

MBS Intelligence

# Hotel Leadership in 2021

Are global hotel companies set up to face  
future challenges and seize opportunities?







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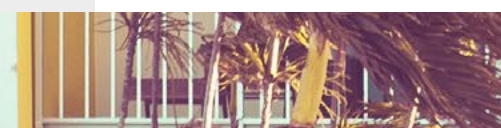
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## The MBS Group

The MBS Group is a leading consumer-specialist executive search firm advising all consumer-facing industries, with a dedicated practice in the hospitality, travel and leisure sectors.

For more than 30 years, we have been advising publicly-listed and privately-owned hotel businesses. Clients in the hotel industry consider us to be the partner of choice when searching for critical leadership roles that make a difference.





# Introduction

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Over the last few months, The MBS Group has conducted an analysis of the Boards and management teams of 130 of the world's largest hotel companies by revenue. This paper presents our key findings and explores the preparedness of the sector to face the challenges and capitalize on the opportunities of 2021 and beyond.

Even in the halcyon days, pre-pandemic, many hotel chains were having to grapple with the fast-changing dynamics of the sector. The last decade has been defined by the emergence of disruptive brands such as Airbnb and several other entrants, which have fundamentally changed how we think about travel. The evolving competitive landscape, combined with an increasingly discerning business and leisure traveler, has caused many operators to rethink their strategies, and address demands around localization, digital experience and sustainability.

Now, of course, Covid-19 has disrupted the world like never before and triggered major shifts in the way we live, work and travel. With travel restricted to curb the spread of the virus, hotel businesses have been disproportionately impacted. Much of the change in consumer behavior will be temporary, but some will undoubtedly remain ingrained long into the future, and become the norm as we head out of the pandemic.

However, where there is challenge lies huge opportunity, and there will be companies that emerge from the crisis as winners. The chains that can understand how to leverage data,

invest in the overall guest experience – both on and offline – and offer something personalized will be at distinct advantage to those that can't.

To many chains, China still presents a huge opportunity. Yet understanding and selling to both the domestic and international Chinese traveler still appears to be a gap for many hotel companies.

Furthermore, as travelers become more conscious of their environmental footprint and seek more bespoke experiences, larger-scale operators will need to adapt their development strategies and focus even more on the communities they are part of.

The pandemic also looks set to wave in a new demographic of 'working tourists' – those looking for long-term stays in overseas hotels while working remotely. Capitalizing on this new trend presents an exciting opportunity, with some chains already rolling out packages for longer stays.

Research by McKinsey back in the summer suggested that recovery to pre-Covid levels could take until 2023 – and, six months on, even this feels optimistic. Indeed, while decisive leadership was certainly required in the initial

stages of the pandemic – to drastically cut costs and ensure survival – in addition to those qualities, it will take forward-thinking, modern leaders to guide hotel businesses through the next phase of the crisis and take advantage of the opportunities that lie ahead.

This raises substantial questions as to how equipped hotel leadership teams are to navigate the years ahead. In order to assess this, The MBS Group has conducted an extensive analysis of the Chairs, Boards, CEOs and executive committees of more than 130 of the world's largest hotel chains by revenue. By examining areas including gender and racial diversity, sector background, functional background, length of tenure and age, we have been able to paint a clear and comprehensive picture of leadership in the hotel industry today.

In this paper, we present our key findings and explore the key themes that have emerged in our research.





# At a glance

## The hotel industry is still dominated by leaders from inside hospitality, and wider industry breadth on Boards is limited

While stable leadership with a depth of industry knowledge is undoubtedly vital, our research shows that the global hotel sector is narrow in its talent pool. On the executive committee, 78% of leaders have no other industry experience aside from hotels, having either spent their entire careers in the sector or transferred from professional or financial services.

When it comes to hotel CEOs, 92% come up through either the finance or hotel operations functions. Industry-wise, 79% of CEOs have come from either the hotels or the professional or financial services sector.

## A digital and data talent gap exists in the sector

Looking ahead, the ability to harness data and drive the agenda around digital will be critical. However, only 3% of executive committee members have previously worked in digital, data or technology roles and only 5% of NEDs have a background in digital, data or technology. Most interestingly, only 1% of the CEOs in this study had a digital background.

## Hotel CEO tenure is five years longer than adjacent sectors

On average, a hotel CEO's tenure is 11.6 years – more than double the average tenure of an S&P 100 CEO.

## There is progress to be made on gender and ethnic diversity

Significantly, our research found that almost all CEOs – 96% – are men, and in Europe and North America, only 7% are from ethnically diverse backgrounds.

There are several reasons for this lack of diversity, which will be discussed in this paper, but the slow rate of churn at CEO level is a central contributing factor.

Interestingly, Asia has the highest proportion of female CEOs, while there are no female CEOs from our research in North America or the Middle East.

On hotel executive committees, 74% of leaders are men. Black, Asian and minority ethnic representation on European and North American ExCos sits at 6%, a figure that has dipped from 7% since Covid-19.

In global hotel companies, 81% of non-executive directors are men, with 9% of Board seats being held by Black, Asian or ethnic minority directors in Europe and North America.



# Hotel Boards and executive committees

In today's commercial landscape, the winning hotel businesses will be led by teams that can apply diversity of thought, are reflective of the guests they serve and can provide challenge to the long-established norms of the industry. Both executive teams and non-executive Boards should be able to balance a depth of hospitality knowledge with an understanding of how to apply best practice in areas such as digital and technology.

## Narrow sector breadth

Our findings suggest that Boards and executive committees of the largest hotel companies today may lack the breadth required to effectively drive innovation and grow sustainably.

The vast majority (78%) of hotel management teams have spent most of their industry career in hotels. When you look at the crucial Chair, CEO and CFO triumvirate – the key decision-making group in the organization – this figure is 71%.

These findings beg the question of whether hotel companies should look further afield to hire onto the executive committee. Senior leaders from other customer-oriented spaces such as consumer goods or retail could provide hotel businesses with valuable insights on consumer trends and patterns. As previously touched upon, leaders from the digital sector could also be invaluable additions to hotel executive committees.

## Lack of data expertise

One of the most significant findings when looking at the Boards and executive committees of hotel companies is the lack of leadership around two key areas: data and digital.

Travel trends are more volatile than ever and, therefore, to truly understand their guests, the harnessing and utilization of data will undoubtedly be one of the key priorities for hotel companies in the months and years ahead. Indeed, the move to online reservations means that businesses have the potential to access more data than ever before, but while much of the consumer-facing sector is driven by data, hotels still feel further behind.

In order to learn where and how people want to travel and stay in a post-Covid world, hotels must put data collection at the heart of their long-term strategies.

However, across the entire industry, less than 1% of businesses have a data or information role on their executive committee. Moreover, only

2% of ExCo members across the entire industry have previously worked in a data-led role.

Data richness also presents as many potential problems as it does opportunities – and hotel companies must ensure that there is proper governance and that non-executive Boards can provide sufficient oversight.

In order to avoid non-compliance or ethical missteps, the Board must work alongside the executive committee to understand how the business collects and uses data. A lack of oversight can present a serious risk to the business: most clearly, the obvious legal and reputational implications of non-compliance with GDPR.

The most prominent example is Marriott, which, in November 2018, reported a data breach that saw an estimated 339 million guest records exposed globally. Without appropriate oversight from the Board, hotels run the risk of losing customer trust and damaging their reputation.

A quick look at today's NEDs in the hotels sector shows that Boards are not equipped to provide sufficient data governance, with only 2% of NEDs having a background in IT or Data.

## Lack of digital expertise

Closely linked to the gap in data-focused talent is the lack of digital talent that exists in the hotels sector.

Today, less than 2% of executive committee members have a background in digital technology or digital marketing. Looking ahead, hotel businesses should think how they can augment their executive committees and Boards with talent in this area.

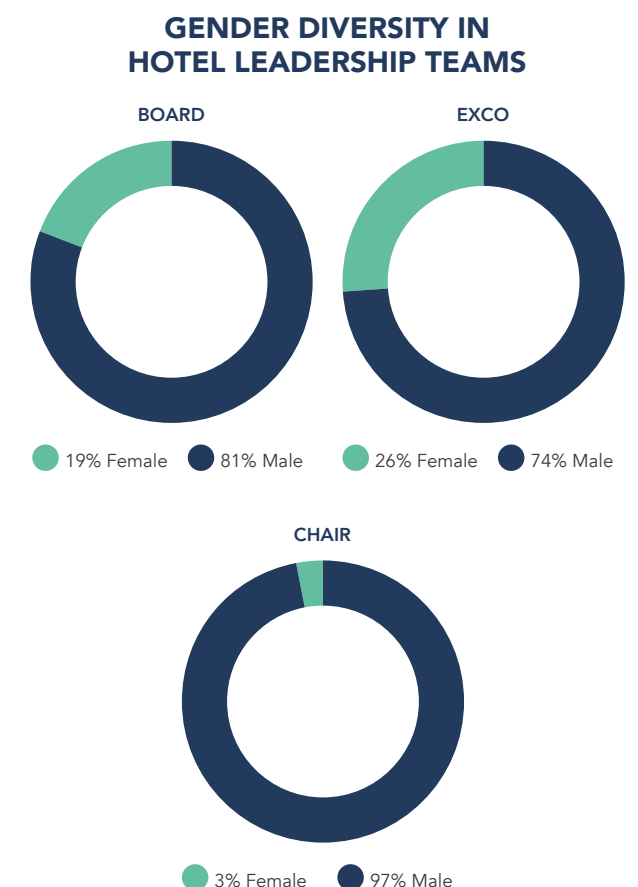
In the online world, Uber, Ele.me, and Amazon have now set the expectation for customer experience. As such, there is an urgent need for the hotel industry to revamp its online

customer journey to keep up. In every other sphere, consumers have grown used to on-demand services and instant access to information. Hotels must now race to compete with this and refine their marketing and booking systems to provide similar services.

Critically, connecting the online experience to the physical experience will be key - streamlining the booking process, check-in and check-out, room-key access and room-service ordering systems to make all immediately available via smartphone will allow hotels to keep pace with other areas of the consumer sector.

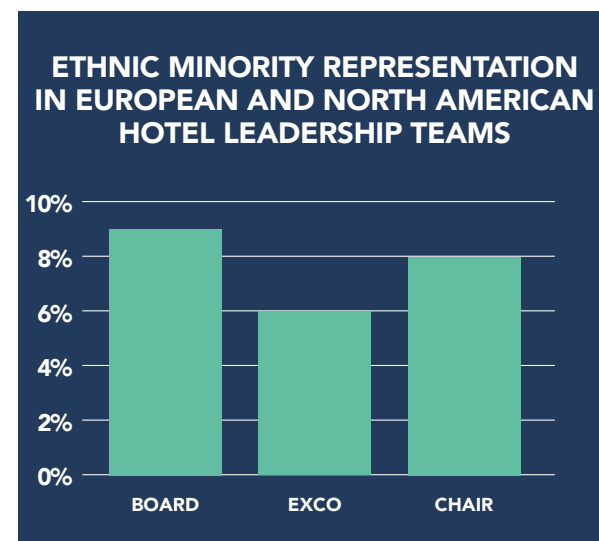
## Diversity

One of the clearest findings is that hotel Boards and executive committees are significantly lacking in both gender and ethnic diversity.



The Boards of private companies are less gender diverse than their public counterparts, with female representation reaching just 11% on private Boards and 23% on public Boards.

For the Boards of European and North American hotel companies, we found that there is very little ethnic diversity.



A quick look at the profiles of the hotel industry's Chairs paints a similar picture. Only 3% of global hotel Chairs are women, and 8% of North American or European Chairs are from an ethnically diverse background.

The business case for diversity is well documented and will be discussed in the context of hotels later in this paper.

## Sustainability

Sustainability is another key item on hotels' agendas. As tourists and travelers seek out more niche experiences, the role of hoteliers as the gatekeepers of some of the world's most bio-diverse spaces is becoming increasingly important.

Moreover, as sustainability becomes a central part of the global conversation around ESG, more and more attention is being paid to the

actions of businesses from an environmental perspective. For example, investors and consumers alike will be looking closely at a hotel's use of plastic and its relationship with the local environment.

However, only three companies in our study of 130 have roles dedicated to sustainability on the ExCo and, of those, each one is combined with another priority such as finance or HR.

A quick look at the industry reveals that there is not one stand-out example of best practice at scale, and that very few businesses have adopted a wholesale approach to sustainability. This places the hotel industry behind its adjacent consumer sectors, in which sustainability-first businesses have emerged to meet demand. There is a certainly a gap in the market, and existing hotel chains that can prioritize sustainability will be rewarded.

Businesses should consider hiring a chief sustainability officer, whose role would be to ensure sustainability remains a priority in every area of the business, and also to innovate with sustainability in mind. This strategy has been employed across the consumer-facing sector, with companies such as Chanel, P&G, Nike and H&M leading the pack on appointing CSOs to drive their respective sustainability initiatives.

## Age and disruptive thinking

At 50 and 61, the average ages of ExCo and Board members are very much in line with other industries.

However, we found that the average age of the youngest hotel Board member is 50. While experienced leadership is crucial for any business, it is our view at MBS that more youth on Boards can be a highly valuable asset to companies looking to capitalize on disruption and seize opportunities.

Hotels are not alone here: very few Boards in the consumer-facing sector include those

under 35, despite the fact that millennials hold such significant purchasing power. But placing a young person on the Board can offer an alternative world view and encourage creative thinking, especially in an industry such as hotels. In a world where young people are making vastly different purchasing decisions to previous generations, considering a millennial point of view may mean the difference between success and failure with younger customers.

Indeed, regardless of age, even an individual with a 'millennial mindset' – relentlessly disruptive in their thinking and in-tune with the latest technological developments and trends – can challenge the status quo and provide true diversity of thought when problem solving.

In almost every other area of the consumer-facing sector, businesses have prioritized disruptive thinking in their talent strategies. In order for hotel companies to develop at the same pace – launching new concepts and incubating startups, for example – they should consider making digital and millennial representation a core hiring priority.

## Property and finance expertise

With the entire hospitality sector experiencing an overhaul since Covid-19, hotels will require highly creative financial leaders in the months and years ahead. Our research shows that 22% of hotel Board members, and 6% of those sitting on the executive committee, come from a finance or accountancy background.

Rolling out complex debt restructuring programmes; supporting property owners – either third parties or the companies themselves – through financial uncertainty; and refining what's possible will be key priorities in the weeks and months ahead, and hotels must work to augment their financial expertise to come out of this period in a strong position.

## Health and safety

Covid-19 has also propelled health, safety and security (HSS) up the corporate agenda, and across the hospitality industry we are seeing a restructure of where HSS professionals sit in their organization.

As customers begin factoring health and safety into their decisions around where to stay, the winning businesses will be those in which HSS takes on a more commercial and strategic role than ever before.

However, a quick look at the executive committees of global hotels shows that only one business in our research has a health and safety professional on its executive committee.

Looking ahead, appointing high-profile figures can reassure customers, colleagues and investors that the company has the right level of preparedness for any potential safety crises. At the same time, HSS professionals must be able to harness technology and mobilize an organization to drive wholesale change.

## Global public affairs

Influencing governments has emerged as a key requirement for business leaders since Covid-19. As the global travel sector reopens, immediate priorities for hotel companies will be lobbying authorities to listen to the needs of the hotels sector. Hotels will need to advocate their cause in relation to areas such as border reopenings, vaccination passports and rents and rates relief.

While deep knowledge of the industry and an ability to think holistically about the sector will be critical, the lack of public sector, political or lobbying experience on hotel executive committees begs the question as to whether or not the industry will be able to effectively make its voice heard.

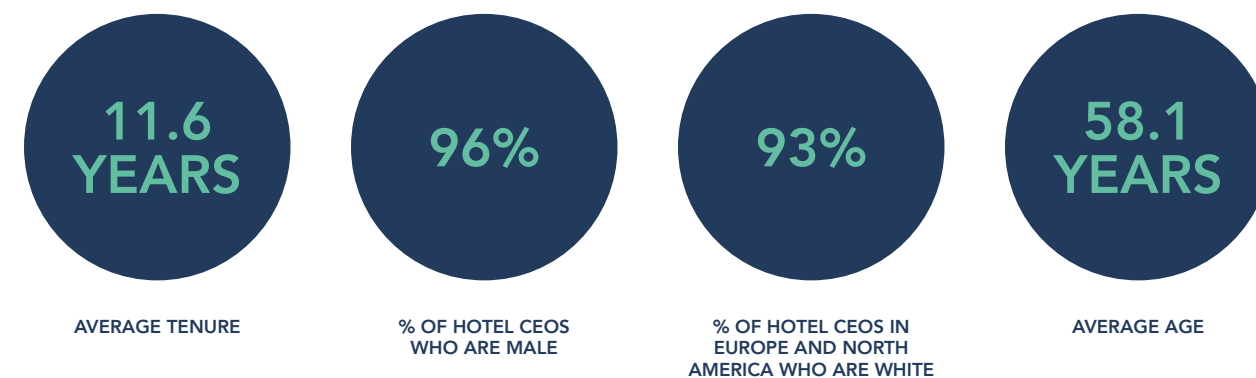
# Hotel CEOs

In this unique time for the hotel industry, strategic leadership has never been more vital. As we navigate the next stages of the pandemic, the operational playing field will continue to evolve rapidly. For those at the helm, the ability to act decisively now but remain forward-looking and agile enough to capitalize on trends as we emerge from the crisis will be critical.

In the months and years ahead, there are a number of opportunities for hotel businesses. Harnessing data and making it a core part of long-term strategy will be a key priority, as well as embracing digital transformation and streamlining the online and offline customer journey. There are also significant opportunities to capitalize on trends around sustainability, personalisation and localization, and adapt the traditional hotel offering to cater to new customer demands. To do this, hotel CEOs must be creative long-term thinkers who can make use of digital tools.

We analyzed the CEOs of the world's largest hotel companies. In this section, we look closely at the tenure, functional background, sector background and diversity of hotel CEOs, and explore the emerging themes that will impact how well businesses can address the challenges and opportunities that lie ahead.

## CEO SNAPSHOT



## Tenure

One of the starkest findings is the long length of tenure for a hotel CEO. Today, the average length of tenure for a hotel CEO across both private and public companies is nearly 12 years.

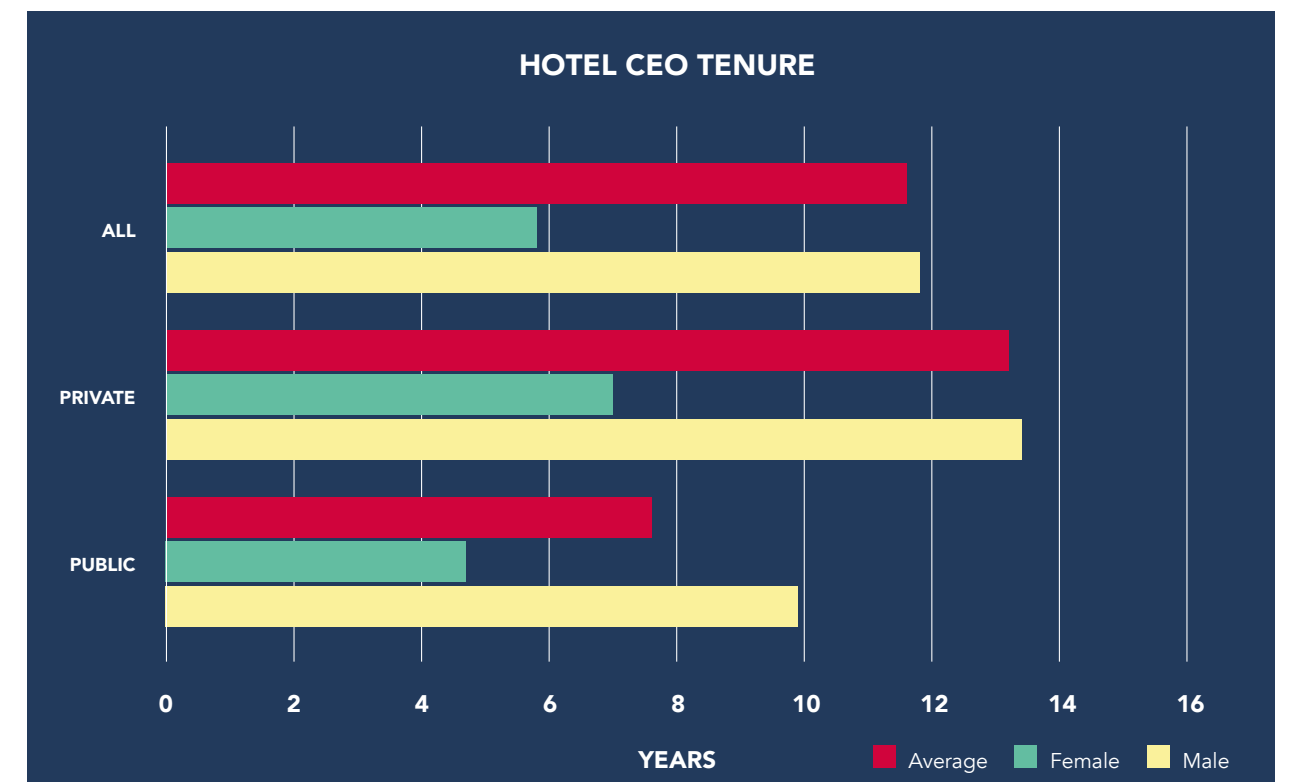
In 2018, PwC analyzed CEO tenures of the world's 2,500 largest public companies over the past 19 years. The research found that the median tenure for a public company CEO is five years, more than half the average tenure for hotel CEOs.<sup>1</sup> Average tenure for S&P 100 CEOs is also five years, and 5.6 years for FTSE 100 CEOs.

While leadership stability – particularly in the long-term development cycle of hotels – can be beneficial (in 2019, Harvard Business Review found that the world's best performing CEOs had held their jobs for an average of 15 years), the significant lack of CEO churn across

the hotel industry in today's climate poses a significant problem.

In a fast-changing commercial environment, hotel businesses with long-standing CEOs may find it difficult to inject fresh thinking and find creative solutions to new challenges. While historically the hotel sector evolved slowly and customer demographics and expectations have remained the same, today's fast-moving landscape requires disruptive thinking to cater for new demands. Indeed, the slow rate of churn may provide an explanation for the industry's relatively delayed response to digital transformation, for example.

This trend also makes it more difficult to address the key issues of gender and ethnic diversity. As we'll discuss later in this paper, only 4% of CEOs are women, and 7% are from ethnically diverse backgrounds. The slow rate of churn means that any positive change happens extremely slowly.

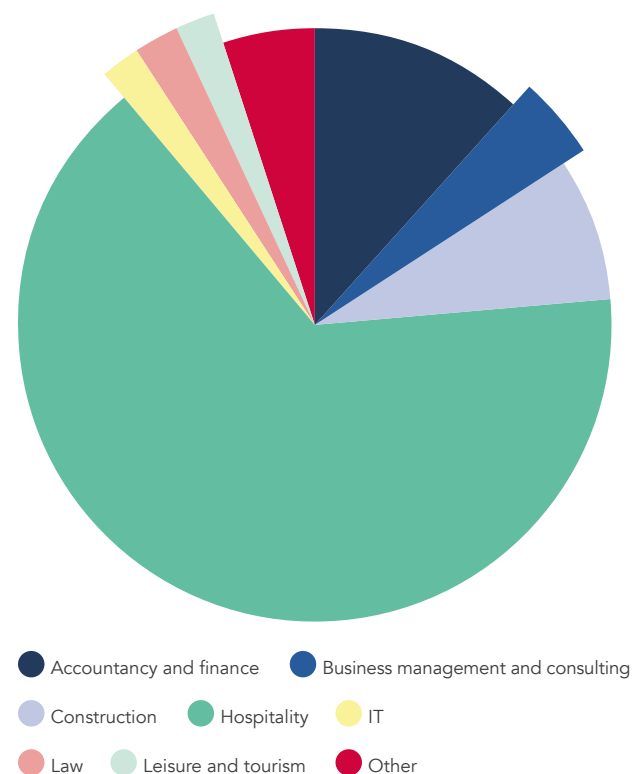


## Functional and sector background

The CEO talent pool in the hotel sector is narrow, with little variety in functional background or expertise. For example, the vast majority (92%) of CEOs have worked for most of their career in operations or general management (51%), or finance functions (41%). Similarly, 79% of CEOs are hired from either within the hospitality or the professional/financial services sector.

This narrow scope suited the hotel industry of the past, in which commercial success was based on a business' ability to roll out identical models and ensure consistency for largely homogenous travellers. However, today's landscape feels more complex and, with traveler demographics changing and expectations shifting, CEOs must be able to bring creative thinking and challenge the industry norms.

### HOTEL CEO SECTOR BACKGROUND



## Lack of digital expertise

Perhaps most pressingly, only 1% of CEOs in our research have a functional background in technology.

Given the opportunity that exists within the sector around data and digital, looking ahead, it will be interesting to see if digital leaders step up into chief executive positions in hotels to guide them through the much-needed phases of digital transformation. Clearly, any CEO coming from technology will likely need significant operational support and hospitality know-how in their team.

## Diversity

As is immediately obvious, there is very little diversity in the profiles of hotel CEOs: only 4% of chief executives in our research are women and, in Europe and North America, only 7% come from an ethnically or racially diverse background. The significance of this will be discussed in more depth later in this white paper, but these findings are indicative of the slow rate of people churn.

## CEO nationalities

Looking at the nationalities of hotel CEOs, it is clear that leaders from the US and the UK dominate hotel chief executive positions, who – combined – make up 38% of the CEO talent pool. However, this is not altogether surprising, as 46% of leading hotels are based out of the UK or US.

However, this does not correlate as well with the demographics of global travelers. The most recent data from World Tourist Organization finds that there are more tourists from China than anywhere else in the world. In 2017, Chinese tourists (excluding business travelers) made 143 million journeys abroad, compared with 74 million trips from the UK and 88 million from the US.

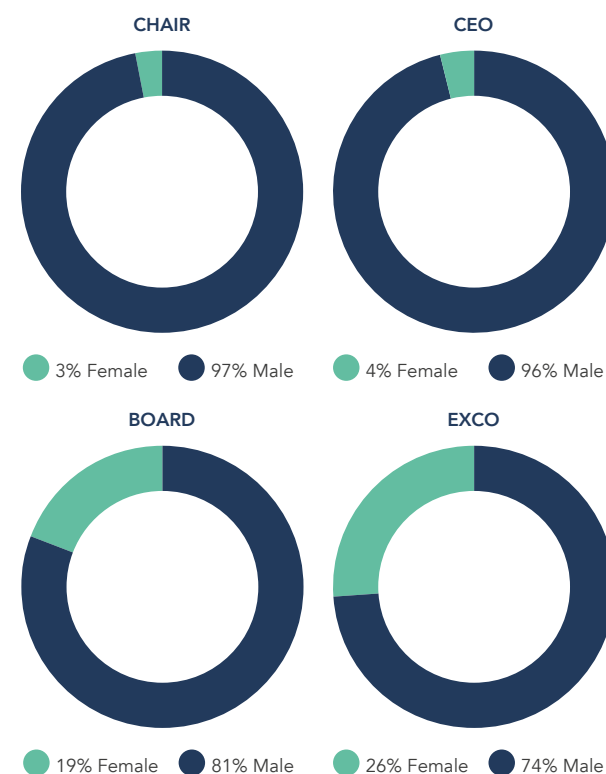


# Gender diversity

Across the hotel industry globally, there is significant progress to be made on female representation. Providing a benchmark for progress on gender diversity, The Hampton-Alexander Review sets out a target for 33% female representation on Boards, executive committees and direct reports (ExCo -1). While the Hampton-Alexander Review is based in the UK, it provides a useful benchmark against which to measure global progress on diversity.

A quick look at our data shows that the global hotels industry is falling behind – particularly in the critical leadership positions of Chair and CEO.

## GENDER DIVERSITY IN HOTEL LEADERSHIP TEAMS



At 3%, there is a significant lack of female Chairs in the hotels sector. While this is clearly a problem that exists in global markets (only 12% of Chairs in the UK's FTSE 100 are women, and only 6% in the US' S&P 100<sup>2</sup>), the hotels industry is still lagging behind.

A similar story can be found at CEO level, where only 4% of positions are occupied by women, compared with 7% on the FTSE 100 and 6% on the S&P 100.<sup>3</sup> As discussed earlier in this report, the framework for succession that exists in hotels must be rewritten to redress the lack of gender balance in CEO positions.

Promisingly, gender diversity is greater on the executive committee (at 26%), demonstrative of the pipeline of talent ready to step into CEO and Chair roles in the future.

However, there is still progress to be made: female representation on neither the Board nor the executive committee has met the 33% Hampton-Alexander target, and the hotel sector is still falling behind other industries. At Board level, for example, 19% of NEDs are women, compared with 40% on the FTSE 100 and 32% on the S&P 100.<sup>4</sup>

Interestingly, female CEOs in the hotel industry are about 10 years younger than their male counterparts. This demonstrates that the tide is starting to turn on diversity: the up-and-coming talent in the sector is female, but the slow rate of churn means that progress is extremely slow.



## Female CEOs: explaining the lack of representation

Looking at the data, it becomes clear that a career in operations or finance is the most likely route to becoming a hotel CEO. As such, 51% of CEOs have an operational or general management background, and 41% are finance professionals.

A quick look at the gender breakdown of these roles on the executive committee provides more details to explain the lack of female representation at CEO and board level. On the executive committee, 89% of operations professionals are male. As more than half of CEOs are previous operators, and the vast majority of operators are men, it is clear why

women find it hard to secure CEO positions.

Indeed, the lack of female representation in operations has long been understood as a roadblock to diversity in the hospitality sector. Across the industry, those with childcare commitments often cannot commit to the 'always on' culture required by operations roles, which sometimes covers large geographical areas, demanding frequent travel.

Looking ahead, hotels must work to redress this balance, and make operational roles more accessible to women and those with childcare commitments. Considering offering part-time roles, for example, and removing the need to move between sites, can open doors for more female operations directors.



A similar story can be found in the finance function, where only 20% of finance executives are women. Again, with 41% of all CEOs coming from finance, these findings explain the lack of gender balance at CEO and board level.

Typically for the consumer-facing sector, the only function in which female representation overtakes male is human resources: 56% of HR professionals on hotel ExCos are women. However, only 1% of hotel CEOs come from an HR background. Indeed, the prominence of women in HR is so significant that excluding HR roles from the data takes female representation on the ExCo from 26% to 23%.

### The business case for gender diversity in hotels

There are a number of reasons why gender-balanced leadership teams make more commercial sense.

Firstly, teams that include both men and women will problem solve more creatively, be more innovative, and take into account a broader range of world views. This is especially important in this stage of Covid-19, when hoteliers will need innovation and varied insight to rebuild business models and re-orient themselves to rapidly changing consumer needs.

Secondly, gender-balanced teams are more representative of the customer base. This is particularly pertinent in the hotel sector, as women make between 70% and 80% of travel decisions, according to recent data by Forbes.

Lastly, investors, potential employees and customers alike are becoming more and

more discerning of a businesses' diversity credentials. If hotel companies want to attract capital, customers and the best talent, they should expect scrutiny around the makeup of their leadership teams.

With this all in mind, the hotel sector has a long way to go. And, sadly, Covid-19 looks set to have a long-term impact on gender diversity in the entire hospitality sector, including hotels. Previous research from The MBS Group found that women were more likely to be negatively impacted by Covid-19 than their male counterparts, resulting in fewer women in mid-level roles and a shorter pipeline of female talent.

There are a number of reasons for this. Firstly, women are more likely to have taken voluntary redundancy or furlough schemes than men, because of childcare commitments.

Secondly, the roles traditionally dominated by men have been less likely to be furloughed or made redundant than those dominated by women. The finance function is a prime example of this – central to business survival and traditionally held by men. By contrast, functions such as marketing and communication (often held by women) were deemed expendable during the height of the crisis, or else their duties absorbed more easily into other departments.

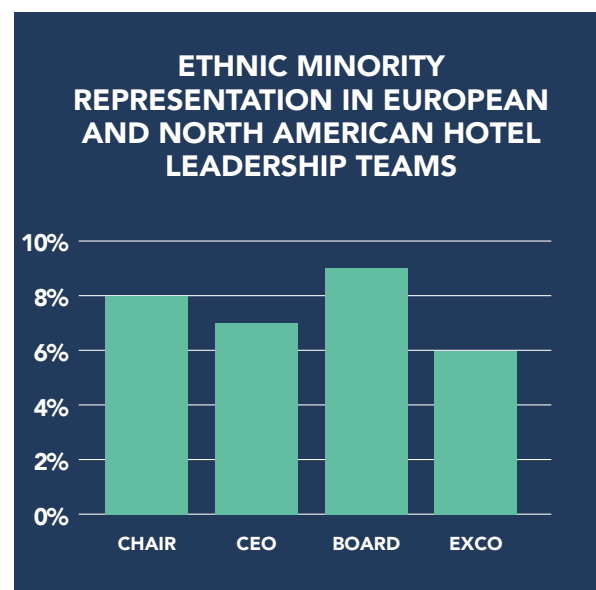
Indeed, the slight downturn (1%) in female representation on the executive committee since Covid-19 demonstrates this. Looking ahead, businesses must prioritise redressing the gender imbalance in the hotel sector.



# Ethnic diversity

In order to assess ethnic and racial diversity in the global hotel sector, we looked at the representation of Black, Asian and minority ethnic communities in European and North American hotel chains.

As the data below shows, there is work to be done to increase racial and ethnic diversity in the top leadership positions.



Black, Asian and minority ethnic communities are best represented at board level. This could be because of the level of scrutiny the Board receives when compared to other areas of the business.

## The business case for ethnic and racial diversity

Similarly to gender diversity, there are many reasons why hotels should focus on bringing in people of cultural and ethnic diversity.

If businesses want to attract the largest number of customers, they should strive to ensure that they are catering for every type of person. By fostering racially and ethnically diverse leadership teams, businesses will hear from a wide range of perspectives and avoid rolling out policies or strategies that unwittingly exclude certain groups.

Moreover, the increased exposure of the Black Lives Matter movement has accelerated conversations around race and racism. As a result, businesses can expect more scrutiny from investors and consumers alike around the steps they are taking to promote ethnic diversity. For hotel companies looking to attract fresh capital, more customers and the best new talent, diversity should be high on their list of priorities.

## Regional diversity

Linked to this is regional diversity. For US and European hotel chains, expanding into new markets will be a key priority going forward. However, the lack of national and geographic diversity on the Boards and leadership teams thus far has meant that businesses have perhaps struggled to launch successfully in markets such as China.

Some western hotel chains have tried and failed to expand into Asia, thwarted by a lack of understanding of what the Asian (especially Chinese) traveler wants, and also how to sell to Asian businesses.

By contrast, Asian hotel companies have been able to successfully expand into the West. While there are many reasons for this – for one, the rapidly increasing number of Asian tourists in Europe and North America – it is worth considering whether the makeup of Asian hotel leadership teams also played a small role in this. For instance, 17% of those sitting on hotel boards in Asia are expats from the west, and will therefore be able to offer viewpoints and perspective about what the non-Asian traveler wants and expects from a hotel.

Achieving regional diversity on the Board and executive committee should be a key strategic priority for hotel businesses going forward, in order to better understand the commercial and cultural landscapes of overseas markets.

In short, Boards must be representative of the regions in which they wish to operate. Without regional governance, businesses run the risk of implementing one-size-fits-all policies, which may not be effective in international markets.



# Global talent map

## NORTH AMERICA

- Average age of a North American hotel CEO is **59**
- There are **no female hotel CEOs** in North America
- Only **3%** of North American hotel Chairs are women
- **9%** of North American CEOs are from an ethnic minority background
- **9%** of North American Chairs are from an ethnic minority background
- North American companies make up **a third** of leading hotel businesses in our research
- US tourists make **88 million** trips abroad a year

## US & EUROPE

- Combined, leaders from the UK and US make up **38%** of the CEO talent pool
- European and US hotels companies account for **46%** of the leading hotel companies

## EUROPE

- Average age of a European hotel CEO is **58.8**
- Europe has the lowest average age on Exco (48.5) and the Board (59.2)
- Only **4%** of European hotel CEOs are women
- Only **3%** of European hotel Chairs are women
- **6%** of European hotel CEOs are from an ethnic minority background
- **5%** of European hotel Chairs are from an ethnic minority background
- Our research found **no Black NEDs or CEOs** in Europe
- UK tourists make **74 million** trips abroad a year

## OCEANIA

- **5** of the world's leading hotel businesses are in Oceania

## ASIA

- Average age of an Asian CEO is **57.6**
- At **10%**, Asia has the highest proportion of female CEOs
- At **4%**, Asia also has the highest proportion of female Chairs
- **17%** of Asian NEDs are expats
- Chinese tourists make **143 million** journeys abroad a year

## MIDDLE EAST/AFRICA

- **6** of the world's leading hotel businesses are in the Middle East/Africa

# How to attract the right talent

One of the key challenges for hotel businesses in this uncertain landscape is how to attract the best talent.

As the hospitality, travel and leisure industries remain significantly disrupted and, therefore, potentially less attractive to senior leaders from other industries, hotel businesses need to think about how they position themselves and their employer brand to ensure that they are attracting the very best talent from across all industries.

Mass restructures during Covid-19 have streamlined the talent pools of global hotel businesses. There will now be increased opportunity for internal talent to rise up the ranks and step into the most senior positions, either within their current organization or an adjacent company. While internal hires and those from within hotels offer stability,

consistency and a firm grasp on the dynamics of the hotel sector, businesses must also be disciplined in looking outside industry in order to face the challenges of 2021 and beyond.

But how to attract this talent? In the light of disruption and economic uncertainty from Covid-19, the hotel sector has become a far less attractive proposition to ambitious talent in other sectors.

Below, we have set out steps that businesses can take to attract the best talent from outside the hotel sector, drawing from more than 30 years' experience working with global hotel businesses.

## Foster a culture of openness and inclusivity

This is particularly important when hiring from outside the hotels sector. The industry has developed a reputation for being traditional in its approach and less receptive to innovation and new ideas. Businesses should work to promote an internal culture that embraces change.

## Highlight the opportunity to drive change

The most successful executives are looking for the opportunity to work in a company where they can make an impact. The hotel sector is primed for disruption and set to go through a period of significant development. This presents a key opportunity for leaders who want to be at the helm of exciting transformation projects.

This is especially true for digital leaders, for whom a move into the hotel sector could mean ownership over a wholesale digital transformation programme.

## Focus on sector appeal

The changing dynamics of the hotel sector is injecting energy back into the space. The gradual emergence of niche offerings and unique concepts is making hotels more aligned to other consumer industries, which are driven by innovation and product development.

## Establish a role in hotels as a career accelerator

Hotels can be seen as a great development step for executives within consumer-facing industries. A move into hotels can provide a platform to broaden one's experience, and a path to general management.

## Create long-term incentive plans

Hotel businesses should ensure that key leaders are incentivized to grow the business, taking the pandemic's impact on the sector into account to create an ambitious yet realistic growth strategy.





# About Us

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## About The MBS Group

The MBS Group is a leading sector-specialist executive search firm advising all consumer-facing industries, with a dedicated practice in the hospitality, travel and leisure industry.

Clients consider us to be the partner of choice when searching for critical leadership roles that make a difference. We work at Board level and on executive positions across all functions of strategic importance. For more information, visit [www.thembsgroup.co.uk](http://www.thembsgroup.co.uk)

## Our hotels expertise

MBS has more than 30 years' experience advising hotel companies around the world. We work with private, founder- and family-owned dynasty organizations, as well as private equity-backed and publicly-owned businesses, each with their own specific needs and nuances.

We have helped legacy hotel businesses modernise and transform, as well as helping others enter the space for the first time. At The MBS Group, we are networked into the hotel industry's global talent pool – and have a proven track record of understanding the types of candidates who successfully transition into the sector.

We are proud to combine our deep knowledge of consumer markets with an intimate understanding of the 'type' of candidate who would flourish in a hotels environment.

## Author

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If you'd like to explore further any of the points covered in this report, we'd be delighted to hear from you – please do get in touch.

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