



## Family 1CS

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A brother-and-sister team are transforming the iconic Blue Mountains attraction Scenic World with a focus on staff engagement and innovation.

Images by Scott Ehler

n the beautiful Blue
Mountains, Scenic World
boasts a range of attractions
from the iconic Scenic
Railway to the Skyway,
Walkway, and Cableway. Brother
and sister David and Anthea
Hammon took the reins of the
family company in 2011 and have
systemically and strategically
transformed the company.

After a \$30-million upgrade, Scenic World now boasts Australia's largest gift shop, an improved ticketing system, and a 303-per-cent increase in Chinese visitors. *The CEO Magazine* recently sat down with David and Anthea to discuss the company's skyward ambition.

The CEO Magazine: In 2011, when you took over the business, what prompted you to transform Scenic World?

Anthea: We'd been talking about it a little bit before that as well. From an engineering point of view, any piece of mechanical equipment has a limited life. The Scenic Railway was just getting to a point where it needed some work done on it. There was a choice to replace

around 75 per cent of the components because they were coming to the end of their useful life, or we were going to have to rebuild the train.

We talked about it with Dad, who's chairman of the board, and David and I discussed it; and because one of the values of Scenic World is 'always evolve', we thought, 'Is it really worthwhile to rebuild the same thing when we could evolve this product into something new, refreshed, and more engaging for our customers?' We took the plunge and went with something new.

How has the company developed under this major transformation?

Anthea: Drastically; pretty much the entire product that we offer has changed. We changed our ticketing structure as part of rebuilding the railway. We used to have a pay-per-ride system, and we've now moved to a one-price ticket. That has meant huge flow-on effects for our revenue this financial year and for the customer experience

because there's no more confusion around what rides you take on what ticket. This transformation has really taken Scenic World to a whole new level of customer experience.

The restaurant also got a complete re-fit. We turned it from a buffet restaurant that wasn't doing very well into more of a food court. We run all of the outlets, but we now have a more diverse food offering so that it's a better experience for customers, especially for our free, independent travellers in the domestic market.

How have you brought Scenic World's staff along on this journey? How would you describe the culture there?

Anthea: We have an awesome culture. The staff were so excited to be part of this special bit of history. This is something that we only do every 30 years or so. We've told our staff that it is so important and special to us that they're a part of this process.

Due to the fact that the building site was right where they worked every >



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day, the train was still operating in the middle of a construction site. They made friends with the construction workers and they really understood how difficult it was to build every day on the side of a mountain. They were so excited to see what it was going to turn into and how we were going to evolve this thing. It's their baby as much as it's ours. To commemorate it, we gave all the women earrings engraved with '52 degrees' on them and all the men whisky flasks engraved with 'Scenic Railway' and the date of its inauguration.

David: We're a family business, and Anthea and I get to come to work every day, so for us we get to make it a place where we want to come every day. Around five or six years ago, we decided that we wanted to evolve the culture into something else, so we hired a

"Working with Scenic World always is a superb experience due to a best mix of challange, cooperation and innovation. On all projects, a unique product resulted thanks to a close partnership and room for innovation on all sides." Niklaus Moser, Head of Project Planning, Garaventa AG

COO, which we hadn't previously had. He is from America, so he brought an American level of service to our business but with an Australian twist to it.

We didn't want to be Disney World or anything, but we certainly realised that service is something that's not always done particularly well in Australia and we really wanted to raise that service level right up. He and our HR manager have played a big role in bringing that service level up and really driving staff engagement.

When you're already coming from a strong base of staff engagement, it's easy for the staff to buy into a pretty massive project. They want you to succeed because they all love working here.

Being siblings and co-managing directors, how do you deal with that unique dynamic?

Anthea: I think David and I have now got it down to an art form.

However, when we were growing up, we really didn't talk. I would say that when I was younger, I hated David.

David: It's a fair comment!

**Anthea:** We really didn't have a great relationship at all. He teased the hell out of me. I'm three years younger than David, and I wasn't big enough to retaliate and get my own back. When David moved out of home to go to university, I was only 15 and I was really relieved. We didn't talk to each other much for about 10 years. I think that break gave us the opportunity to grow.

David: We needed to grow into adults.

Anthea: Yes, adults that could respect one another. When we came to work together, we realised that we both had a lot to give. David likes to say that everything he doesn't know about engineering could fill a warehouse, and conversely everything I don't



know about economics, finance, and the finances of a business would also fill a warehouse. That meant that because we had that mutual respect for what the other did, we didn't need to tread on each other's toes and try to do each other's job. It meant that we could always get a differing opinion on things but not a conflicting opinion.

David: We learned to do it together. We learned, especially myself, to say, 'Sorry for all the stupid things I did to you when we were kids'. That simple phrase means that all of that stuff that you carried around can be let go, you realise you're adults, and you don't need to worry about that anymore. You can actually interact as adults together. Once we'd talked and made that jump together, we were able to say, 'We're adults now. This is what we've got to do, and let's get started'.

Anthea: There was a real stepchange in our behaviour towards each other, which comes with being an adult. If that step-change hadn't happened, if we hadn't had those conversations about respecting each other, then we would probably still bicker, but because we had those mature conversations we were able to get to work.

I was only 24 when David started working here, and David was 27, so we weren't that old. It was really important to set that groundwork and we still have a great relationship. We've now worked together for seven years and we've never had an argument in the office, and we've never raised our

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- David Hammor

What is the secret behind your longstanding relationships with suppliers and partners?

Anthea: Our insurance broker and our accountants have been with us for 20 years. I think it's about shared values.

David: Yes. When you're a family business, a lot of the time when the new generation comes in they let go of all the suppliers and advisers that their parents had. We didn't do that. We let go of a few, but only the ones that didn't really treat us like adults. We were treated as the children of the owners of the business. The people we kept never treated us that way; they treated us like equals. That makes a big difference, because they're not just invested with our parents; they're invested with our family. They appreciate that the relationship they have with the kids is just as important as the relationship they have with the parents.

Anthea: Some of them get invited to our weddings now. That's the

sort of relationship the family as a whole have with our advisers. We've grown up with them.

Where do you see Scenic World and the Australian tourism industry going in coming years?

Anthea: We like to say that we're always going to have world's-best customer service and world's-best attractions. I think Scenic World will keep evolving and growing. We don't think we'll be here forever. We've got kids coming along, and, unlike the generation before us, it's not about having one job for 30 years. Truthfully, I've been here for 10 years and that's already quite a long time. I don't sit here and think, T'll be here till I'm 60 and then I'll pass it on to the next generation. I don't think either of us do. We want to leave Scenic World in a better place than we found it for our children and for whoever of our family or outside the family manages it next.

David: One of our values is to always evolve, and that means not only the company but its people as well. •

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