a hotel chain to manage it. Therefore, when they looked around they found their first operator – Le Meridian. When the Meridians left the Mariotts took over and after they left we have been running it for the owners.

For the past three decades the hotel industry was largely affected by the security situation of the country. What were the challenges that you had to face and how did you overcome them?

This situation was something beyond our control and because of various travel restrictions and travel advisories of other countries, the occupancy level started dropping drastically last year. We had to look at other options to generate revenue

to the hotel. We decided to capture the local market. Sri Lankans were travelling down south and upcountry for holidays and we needed to come up with a very attractive package for Sri Lankans to attract them here for a weekend or even on a weekday. Keeping this in mind, we designed a local package at a very reasonable rate and offered it for Sri Lankans who wanted to stay in a five star hotel in Colombo, be it for a Wedding, an Anniversary party, to attend to medical treatment in Colombo, or some other emergency at home, whatever the reason, we have had a mix of people coming and appreciating our services.

In the local market, we not only went in terms of rooms, we also came up with packages in terms of food and beverages. We particularly targeted banquets for huge functions, weddings, meetings, seminars and so on. These packages were very well received by the locals and kept us afloat during those bad times.

How does the business break out in terms of leisure versus corporate?

Corporate versus leisure, I would say we are more corporate and our clientele is more corporate based. In terms of a percentage, I would say 75% corporate and 25% leisure.

Now with the end of war, since it is expected to draw a large number of foreigners, are you still focused on drawing in the locals?

From December onwards, everybody is expecting a revival in the tourism industry. It does not necessarily mean that we are going to run 100% just because the war is over, we have to remember that there is still a global recession on. Therefore, it would take a little bit more time for us to recover. If you take a realistic picture, I would say that 2011 would be good, but 2010 will have ups and downs.

The Ministry of Tourism will enforce a minimum rate from November 1, 2009. This was decided at a meeting we had with the Minister Faizer Mustafa. They have decided to fix a minimum rate for all hotels that are on Star Category. The decision has been made that all Five Star hotels should maintain a minimum rate of US\$ 75 plus taxes per room. Once this is implemented, we will not be able to offer the local packages with the present rates. It is good if we could maintain a higher rate for

rooms and if you compare our rates with Indian and Maldivian markets, there is a huge difference in rate as their rates are around US\$ 200 plus taxes, whereas here rooms are sold even at US\$ 35 – 40 . This is mainly because they have much more demand than us. The present city occupancy is about 50% and I wonder whether this is the right time to increase the rates when we do not have the demand as such for the moment. Of course those who come here on business purposes will continue to come, but the guests who are coming on leisure or for incentives or meetings, might look for a cheaper destination.

In the recent months there has been an increase in the number of tourists to the country. So what are your plans for the future?

We have to definitely refurbish. I am asking my owners to invest in a total refurbishment. Not only the rooms but the entire lobby needs to be refurbished, and we need some new restaurants and outlets as well, in order to cater to this influx. I would say any hotel needs to be ready to cater to the influx of 2011 that we're expecting. And His Excellency the President is targeting 2.5 million tourists by 2016. If the infrastructure and the hotels are ready, we will not have a problem. It is good if new hotels are opened up in the East coast as well, as there is tremendous potential.

I am very happy to see that Six Star hotels are coming up in Kalpitiya. There is another 700 room property coming up in Pasikuda. This is a good sign. In 2011 the government is expecting 1.5 million tourists to come. That is a threefold increase from this year and hence we need to be prepared for this. For three decades the country suffered due to war and our industry suffered immensely. Still there are many barricades and road blocks that they have to pass through before coming to our hotel and this really is a barrier for us. Now that the war is over, the tourists need to really feel safe and secure to come here.