

COVID-19 Recovery HVS Global Hospitality Employer Survey

JUNE 4, 2021

HVS Executive Search executives reached out to hospitality employers across US, Europe, Asia Pacific, Middle East and Africa to understand the current employer sentiment as the industry embarks the recovery zone. The objective of the survey was to “check the pulse” and address the unified response that is critical for the hospitality industry at this stage.



The COVID-19 crisis brought the hospitality business to a grinding halt last year.

As the Hospitality industry prepares for a resurgence globally in the foreseeable future, our team at HVS Executive Search reached out to industry employers and leaders to understand, sense, and address what could be a unified

response code across the globe.

This presentation summarises the “HVS Global Employer Survey” findings carried out across the United States, Europe, Asia Pacific, Middle East, and Africa. The objective of the survey was to understand current employer sentiment, objectives, and key concerns as we all enter the COVID-19 recovery zone.

This survey was focused on receiving feedback from 106 respondents - Hospitality Employers and Leaders - Owners, CEOs, Head of Operations, and General Managers across these regions and provides a ready referral and a tool kit to future employee resource planning.

The survey was carried out from 20th March to 10th April 2021.

From the desk of our CEO

As Hospitality Industry leaders continue to navigate through the Global spread of COVID-19 in one of the most devastating periods in our recent history, I want to thank all of those who took the time to respond to our survey. What we have seen is the incredible resolve shown within organizations around the world and putting their people first. Enormous sacrifice and sheer determination are leadership qualities helping our industry come back, albeit slowly, with

current travel restrictions and ongoing pockets of increased COVID-19 cases.

Rehiring has been on the uprise but cautiously. Many leadership positions have been expanded to greater bandwidth as organizational structures are rethought, creating a great opportunity for high performers with high potential to grow. Technology continues to improve and take on a greater role in how the Hospitality industry is managed, and in many cases, reduction in Human Capital is the result.

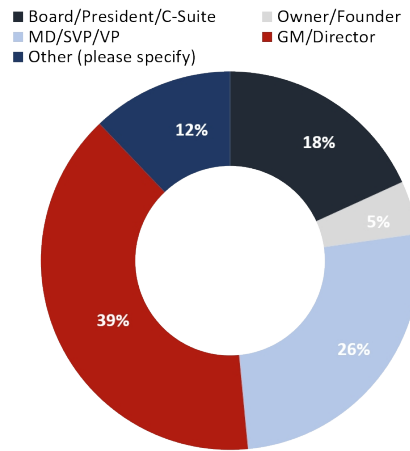
We hope the data accumulated in our Global survey will be of assistance to those responsible for assessing their organizations as we enter a post-pandemic phase, hopefully in the very near future.

Should you have any thoughts or comments you wish to share, do not hesitate to reach out to me.

Thank You,

Court Williams
Chief Executive Officer
HVS Executive Search

Question 1: What is your current role in the organization?

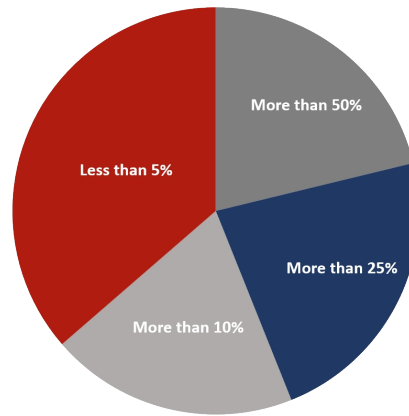


Source: HVS Global Employer Survey

The sample data is 106 Hospitality Employers globally and includes Hospitality Leaders and Employers, primarily owners, operators, and General Managers.

Approximately 5% are owners, 18% are Board Members, Presidents, and CEOs, 39% are GMs, 26% are VPs/ SVPs/ MDs, and 12% are other senior hospitality leaders such as CFOs and Development Heads of leading hospitality and restaurant chains across United States, Europe, Asia Pac, Middle East, and Africa.

Question 2: What was the percentage of employees made redundant in your organization due to the impact of the COVID-19 pandemic?



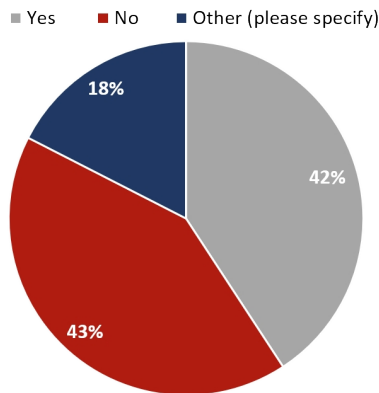
Source: HVS Global Employer Survey

Combined, 64% of employers confirmed that a percentage of employees were made redundant last year.

21% of employers affirmed that more than 50% of the workforce was made redundant.

36% of employers confirmed that less than 5% or in certain cases, no employees were let go last year.

Question 3: As of the beginning of Q2 of 2021, have the salary/benefits been brought back to the original levels?



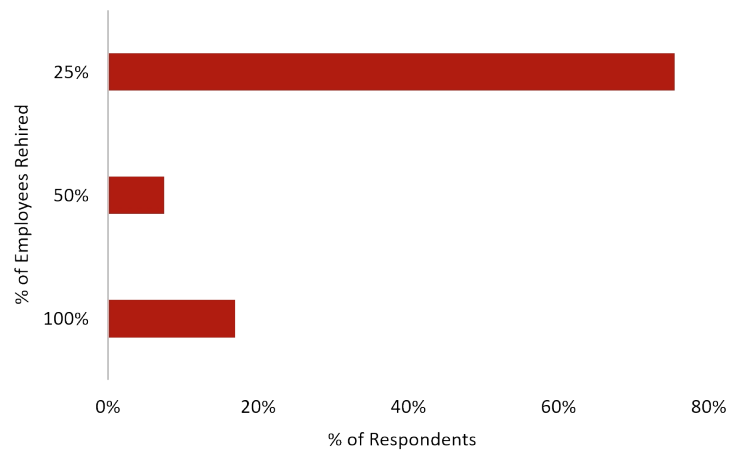
Source: HVS Global Employer Survey

43% of the respondents confirmed that as of the beginning of Q2 of 2021, the salary/benefits had been brought back to the original levels of Q1 of 2020.

18% of the respondents confirmed that there were no cuts in the salary structure in the first place. Some regions and a few employers even extended 5-7% salary increments to employees who performed exceedingly well in 2020.

Moreover, certain enhanced benefits such as “work from anywhere” and extended financial/medical/emotional support during the pandemic have ensured that many employees now have a very high level of loyalty for their employers.

Question 4: What is the percentage of people that have been rehired?

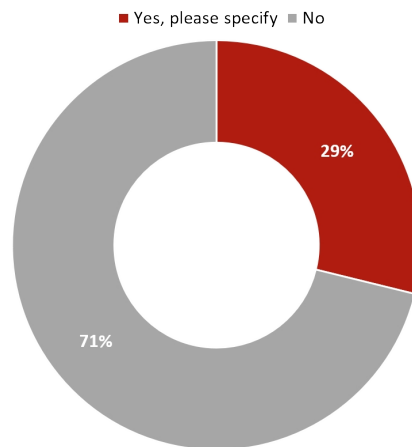


Source: HVS Global Employer Survey

Close to 75% of the respondents confirmed that they had rehired 1 out of 4 employees that were let go.

Approximately 17% of the respondents confirmed that they have now hired back 100% of the employees that were let go due to the slow down of business during the worst phase of the pandemic.

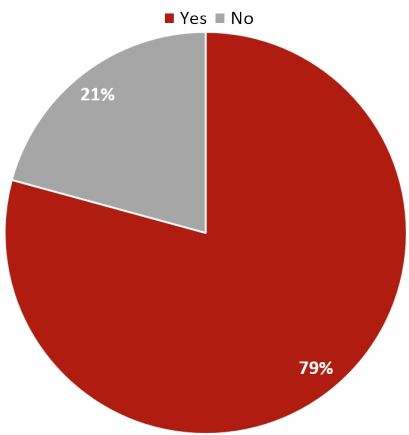
Question 5: Have you made some permanent changes to your compensation structure?



Source: HVS Global Employer Survey

Only 29% of our respondents across the globe have confirmed having made permanent changes to the compensation structure.

Question 6: As the business outlook improves and people return to work, do you see the need to reskill your employees?



Source: HVS Global Employer Survey

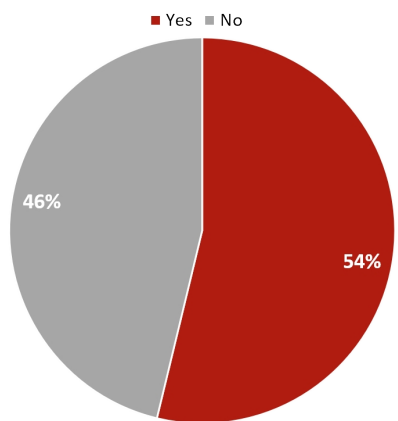
One of the survey's key findings, 79% of the respondents across the globe agree that Learning and Development will play a key role in the immediate future. As mentioned by one of the respondents - "Core Skills should never be ignored, operations maintain their skills, but management and leadership need to adjust and ensure they are agile enough to handle another similar situation."

Critical and immediate training would be required to enhance safety skills. Refresher on basics as well as gearing up to the "new standards" is imperative.

The need of the hour is collaborative teams, multi-skilled employees who are agile, alert, and have a high sense of entrepreneurship.

Training to improve and enhance employee digital skills is also needed.

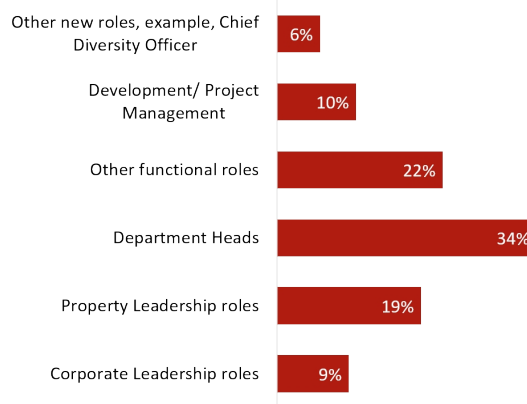
Question 7: Would you require to hire for key roles in Q3/Q4 of 2021?



Source: HVS Global Employer Survey

54% of our respondents confirmed that they would require to hire talent for key roles in Q3/Q4 of 2021.

Question 8: Which functional areas will be most important for you to rehire talent as the business starts recovering in Q3 of 2021?



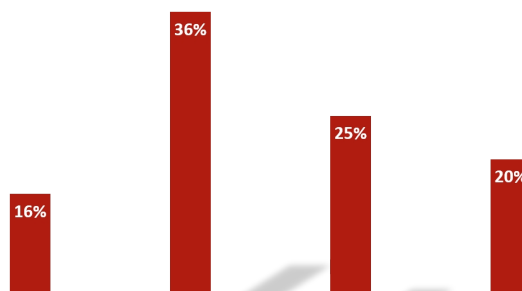
Source: HVS Global Employer Survey

Question 9: How has your organization overcome the challenges brought by the impact of the pandemic, such as work from home, employee health and wellness, staff morale, and engagement?



Source: HVS Global Employer Survey

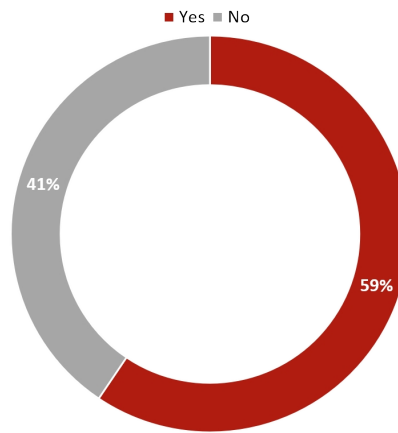
Question 10: By when do you think the industry would reach the pre-COVID-19 business levels?





Source: HVS Global Employer Survey

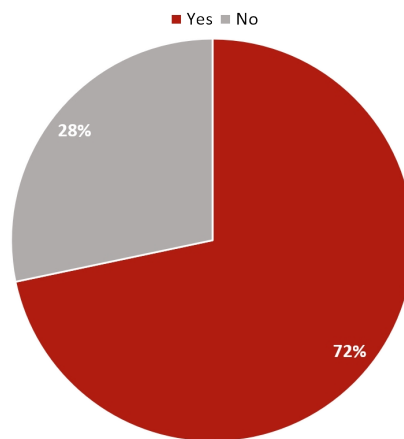
Question 11: Is the organization considering further investment in technology and automation given the changes in the business environment and staffing levels?



Source: HVS Global Employer Survey

59% of respondents confirmed that they plan to further invest in technology, artificial intelligence, and automation to compete and thrive in the “new normal” circumstances.

Question 12: Would you be open to your employees participating in an employee morale survey?



Source: HVS Global Employer Survey

HVS Executive Search would look forward to speaking with hospitality employees across the globe to understand their current state of mind and preparedness as we all join forces to overcome the situation in the current tough times.

Question 13: Would you like to suggest anything for the overall benefit of hospitality employees across the globe?

Please give due importance to mental health of employees!

Remotivate - Re-engage - Get employees involved in the capital of the company, its financial results.

Hospitality professionals should be given priority as well to get the vaccine so that this industry can survive.

The pandemic has highlighted that hospitality workers put their health at risk in serving others but are then the first to be discarded to cut costs. We need to work out a 'better deal' or else the industry will find it hard to attract the caliber of person it really needs.

We need to make sure that once business comes back that our employees are compensated properly in order to keep our talent within our industry

We need to be transparent and honest. In survival mode, all level of the organization needs to participate in the level of 'tightening the belt' and review what is necessary for the business. Expand the horizon in using technology available in the market to improve efficiency and productivity, address the 'fat' in the organization and change how we approach the future generation.

Source: HVS Global Employer Survey

Author's note

It's been more than a year since we all have been staring this challenge in the face, trying our best to be brave, protecting ourselves, our families, teams, and communities. As I write, some of us have now been vaccinated and hoping and praying that we get back, some of the things we all took for granted. While at HVS, we always had the flexibility to "work from anywhere," we all are eagerly awaiting opportunities to meet our colleagues and clients in person.

This publication and survey address big strategic questions as well as points out an immediate need to record, analyze and plan, focusing particularly on long-term planning in a crisis. Organizations also must assist their teams to heal from the aftermath of the trauma brought upon many. It is critical that as the hospitality industry navigates a return to recovery and normalcy, its leaders extend their support to their teams.

Bhavna Bhatia
Director - Middle East and Africa
HVS Executive Search

Disclaimer: HVS does not provide legal or other regulated advice or guarantee results. The survey findings reflect general insight based on information available to us by the participants. These findings should be viewed as indicative only and not relied upon for future course of action. These findings may be subject to change, and therefore HVS has no obligation to update these findings and makes no representation or warranty, and expressly disclaims any liability with respect thereto.

Other contributors to this article: Florian Kittler, Jens Busch

