

2022 - 2023

---

# The State of Hotel Sales, Marketing, and Revenue Optimization Talent

---

Special Report



[hsmfoundation.org](https://hsmfoundation.org)



# The State of Talent in Hotel Sales, Marketing, and Revenue Optimization Report 2022-2023

Dear Colleagues,

This report is in praise of resilience. Our industry has weathered RevPAR drops of 80 or 90% and roared back, pushing against disruptions with changes across every aspect of our business. Collaboration was a way to survive as we shed talent. The evolution is an acceleration of commercial strategy development. The pandemic also reminded us that the human elements – mental health, safety, and wellbeing – matter.

Organizational cultures were impacted, changing even more as social unrest, political turmoil, and rollercoaster economics battered individuals, communities, institutions, and systems. Hospitality has always been a people business and the minute it was safe, people started venturing out in ever increasing numbers.

The need for talent became essential, yet those who were put on the sidelines had new options, opportunities, and choices. Expertise in hospitality sales, marketing, and revenue optimization (S/M/RO) translated beautifully to other industries where compensation was better, working weekends and holidays wasn't the norm, and flexibility was possible.

Enrollment dropped in hospitality programs, exacerbated by COVID restrictions banning international students from enrolling in US institutions. Finding and nurturing new pipelines of talent and expertise has led to experimentation with collaboration, cross-training, internship programs, and flexible work options. New strategies for seeking out the best and brightest and rekindling the passion for hospitality have consumed human resource departments and turned them to the commercial leaders in their organizations to support their campaigns to attract, develop, and engage new talent.

The HSMAI Foundation turned our focus to the need for talent in 2018, when talent shortages were looming. We have spent the last four years watching our industry grapple with talent challenges while surviving the worst disruption in travel in nearly 100 years. Talent shortages continue to drive decisions as hotel commercial teams meet and surpass 2019 figures. This report highlights eight positive trends that are impacting sales, marketing, and revenue optimization departments and the talent that makes them tick. Each one is a tribute to those who figured it out and kept moving forward in the belief that people need to travel, to see unfamiliar places, visit friends and family, and to explore and experience what life has to offer.

Sincerely,



Robert Gilbert,  
Executive Director



Michelle Woodley,  
Chair and President,  
Preferred Travel Group

# Report Development



The illiterate of the 21st century will not be those who can't read or write, but those who cannot learn, unlearn, and relearn.

- Alvin Toffler

Last January, *The State of Hotel Sales, Marketing, and Revenue Optimization Talent 2020-2021 Report* discussed 10 Talent-Related Trends. Only one – corporate culture and values matter – returns. Three others are related to last year's trends. Mental health, safety, and well-being moved to the forefront in 2021, and became essential concerns across the organization in 2022. This trend also moved to first on the list, indicating the pressing need for organizations to address employee and guest wellness. Development, reskilling, and upskilling has accelerated in the past year. And new pipelines for talent have been tapped, but now require nurturing and unprecedented industry collaboration if they are to continue growing.

Four trends represent evolution. Last year, silos were disappearing, while this year commercial strategy happened, and collaboration became crucial inside and outside of organizations. In 2021, we noted that the above-property office community was changing due to remote work and people choosing to prioritize work/life balance. This year, flexible work is here to stay, both on and above property. Companies and their human resource staffers have looked to the marketing departments for help in recruiting and retaining talent. Quiet quitting, burnout, a lack of trust, and high turnover have been countered with loud retention, advanced employee loyalty programs, Diversity, Equity, Inclusion, and Belonging (DEI&B) initiatives, stay interviews, celebrations, videos, events, and meeting-free flexi-Fridays.

The research presented here is the result of hundreds of hours of research, dozens of Executive Roundtables, eight Academic Forums, three major U.S. conferences, three global conferences, 60+ Menti polls, hundreds of conversations, and several funded research initiatives. The Adrian Awards Competition category for excellence in marketing yielded 33 talent-related entries in two categories. Talent attraction, development and retention have been the number one priority or concern at every meeting and program.

The HSMAI Foundation Board of Directors is made up of hotel sales, marketing, and revenue executives, human resource executives, partners, executive level recruiters, and academics. The Board includes brand and management company executives. We also collaborate with the HSMAI Americas Advisory Boards to ensure that we are getting a 360-degree view of the talent issues for commercial positions across the industry. You can learn more about the HSMAI Foundation and its [leadership here](#). Special thanks to Lori Kiel, Chief Commercial Officer, Kessler Collection, and to Jason Smith, Juli Jones, and Bob Gilbert of the HSMAI staff for their insights and feedback. They improved this report's relevance and authenticity.

We have all had to learn, unlearn, and relearn as we move forward after a devastating pandemic and bumpy recovery. We have new rules. We have new expectations of work and of each other. This report is designed to help you think about the talent that drives your organization's top-line results, and what they need to learn, unlearn, and relearn.

# EXECUTIVE SUMMARY

Trend/Dynamic	Implications for S/M/RO	Implications for Talent
<p><b>1</b> <b>Mental health, safety, and wellbeing are essential.</b></p>	<ul style="list-style-type: none"> <li>• Safety considerations change the customer journey, expectations, and value proposition.</li> <li>• Monitoring, measuring, and prioritizing staff wellbeing is essential.</li> </ul>	<ul style="list-style-type: none"> <li>• Burnout, turnover, or quiet quitting continue as employees seek more work/life balance.</li> <li>• Loud retention challenges norms and budgets.</li> </ul>
<p><b>2</b> <b>Corporate culture and values matter.</b></p>	<ul style="list-style-type: none"> <li>• Staff and guests demand transparency on sustainability, diversity, environment, and ethics (CSR).</li> <li>• Positive CSR increases loyalty, engagement and brand image.</li> </ul>	<ul style="list-style-type: none"> <li>• Restoring trust and passion for hospitality are essential to attract and retain qualified professionals.</li> <li>• Pay inequity, or perceptions of, increase turnover and lower engagement.</li> </ul>
<p><b>3</b> <b>Commercial strategy accelerates.</b></p>	<ul style="list-style-type: none"> <li>• 34% of HSMAI Org Member companies are leading commercial effectiveness or on their way.</li> <li>• Adopting a commercial strategy helps with communication and messaging, alignment and focus, and data-driven decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-training becomes essential.</li> <li>• New skills and specialties must be scoped, documented, and applied.</li> <li>• Training staff for innovative technology requires investments.</li> </ul>
<p><b>4</b> <b>Collaboration is crucial.</b></p>	<ul style="list-style-type: none"> <li>• Coordinated actions and shared vision and data help solve problems.</li> <li>• Leaders must set strategy, create common goals, and offer models and examples of correct actions.</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunities to expand skills across several specialties encourages retention and growth.</li> <li>• Executives and managers must master new skill sets and develop expertise in team dynamics and change management.</li> </ul>
<p><b>5</b> <b>New talent pipelines require nurturing.</b></p>	<ul style="list-style-type: none"> <li>• Industry collaboration with academic institutions is essential to support the pipeline.</li> <li>• Internship programs can replace management training programs lost during COVID-19.</li> <li>• Without a robust pipeline, labor supply shortages will continue.</li> </ul>	<ul style="list-style-type: none"> <li>• To cover gaps in hiring, focus on in-house training and cross training.</li> <li>• Review compensation packages as employee expectations change.</li> <li>• DEI&amp;B are crucial to attracting new talent.</li> </ul>

Trend/Dynamic	Implications for S/M/RO	Implications for Talent
<p><b>6</b> <b>Development, reskilling and upskilling gain importance.</b></p>	<ul style="list-style-type: none"> <li>• Cross-training gives teams flexibility to address complex challenges.</li> <li>• Improving technology requires individuals to master new skills.</li> <li>• Internal mobility across the organization can increase innovation and retention.</li> </ul>	<ul style="list-style-type: none"> <li>• Technology is driving a great deal of skills training needs.</li> <li>• Upskilling enhances retention when done together with career pathing.</li> <li>• Reskilling and upskilling support gaps in hiring.</li> </ul>
<p><b>7</b> <b>Marketing professionals help in recruitment and retention.</b></p>	<ul style="list-style-type: none"> <li>• Marketing professionals continue to prove their importance by contributing to both the bottom and top line.</li> <li>• Branding messages for recruiting and training also support the overall brand campaigns.</li> <li>• Marketers develop new skills and understand HR challenges.</li> </ul>	<ul style="list-style-type: none"> <li>• Marketers bring new perspectives and tools.</li> <li>• Branding becomes part of the hiring process.</li> <li>• Targeted marketing may result in attracting better, more specialized candidates.</li> <li>• Better internal messaging and communication ensures information gets to the right people.</li> </ul>
<p><b>8</b> <b>Flexible work is here to stay.</b></p>	<ul style="list-style-type: none"> <li>• Sharing employees across properties can be more easily accommodated.</li> <li>• Flexible work can encourage and expand the talent pipeline.</li> <li>• The status quo of focusing on hours worked rather than productivity and output can be detrimental.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee-centric policies increase recruitment and retention, as talent demands flexible work.</li> <li>• Creative scheduling and flexibility allow employees to cover employment gaps caused by attrition or absenteeism.</li> <li>• Fairness must be built into the policies to avoid creating disparities.</li> </ul>

# 1 Mental Health, Safety, and Wellbeing Are Essential.

Organizations must measure employee wellbeing, happiness, stress, satisfaction, and purpose. Everyone should ask themselves, “How am I creating a thriving workplace?” One of the kindest things a manager can do is reassure their employees that they understand that the environment is uncertain. The past few years have shaken everyone’s confidence in health, job security, and income. Employees want reassurance that they are being considered and heard.

Two years of pandemic fears attuned individuals to new factors at and above property safety and hygiene became business drivers. Marketing and sales teams designed wellness initiatives to elevate the guest experiences. The recovery was fast but uneven, impacted by supply-chain issues, rising real estate prices, and high inflation.

We know the pandemic changed individual work expectations and team relationships. Two years later, employees were often still juggling sick family members, home-schooled children, and job insecurity demanded change. It was not possible to separate work from home and many were not interested in returning to the workplace, or returning to the same rules as before.

We see a dichotomy of how organizations and workers are deciding on what comes next. On the one hand, Elon Musk told Twitter staff that they should expect to work 80-hour weeks, according to Bloomberg. On the other, there was a backlash on “hustle and grind” culture when Netflix rising star Jenna Ortega revealed she filmed her famous dance scene while awaiting results of her COVID-19 test. Pre-COVID, it could be a badge of honor in many companies to show up sick and there were workplaces where it was expected that if you took time you should be replaced. “There are 8 more hours in a day if you don’t sleep,” was often a mantra. Today, many workers are prioritizing mental health, flexibility and company culture over the “work-is-life” mentality.

## What Employees Want

Staffing shortages and high turnover created stress and anxiety for many teams. Continually being expected to do more with less is resulting in burnout. Budgets are tight while expenses have been under pressure from 40-year high inflation and increasing compensation and benefits expense. Employees are:

- Seeking work/life balance and manageable stress.
- Evaluating their own mental health in their decisions to stay or leave.
- Are feeling extremely vulnerable, especially early career employees.
- A rewarding and meaningful career that challenges them without demanding the sacrifice of health and balance in their lives
- Looking for leaders who demonstrate empathy.

Unrelenting stress is the most-often-cited reason for people leaving Gallup has reported that global daily stress levels are at 44%, the highest ever recorded, with women in the U.S. and Canada reporting the highest rates of all. Employees report that it is an accumulation of things, not one specific thing, that leads to their resignations. It is this accumulation that is also leading to burnout for those who cannot afford to resign. Globally, workers’ confidence to improve their financial situation has been falling since January 2022.

Employee engagement and wellbeing have been stagnant for three years, after rising for more than a decade according to Gallup. Just 21% of employees are engaged at work and 33% are thriving in their overall wellbeing. Europe and South Asia have been hardest hit by continued waves of COVID-19.

### Quiet Quitting and Retention Efforts

Mid-summer, quiet quitting became a phenomenon. Quiet quitting signaled a shift in work expectations. If the workplace was constantly demanding more, while not offering more compensation, then individuals had to set boundaries. HSMIA Foundation Board Member Lori Kiel noted that, “During the pandemic those employees who kept their jobs were asked to take on two to three times the amount of work. Post pandemic, no one has offered to now take back that workload.” Quiet quitting meant doing the bare minimum work you were paid to do, nothing more. For so long, work was at the heart of how employees viewed themselves and the pandemic changed that. Mental health became more important than outworking colleagues. Influencers, from Olympic athletes to rock stars, spoke out about prioritizing mental health.

Hoteliers and others responded with strategies dubbed loud retention. These were employee-focused strategies for motivating and rewarding employees. Encouraged companies to refresh their talent experience and put people at the center of their business growth. Managers are learning to individualize employee needs. Flexibility is essential for many, in hours, location, and work arrangements. It also means setting clear expectations and reasonable productivity measures and allowing individuals to meet their goals. Wellness programs, skill building, and soft skill development can become part of team and individual discussions.

New recruits are looking at what companies are offering for wellbeing programs. According to Indeed, 80% of potential recruits report that it is important to see wellbeing information when considering working at a company.

Finally, build your understanding of what drives wellbeing. Indeed measures four key indicators of wellbeing — happiness, stress, satisfaction and purpose. They also look at key drivers such as foundational needs, such as fair pay, flexibility, and trust; social needs like belonging, inclusion, support, and appreciation, and being well-managed; and growth needs such as learning, achievement and being energized by your work. By examining all these holistically, you’ll have a better idea of where your organization stands.



### Calls to Action:

- Realign guest-centricity to meet guest expectations around health, safety, and wellbeing.
- Highlight career path opportunities along with personal and professional growth to help build a talent pipeline and retain valued team members.
- Monitor, measure, and prioritize staff wellbeing to create healthy workplaces and teams.
- Review your Employee Engagement Survey to ensure it asks relevant health and wellbeing questions.

### Resources:

- [Dr. Brad Shuck](#), Professor, University of Louisville; Co-Founder & Chief Data Scientist, OrgVitals.
- Lori Kiel, Chief Commercial Officer, Kessler Collection. [“The Great Battle. How do we win the war?”](#) 8/29/22.
- Indeed for Employers, [Work Wellbeing](#) 2022 Insights Report
- Indeed & Glassdoor’s [Hiring and Workplace Trends Report](#) 2023
- [Gallup State of the Global Workplace: 2022](#)
- Forbes, [Empathy is the Most Important Leadership Skills According to Research](#), September, 2021.

# 2 Corporate Culture and Values Matter.

Talent issues continue to dominate headlines and high-level corporate discussions. The HSMAI Foundation Board and the HSMAI Americas Board shared their most effective retention strategies in 2022. While communication and celebration were the most common responses, many mentioned helping talent have their voices heard and learn what the organization is doing in the corporate social responsibility (CSR) space. The need to restore trust in hospitality companies is essential to attract and retain qualified professionals.



### Environmental, Social, and Governance

CSR, particularly in the areas of environmental, social, and governance (ESG) issues have been the focus of numerous conference panels this year. Organizations perceived as socially responsible benefit with increased loyalty, engagement, and brand image. 58% of U.S. employees consider ESG issues when choosing a place to work. Sustainability initiatives and environmentally responsible practices are also increasingly important to guests and meeting planners. This has encouraged hotels to market their offerings – sustainable, regenerative, and locally immersive travel experiences – as consistent with their corporate values. Transparency is expected from organizations on how they address their roles within the communities in which they do business.

Talent-facing culture and values initiatives have become more significant as hotels face labor shortages that disrupt business operations. Employee engagement increases when people feel their values match with those of their company. Emotional damage to trust and security in the wake of the pandemic has candidates looking at culture and values more than ever before.

### Diversity and Equity

A hotel's diversity, equity, and inclusion and belonging (DEI&B) policies are also guest considerations, especially impacting business travel and conference venue choices. This year HSMAI's Adrian Awards included a category for DEI&B marketing, garnering more than 25 entries that highlighted and celebrated DEI&B of hotels and destinations.

At the HSMAI Foundation Board of Directors meeting, members discussed the trend of candidates turning down job offers. Potential hires are asking for the Employee Handbook and subsequently reject an offer of employment. Candidates in a tight talent market can have numerous offers and are able to select the job that matches their values. In addition, inequity in pay and promotions have been shown to increase turnover and lower engagement. 62% of U.S. workers say they consider DEI initiatives when considering a job offer.

### Inclusion and Belonging

There is increasing evidence that diversity and equity efforts can fail when the culture of the organization is not inclusive. Hiring people from historically underrepresented communities is not enough to make an inclusive and equitable environment. True inclusion and belonging takes a culture that celebrates and values differences and works to identify and address inequity and biases.



The HSMAI Foundation commissioned research in September 2022 to learn how Black hospitality professionals viewed their experiences. All respondents were in commercial positions at the manager level and above. The research showed that of respondents:

- 78% thought their managers were not equipped to manage a culturally diverse workforce.
- 78% indicated they could not thrive in their current work environment.
- 83% stated they did not receive the same compensation packages as their White counterparts.

Representation matters and several hotel companies and associations have begun to address the fact that women and people of color make up a high percentage of hospitality employees yet are underrepresented in senior leadership and investor or ownership positions. Programs like those at Wyndham Hotels and Resorts, AH&LA's Castell Project, Women in Travel THRIVE, and Tourism Diversity Matters have a focus on moving women and African Americans into leadership positions.



While there is still work to do, we are proud to see the industry making DE&I a priority and look forward to tracking continued progress in 2023 and beyond,"

Peggy Berg. – HN, August 3, 2022

### Calls to Action

- Review your CSR and ESG policies and efforts. Do they reflect your corporate culture? Are you effectively communicating them to guests and employees?
- Put practices in place that ensure equitable practices for attracting, onboarding, compensating, promoting, and retaining talent.
- Audit the diversity of your leadership. Be transparent with results and create pathways for advancement.
- Work with experts to assess your inclusivity and accessibility and ensure your space is inclusive and accessible for all.

### Tools and Resources

- [Women in Travel THRIVE](#) – a community effort to propel women closer to equality in the travel industry.
- [Tourism Diversity Matters](#) – a diversity resource that will educate, advocate, engage and empower the tourism and events industry, to achieve inclusive excellence.
- AH&LA Foundation & Castell Project [2022 Report on Diversity of Hotel Industry's Public Company Boards](#)
- HSMAI Rising Leader's Council on [Operationalizing Green Practices](#)
- Cornell's Nolan School of Hotel Administration's Center for Hospitality Research [workplace gender diversity study, September 2022.](#)
- [Culture Amp's 2022 Workplace DEI Report](#)
- [Meeting Events Council Equity Acceleration Plan – Equity Benchmarking Study, October 11, 2022.](#)

# 3 Commercial Strategy Accelerates.



The evolution within the hospitality industry to break down silos between commercial disciplines – especially sales, marketing, revenue management, and distribution – continues to accelerate... and there have been [lots of questions](#) about commercial strategy.

– Bob Gilbert, HSMIAI Perspective

Commercial excellence has become an increasingly important priority at many hotel organizations this year. The concept is about alignment across all drivers of top line sales generation. While Europe has been in the forefront of commercial strategy development, 34% of North American HSMIAI Organization Members report they are either leading commercial effectiveness or well on their way, while 39% report some progress.

What is your current state of commercial effectiveness? (pick one)



What is driving the commercial strategy alignments forward?

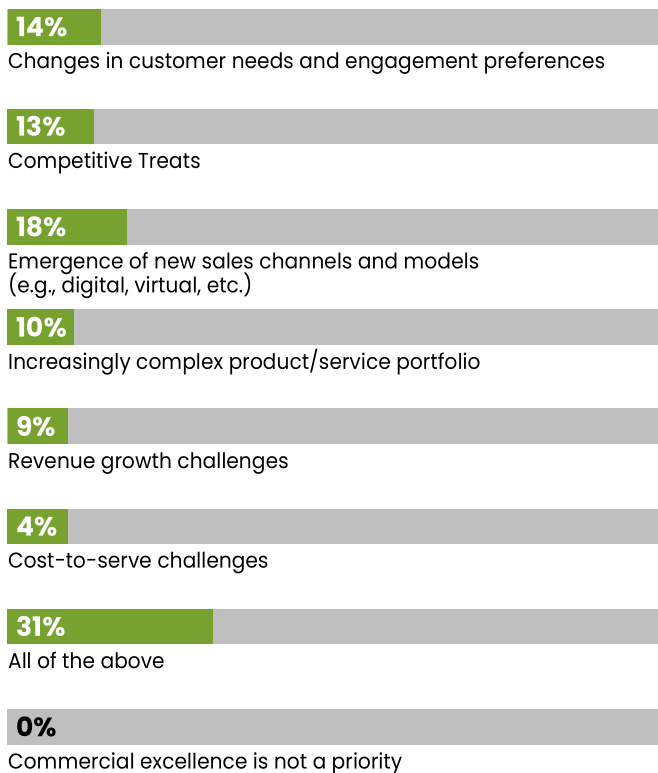
- Changes in customer needs and engagement preferences.
- The emergence of innovative sales channels and models.
- Competitive threats.
- Increasing complexity of the product and service.

Early benefits that the Fall 2022 HSMIAI Curate Executive Insights Forum report include:

- Adopting a commercial strategy and mindset helps with communication and messaging.
- Helps create alignment and focus.
- Allows for data-driven decisions.
- Fosters collaboration.

It takes leadership to hold the vision and help each discipline find the mix of skills and strategies that contribute to overall success. Mike Moorman, Principle at ZS, suggested *There are two ways to get to commercial excellence – evolution or revolution. Evolution is incremental, a year over year continuous improvement plan. Transformational is a larger scale strategy and/or capabilities change.*

Why is “commercial excellence” an increasingly important priority at your company? (pick all that apply)



One trend that has accelerated this shift has been the need to reduce headcount in leadership, therefore putting all three disciplines under one umbrella was a good business decision. Another has been the continued shift of revenue management leadership in determining sales strategy, while at the same time the traditional marketing team’s approaches have shifted to digital and ecommerce strategies. This, too, has positioned revenue management professionals in a place of influence.

Not everyone is embracing the changes. Functional silos in sales, marketing, and revenue optimization continue, sometimes enshrined in contracts and agreements. The downsizing of these teams has led to capacity issues; there’s simply no time to do the work of commercial strategy effectiveness while continuing to deliver results in each department. Concerns about managing change, risk aversion, and a lack of expertise and executive support also hinder some organization’s ability to adopt a new strategy.

Many executives agree that the having three siloed teams has led to multiple reports, often generated by different systems, and generating different data. Though unifying teams on a single system and generating the needed reports is far from a simple task. The convergence of sales, marketing, and revenue teams means changing titles, reporting hierarchies, strategies, processes, and even meeting schedules. Cross training becomes an imperative. Leadership must commit to restructuring compensation and benefits, redesigning job descriptions, documenting new skills and specialties, and changing reporting relationships. The pandemic forced many companies to staff with generalists who could perform multiple functions, but future growth may depend on individuals becoming specialists in a newly configured team.

Change of this magnitude requires leadership that can hold the big picture and visualize and share how everyone can contribute most effectively. Team management skills become essential, as new teams come together and go through the processes of norming and storming.

The ultimate payoff is that a robust commercial strategy creates effectiveness, efficiency, and agility in the system. It allows for innovative technology investment along with the training to use technology more fully. Investments in commercial effectiveness can have significant ROI.

### Call to Action

- Develop leadership skills to facilitate change – including change leadership and human resource skills.
- Cross-train so S/M/RO professionals understand and appreciate the skills each brings to drive business.
- Join HSMAI as an Organizational Member and engage with industry leaders to identify best practices.

### Resources

- Lori Kiel, Creator, [Commercial Strategy Evolution Newsletter](#) on LinkedIn
- Robert Gilbert, HSMAI.org [Curate 2022](#) Executive Insights Forum HSMAI Perspective
- HSMAI.org Curate 2022: the Definition: [Achieving Commercial Excellence](#) and [Curate Session Recap](#)
- [Commercial Strategy Week Insight](#) (Video) June 2022.

# 4 Internal and External Collaboration is Crucial.

This trend follows on the previous, because it is the internal and external collaboration that must evolve. The 2022 HSMIAI Revenue Optimization Conference was held in conjunction with the Marketing Conference, showcasing the convergence happening within the industry as companies work to optimize revenues.

There is a need for a shared vision and the issues, players, responsibilities, and resources must be defined. Teams must learn to coordinate actions and use integrated data to make projections and solve problems. Cindy Estis Green of Kalibri Labs stated at ROC, “There’s a need to alter what has been done, and to operate differently has become an imperative. Hotels are trying to figure out how to manage that because they can’t keep doing what they were doing with half the number of the people.”

### Internal Collaboration



Combining sales deployment, digital marketing spend, revenue and commercial analysis became necessary with smaller teams, who discovered they have different and complementary skills. Leaders who can harness the potential when these skills can come together can drive not just more business, but the right business, and win. The convergence of revenue strategy and digital marketing accelerated through the pandemic because historical data was no longer sufficient. These skills don’t have to exist in silos.

Effective executive skill sets that are essential include:

- Setting strategy and creating common goals
- Offering models and examples of right actions
- Harnessing cross-departmental efficiencies
- Maximizing the use of existing talent and technology

Cross-training of the three departments, plus potentially including the distribution and loyalty teams, requires investment of resources. The payoff to cross-training is flexibility. Creating matrix teams that can shift from one department to multi-department projects and back will become more common.

Opportunities for individuals to expand their skills across several specialties encourages both retention and growth. However, the skills demanded for sales, marketing, and revenue excellence can be quite different and often attract different personalities. Cross-pollination may require shared understanding of basic principles that everyone can master. Asking salespeople to learn digital marketing or revenue managers to conduct sales presentations may immediately put them in a compromised place.

Coordinating collaboration means building teams becomes a bigger focus of the leader’s time. In-fighting as departments vie for dominance can disrupt workflows. The management of team meetings and the distribution of resources must be more deliberate and hands-on as the various departments come together. The HSMIAI Curate Executive Forum surfaced several potential issues, including the need for:

- Technology and systems that communicate and interact.
- Streamlining reports, tasks, and reporting lines.

- Clarifying expectations.
- Leaders adept at bringing people together and solving problems during the transition.

Change is hard for people, especially those who see themselves as losing status or influence. Diverse groups with expectations built on previous experiences are being asked to cooperate with others who often have different skill sets – and different objectives. Leaders will need to look at KPIs and compensation and determine ways to use these to build team strength rather than undermine collaborative efforts. This could mean dismantling systems that have been in place for decades, or by contract, which may prove difficult. Things could go wrong as the process moves forward.

Two potential bright spots regarding talent:

- Talent with multiple skill sets allows for flexibility.
- New hires may arrive with potential to excel in several positions, adding options for managers.

### External Collaboration Opportunity

This is also a crucial time for organizations to reach out to hospitality and business schools to share resources and build relationships. In the absence of robust management training programs, on-campus presence by executives can help attract bright, trainable graduates who can grow into positions. There has been a perception that hospitality programs are irrelevant when they cannot evolve their curriculum as fast as the industry and disciplines are evolving. Providing externships for professors may be as crucial as offering internships. Industry can help ensure that the value of the education is reflected in the skill levels of those graduating.

### Calls to Action

- Focus on systems and processes and on data that informs decisions.
- Offer management training for managers and senior leaders for both the hard and soft skills needed to move commercial strategy forward and gain trust and cooperation.
- Communicate clearly to build transparency and cooperation, and ultimately collaboration.
- Present clear goals, accountability, recognition, and milestones for teams to thrive.

### Resources

- Hospitality Upgrade – [Today's market challenges](#), ROC 2022
- The Top 5 Skills for Upskilling Managers to Lead Teams Effectively:
  - 1) Increase technical knowledge;
  - 2) Build a base of knowledge about human resources and relations (coaching, performance, etc.);
  - 3) Develop soft skills including communication and emotional intelligence;
  - 4) Provide mentors and role models to supplement training and develop skills;
  - 5) Build a camaraderie and support network among managers to gain skills and perspectives.

# 5 New Talent Pipelines Require Nurturing.



It has been a hard year for talent recruiters. Unemployment has been below 4% and 61% of candidates for jobs were not interested in hospitality positions. While the shortage of housekeepers and food and beverage workers has increased wages, professional recruiting has also been difficult. AH&LA reported in August 2022 that 97% of recent members polled reported suffering a personnel shortfall.

This shortage has led to intense competition for talent. The industry must make hiring smoother, ideas include:

- Several hotel brands now have a one-and-done policy so that a viable candidate can be hired immediately.
- Clear job descriptions.
- Interviews that feel like conversations rather than interrogations.
- Transparency in salary ranges.
- Quick decisions and follow-up.

According to LinkedIn, one notable trend is that one in five job posts on LinkedIn don't require a four-year degree, a 33% increase from 2021.

The lack of skilled talent is hurting both the business and employees. Staffing is so thin that there's little "give" in the system to cover for unexpected health issues or turnover. Top performers are being asked to cover multiple properties. Executives tell stories about hiring based on personality and hoping that the individual can be trained into the position. Some companies are paying relocation expenses and bonuses for relatively low-level staffers in sales and revenue. "Boomerang" workers, those who left in the past few years, are a potential source of talent if managers try to stay in contact.

The labor supply shortage will continue long-term, so even teams that are fully staffed today may find there is no pipeline preparing their future talent. In addition, costs are rising as new hires are requesting and receiving higher pay, flexible hours and schedules, and better benefits. This requires constant attention to salary and benefit equity for long-term employees, especially those who worked through the pandemic.

### Industry Efforts

Industry collaboration has improved recruitment as organizations and associations work together to improve and broaden the availability of talent. American Hotel & Lodging, Tourism Diversity Matters, and Women in Travel THRIVE have all launched initiatives.

HSMIAI Foundation held Academic Forums with over 90 participants who were deans and directors of hospitality programs, or faculty teaching commercial courses. Recruitment, enrollment, and retention are the most pressing challenges for program leaders. Student and parental perceptions of hospitality careers has plummeted since the pandemic. Students have struggled to find internships and jobs. There is a pressing need for industry/faculty collaboration to ensure students are keeping up with industry trends, and experiential opportunities are essential. Half of students graduating with a hospitality degree are not expecting to work in the industry, according to most directors. A report on the [spring forums](#) is here, the full white paper will be available in Q1 2023.

## The State of Talent Report

---

DEI&B are crucial to attracting new talent, and inclusion is proving particularly vital. A visible lack of diversity on panels at conferences reflects poorly on industry commitment to DEI initiatives. Attracting and retaining candidates from underrepresented groups is essential to meeting hiring goals, but the lack of representation within hospitality leadership causes these candidates to look elsewhere. Fostering feelings of belonging is essential as roles change and merge, teams collaborate, new people are brought aboard, and expectations increase. DEI&B initiatives across the company's culture matters. One HSMAIF Board member said, "What sustainability is to guests; DEI&B is to employees."

Young people coming into the industry often find a generation gap, and managers must take responsibility for finding out and delivering on the needs of the young people coming into the workforce, which may mean adjusting cultural norms. New talent entering the job market are digital natives and video watchers with TikTok attention spans. The pandemic has disrupted these young people's lives and recruiters should be sensitive to these issues.

### Calls To Action

- Offer paid internships in sales, marketing, revenue optimization positions.
- Review your hiring processes and streamline them to avoid candidates taking other positions.
- Support, promote, or start your company's DEI&B initiative.
- Get involved with your local hospitality program by contacting the dean or faculty members.
- Supply case studies for classroom use. [Contact the HSMAI Foundation](#) for details.

### Resources

- American Hotel & Lodging [recruitment campaigns](#) g
- HSMAI [Academic Forum](#) Call to Action
- [LinkedIn Talent Blog](#). Review the "green flags" to make your organization more attractive to candidates.



# 6 Development, Reskilling, and Upskilling Gain Importance.

New skills continue to be in demand as technological change and commercial strategy accelerate. Management upskilling now must include human resource skills, team leadership ability, and soft skills development. A great deal of management and associate training and development and internships stopped as hotels cut costs to survive. Remaining teams became adept at finding untapped resources, adopting changing technology, finding new ways to cover for the lack of staffing, and collaborating. Versatile skill sets were valued and accelerated the move toward commercial strategy.

### Generalists or Specialists?

Perhaps the biggest challenge of 2023 for teams will be that question. In 2019, as the outlook was strong, specialists were rewarded. The pandemic's wholesale staffing reductions favored the generalists – those who could fill two or three positions or cover several properties, and who would take on operational duties if needed. As collaborative teams become more common and RevPAR moves ahead of 2019, specialization will become desirable.

[Gallup](#) estimates that only about one in 10 people naturally possess high levels of managerial talent associated with excellence in the role. Seniority and skill in a non-management position are the typical qualifications for promotion to management. Selection, training, and support of new managers requires skilled development specialists and dedicated coaching.

The ability to adapt became a key skill in the past few years, and continuing to nurture that quick, creative spirit must be nurtured. Reskilling entire teams is admirable. Making new teams more effective takes more than skills, it requires new behaviors. Managers and leaders must encourage and support agility, critical thinking, and emotional intelligence. They must also exhibit empathy and implement learning strategies appropriate for the team they are building. One size fits all can no longer be an approach.



### Cross-Training

Cross-training gives teams flexibility to address complex challenges. This is especially crucial as commercial strategies drive technology choices and data availability. Internal mobility across commercial departments and across the organization can increase innovation and promote understanding. Development opportunities are also a terrific way to retain valued employees and support potential gaps in staffing due to turnover and the increases in PTO. Developing existing staff allows for growth in capacity in this tight labor market.

Employee retention is enhanced when employees have internal mobility either through being promoted or moving to a new position at the same level, according to LinkedIn Talent Solutions research. Unfortunately, accommodation still ranks 14th of 15 industries for turnover. Without internal mobility, 35% of associates will still be employed within three years, with mobility, that 53% will remain.

### Automate What You Can

Technology is developing to do more of the mundane work which frees up professionals to do more highly skilled analysis, research new markets, and locate emerging opportunities. Attracting tech talent with deep hospitality knowledge has been challenging for the industry. This often means technology cannot be used to the fullest.

Onboarding is the best way to set a new associate up for success. It takes more than the buddy system and a checklist. Human resource development departments were decimated during the pandemic and need to be rebuilt with talented, compassionate, highly skilled professionals who understand adult learning, can develop specialized training, and know how the hospitality business works. These talented people went to work at banks and Fortune 500 companies who valued their talents, and many report little interest in returning. New people need to know a lot that experienced people no longer need to think about. When onboarding is a series of data dumps and overwhelming information in the first week, the results are counterproductive.



Continue to understand the skills your employees have, and the skills your company needs. That understanding will help you weather economic highs and lows, and labor-market volatility.

– Karin Kimbrough, LinkedIn Chief Economist

### Calls to Action

- Make every meeting a training and development opportunity.
- Be constantly on the lookout for opportunities to grow your team's capacity and capabilities.
- Link upskilling to career pathing to bolster retention.
- Get your team members [certified](#), then celebrate AND REWARD their successes.

### Resources

- LinkedIn [Talent Solutions](#) Weekly Newsletter
- LinkedIn for Employers [Workforce 2022](#)
- Gallup, [State of the American Manager: Analytics and Advice for Leaders](#) report

# 7 Marketing Professionals Help in Recruitment and Retention.

Marketing professionals continue to prove their importance in contributing to the bottom line as well as the top line. During the pandemic, marketers were called on to analyze website data to determine where niche business opportunities existed and to inform pricing decisions. Digital marketing became an essential part of revenue strategy. Marketers also had access to extensive data and demographics, making them key players in strategy as travel resumed. Digital marketing took great leaps forward and continues to drive business.

Marketing expertise was called up in 2022 to attract and retain talent. Marina MacDonald, Chief Marketing Officer at Red Roof Inns, and past Chair of the HSMAI Americas Board told the HSMAIF Board that she had never seen this more than in the past year when marketing teams came to the rescue of the Human Resources departments, who didn't have the skills or resources to recruit and retain sufficient talent. The crucial shortage of staff was forcing rooms to be taken out of service and restaurants to remain closed. The intersection of HR and marketing is employer branding, an essential element for reputation and influence.

### Marketing to Recruit

Marketers and their teams have used every tool in their arsenal to reach new audiences. Marketers have designed consistent messages so potential recruits recognize the branding. Better targeted marketing resulted in attracting more specialized candidates at lower cost. Marketers helped HR recognize transferable skills from airlines, cruise ships, and tour companies, but also from retail, insurance, and entertainment fields. Strategic social media recruitment campaigns evolved, complete with catchphrases, success stories and videos. Marketers also targeted messages about the rebound of travel and tourism, the career opportunities and glamour in hospitality positions, and the flexibility of jobs for students.

New strategies were applied to different audiences across Instagram, TikTok and virtual events. One team evolved a “speed interview” system both in person and online that allowed candidates to interview with several different departments during one visit. Another team created an event with a local charity. Several destination management organizations and hospitality associations worked with their local hotels to create and promote innovative job fairs.

### Marketing to Retain

Marketers also collaborated on retention efforts. Branding messages for recruiting supported overall guest campaigns and were shared with existing staff. Retention videos were created to remind employees of the benefits and attractions of working in hospitality. Employee recruitment reward programs were created and advertised through internal channels. Multiple types of communication strategies were used to communicate positive messages about growth opportunities, wellness efforts, supervisory skills programs and more.

One extra benefit of this collaboration is that HR professionals learned more about commercial strategies, resulting in increased understanding of job and employee needs in sales, marketing, and revenue. Marketers also developed new skills while helping another department and understanding their challenges. Organizations will benefit from this interaction as branding messages become consistent across attraction, hiring, training and retention.

Many organizations outside of hospitality view all training and development activities as part of the overall marketing program. Marketers work with instructional designers to ensure that all media is aligned with the brand messaging. This ensures that instructors are sharing up-to-date information about guests and the guest journey, using slides with attractive and appropriate visuals, and benefiting from talented writers and editors. Many HR and training departments lack the resources to produce quality work products that are reflections of the brand they are presenting. The marketing team can ensure that employees at every level are learning about the brand, brand messaging, and the desired guest experience.

Marketers were so successful in their efforts that a special category Adrian Award was created to showcase best practices in recruitment marketing.

Perhaps there is room for an industry-wide marketing effort for hospitality careers?

### Calls to Action

- If your human resource and marketing teams are not collaborating fully, remove barriers to that effort.
- Have your marketing team review your organization's recruitment and instructional materials.
- Do your internal communications with employees reflect your organization's brand, culture and values?

### Resources

- LinkedIn. Why should [HR & Marketing](#) work together? September 2020.
- Forbes Communications Council. How [marketing and HR](#) can (and should) work together.

# 8

## Flexible Work. is Here to Stay.

Flexible work means many different things, including flexible location, hours, time off, earning potential, job sharing options, and more.



“It’s still the Wild West” is how one senior executive described it. “We have an SOP, which gives us a guideline, but we’re flexible on an individual basis, and more so in some departments than others. Building fairness and equity into the policies is crucial.”

### Benefits of Flexible Work

- Companies broaden their talent pools and recruitment quality.
- Many companies report increased productivity, enhanced retention, and easier recruitment.
- Sharing employees across multiple properties can result in cost savings.
- Shared positions can be more easily created and accommodated.
- Working from home reduces commuting time and cost.
- Not having to dress for work saves time and money.
- Women and people from historically underrepresented groups are shown to benefit from work-from-home policies, they report experiencing less discrimination and stress.

Hotels have always had flexibility around hours, time off, and shift patterns due to the 24/7 nature of the on-property hotel environment, which appeals to college students, care-givers, people with second jobs, and increasingly to older workers re-entering the workforce or seeking shorter hours. These employee-friendly policies increase attraction and retention. LinkedIn research shows that across industries, 80% of jobs can have some flex component.

### Challenges of Flexibility

Expanding flexibility for above property workers is not as easy due to the shorter hours of operation, space constraints, and the nature of the work. Some managers report that having flexible scheduling and hybrid options allows employees to cover employment gaps caused by attrition or absenteeism, and individuals who work hybrid cause less disruptions when they need to stay home when sick.

Remote work was the norm for some sales, marketing, and revenue optimization positions. Multi-location commercial managers have often been able to work remotely. The entire Marriott field marketing team works fully remote. Most hoteliers, however, have always been location based, even in corporate environments, where “everyone under one roof” was the way work was organized.

Post COVID, Candidates want remote work: LinkedIn reports that in September, 14% of all jobs posted in the U.S. were for remote work, but they received 52% of all U.S. applications. Remote-job postings reached an all-time high of 20% in February 2022, yet attracted 50% of applications. Globally, less than 10% of jobs posted were for remote work and they received more than 20% of applications. In jobs that can be done remotely, it makes sense to broaden talent pools and increase recruit quality.

Employees are driving the need for options. Enforced working hours (“face time”) rather than a focus on productivity and work completion can have a detrimental effect. The pandemic has made work-life balance a priority for many people. Just knowing there is flexibility can support both mental health and wellness.

### Productivity Monitoring

#### Alert: You’re Being Tracked

As you read a simulation will show you aspects of what it’s like to be tracked by productivity software. At the end of the article you’ll be graded for your “performance.” The results will not be stored. More about this.

There is an entire industry growing up around the need to monitor the productivity of remote workers. The New York Times, in an interactive article [“The Rise of the Worker Productivity Score”](#) allows the reader to experience productivity monitoring.

Managing remote workers requires new management skills and possibly different metrics to judge productivity. It is also challenging to keep remote workers plugged into the day-to-day office conversations and to consider them equally for new projects or positions. A conscious effort to build an informal communication network amongst all workers in a group can ensure that remote workers aren’t excluded from the community.

Staff training is another important consideration for flexible work. Flexibility often requires more discipline and resources than full-time in office employees need. Setting standards and metrics that are fair without regard to work time and location can be challenging. HSMIA has a multi-year project across sales, marketing, and revenue optimization professionals to [document and define KPIs](#).

#### Calls to Action

- Review the status of your flexible work options.
- Audit your policies annually as this continues to evolve.
- Talk to colleagues, review your competition’s website, and ask your team what options they are finding most important, especially for retention.

#### Tools and Resources

- LinkedIn Talent Solutions [Global Trends](#) Candidate priorities as of August 2022: Compensation & benefits; work/life balance; flexibility; and upskilling.
- Society for Human Resource Management ([SHRM](#)) [Toolkit](#) on flexible work arrangements and policies.

### The State of Talent – Reflections on Rebuilding the Perfect Team

The period from January 2020 to present has been a roller coaster ride like no other, including high turnover, quiet quitting, compensation inflation, burnout, retention, culture, leadership, training and development, recruitment, and rebuilding pipelines. There were plenty of lessons learned: mental health matters as much as physical health, culture and values matter more, teamwork and collaboration require inspired leadership, and commercial strategy makes sense.

In a year when going back to basics became a catch phrase meaning everything from sales cold calling to Excel pivot table arrays, it is still the soft skills for customer service that resonate.

After all the mad scrambling, it is time to look around and make sure that, “*we have the right people on the bus.*” More than the right people on the bus, we need to know if the bus is heading in the right direction, whether the mechanics of the bus are solid, if the seats are safe and comfortable, and if the right people are in the right seats. Then we can drill down and find out what each person needs in order to develop to the next level and beyond. There is no quick fix for putting the perfect team together. Training and trial-and-error must meet try-again as we continue to move forward.

### Looking Forward – The State of Talent in 2023

The HSMAI Foundation Board of Directors continues to monitor the global hotel talent situation. The word we hear most is “uncertainty.” There is growing optimism that business, group, and international travel will all continue to rebound. There is concern about global recession, the war in Ukraine, low enrollment in hospitality schools, and the continued shortage of workers worldwide. Managing the constantly changing expectations of today’s workforce will continue to be challenging. HSMAI will continue to expand into new regions and programs to meet the needs and expectations of the global commercial workforce.

Managing change requires flexibility and resilience, both of which have been learned, unlearned, and relearned in the past three years. Long range planning for talent acquisition, development, and promotion in hospitality sales, marketing, and revenue management has to be done in conjunction with planning for technology upgrades and the move toward commercial strategy and collaboration. The travel landscape will continue to change. Hospitality must evolve without losing the human element and the guest experiences that make people want to travel.



## This report is presented with the support of the HSMIA Foundation's 2023 Corporate Talent Partners

### Trustee Level



### Patron Level



### Supporter Level



### About the Foundation

The HSMIA Foundation is a 501 c3 organization established in 1983 to serve as the research and educational arm of the Hospitality Sales and Marketing Association International. The Foundation's mission is to elevate the overall caliber and performance of sales, marketing, and revenue management professionals in the global hospitality industry by driving initiatives that will attract new talent, develop emerging talent, and engage existing talent. The work of the Foundation is supported by private donations and corporate talent partners. Visit [hsmaifoundation.org](https://hsmaifoundation.org) for more information.

### About the Author



Karen Wollard, Ed. D., CHDM, has been an adviser to the HSMIA Foundation board since they adopted their talent-focused mission in 2017, and currently serves as its research manager. Dr. Wollard has been teaching and learning about talent and leadership development for more than three decades. She earned her doctorate in adult education and human resource development from Florida International University and has written and researched extensively in the areas of employee engagement and guest service.