

Effective Hospitality Leadership Roles in the Crisis Era

Rachel J. C. Fu

Tourism, Hospitality and Event Management
University of Florida, USA

Abstract- The COVID-19 pandemic has resulted in an unprecedented crisis in the global tourism and hospitality industry. Leaders focused on rethinking their business models, leading an ambitious digital transformation plan, converting some of their properties into remote workspaces, and partnering with digital platforms to expand their service offerings. This demonstrated adaptability and an understanding of changing consumer needs under pandemic conditions. Safety became a priority for leaders in the sector. The recovery from the COVID-19 pandemic in 2022 was a delicate process requiring strategic leadership in the hospitality and business sectors. Leaders had to devise effective marketing plans, offer enticing deals, and formulate health policies that balanced safety with personal freedoms. The post-pandemic era in 2023 has presented leaders in the tourism, hospitality, and event industries with new challenges and opportunities. Navigating these circumstances has required a deep understanding of the evolving economic situation, political stability, and climate impacts. Collaborations, strategic marketing plans, competitive offers, and context-sensitive policies have become crucial in the path to full recovery. Through the judicious use of technology, ethical actions, and a strong focus on humanity, these leaders expect to guide their businesses into a sustainable, inclusive, and prosperous future.

Keywords- COVID-19, Hospitality industry, Leadership, Global travel.

INTRODUCTION

In the beginning of 2020, for companies in the tourism, hospitality, event, and attraction industries — those hit heavily by COVID-19 or have let employees go due to business closures, or now lack proper strategies to re-open their businesses — the challenge of the unknown is that much more unpredictable. With the slow but progressing path of encouraging employees and individuals to get vaccinations, knowing that locals (residents) and non-locals (tourists) are eager to resume fun memories, decision-makers are thinking harder about smart strategies to embrace the returns of their visitors/customers. Although the speed of reopening is much slower than everyone's preference and calendar, the first step is to understand that the virus still exists through carriers. Everyone is still accountable and responsible for stopping the spread of the virus.

Several executive members (CEO, COO, CFO) clearly prioritize their business situations and identify how they can maximize positive outcomes while always thinking about return on investment (ROI) business models strategically to show support for well-being and satisfy all stakeholders. On a list of a million things to do for those executive members, they have highlighted what's most

important, what's the must-do, what's the can-wait, what's the don't-want-to-do, and what's the need-to-do. Effective leadership roles in the crisis era are boldly in charge 24/7, and there is thus a need to pre-prepare smart strategies for both optimization of human capital and risk prevention.

People are not assets; the right people are assets. There have been many difficult decisions: executing furlough plans when it is time to let some people go and bring the right people back. The captain of the ship knows that the right people need to be placed in the right driver's seats to move things forward to save the ship. Indeed, recruiting the right people will change a unit's working culture in a notably effective way.

Getting needed help and moving forward. In addition to initiating conversations with various industry leaders over the past months, I was able to collect data from a group of leaders and managers. Among 65 invited participants, 30% of the respondents are in lodging, 19% are in destination marketing, 10% in restaurants, 8% in theme parks, 5% in event planning, 5% in wholesale, 4% in retail, 2% in cruise lines, 1% in airlines, 1% in manufacturing, and 1% in rental care.

In terms of the demographics of the study participants (average 15 years in the field; 50% females and 50% males), 18% were executive members (CEO, CFO, COO), 35% were managers, 16% were sales directors, 15% were marketing directors, 9% were owners, and 6% were operations directors.

When the participants were asked about concerns they had during the pandemic would be (scale = always, most of the time, about half the time, sometimes, never), they responded: "lost business revenue" (71%), "threats to employee health" (46%), "reduced productivity" (36%), and "business closure" (40%) were ranked as "always" concerns.

The participants were asked to indicate the importance of government in helping them sustain their businesses. The respondents concluded that the extremely important areas included "clear health and safety guidelines" (80%), "available funding resources" (58%), "providing protection" (55%), "feasible tax breaks" (46%), "share disaster insurance coverage" (44%), and "professional training" (33%).

The survey was distributed from September to December 2020. The participants were asked "If COVID-19 were to end today, how long would you estimate it would take for your company to get back to your pre-COVID-19 financial status?" "2 years" (40%), "19-23 months" (26%), "7-12 months" (16%), "1-6 months" (10%), and "3 years" (8%) were estimated.

While corporate executive members and business unit managers/directors are creating strategies to help their units survive, strive, and thrive organically, governments can help if governments are willing to listen to the companies. Rearranging human capital and predicting the changing mechanisms of business operations will become top priorities.

Resolutions and solutions that work for each company must be unique, and announcements and policies need to be communicated more effectively. During the heavily hit seasons of the health intervention events, many industry leaders perceived the future to be bright, like a blast of sunshine.

Here is a summary of what happened in the tourism and hospitality businesses:

Travel Trends. Families and friends could not wait to get together, and demand has increased significantly since summer 2021 [1]. Travelers were willing to pamper themselves and their families after being locked down for a while. Companies with travel agents and online travel organizations that can provide more flexibility were preferred by customers. Convenience of booking and deals, cancellation policy and insurance coverage, and using App/QR codes have all been utilized by travelers who want to travel smarter and safer.

Cruises have been hit significantly, even as their companies have seen sufficient advance bookings for 2022, 2023, and even 2024 [2]. While we all were still observing and suffering during the COVID-19 pandemic crisis, space tourism occupied the news cover pages on Sunday, July 11, 2021. The creativity of human brains, the revolutionary progress in technologies, the potential prosperity and wild publicity generated by space tourism, and summer craziness and desire for adventure tourism have celebrated the historical moment collectively. A commercial spaceplane cheered everyone present on this day without borders [3].

Hospitality. Lodging facilities with systematic cleaning routines and effective communications are seen as handling COVID-era concerns better than others. Eating and drinking places that offer mindful pickups, contactless services, and advance online ordering with deals have enjoyed positive revenues during COVID. Accessibility to dining that includes outdoor seating and carry-out were mindful of visitors' needs. Places that present clean images and relaxing and hospitable services for the locals displayed added value.

Artificial Intelligence and Machine Learning. AI is another powerful way to ensure that visitors receive improved services while companies gain smarter help by using AI experts, techniques, and related tools. Employing machine-learning approaches that aim to predict incoming trends and visitors' behaviors, diverse hospitality and tourism businesses will be better equipped with strategies and tools to enhance personalized experiences incorporated with smarter health safety protocols, orchestrate warm hospitality delivered by trained staff and AI system such as chatbot messaging (smoother translation between languages), contactless check in/out, and decision-making during reservations (such as using a concierge robot).

Additionally, room service delivered by robots, revenue optimization calculated by machine-learning approaches, and frequent cleaning services performed by cleaning robots in public areas (such as airport lobbies) all help to prevent virus spread. Using AI wisely can reduce labor costs without sacrificing

a high level of personalized services. Using a spatial data analytics system can provide the timeliest travel warning messages as a real-time data driven index when increased rates of hospitalization or mortality threaten locals and non-locals (visitors) in certain destinations across continents. Nevertheless, the travel, tourism and hospitality businesses was predicted to thrive in 2023 and after.

Leadership in Tourism and Hospitality during the 2020 Pandemic

The COVID-19 pandemic has resulted in an unprecedented crisis in the global tourism and hospitality industry. The restrictive measures imposed to contain the virus's spread, such as travel bans, quarantines, and social distancing have led to massive cancellations of bookings and closures of hotels, restaurants, and travel-related businesses. In such a challenging time, the leadership of companies in these industries has been critical in navigating the crisis and steering their businesses toward recovery.

One notable characteristic of leaders during this period was their emphasis on resilience. For instance, several leading lodging companies were upfront about the challenges faced by the industry, but also highlighted their companies' history of resilience. Industry leaders emphasized their organizations' commitment to protecting their associates' livelihoods and their relationships with owners and franchisees, promising to fight for every room and every dollar. This clear and candid communication instilled confidence among stakeholders, showing a leadership that was transparent about challenges while still providing a path forward.

Leaders also focused on rethinking their business models, leading an ambitious digital transformation plan, converting some of their properties into remote workspaces, and partnering with digital platforms to expand their service offerings. This demonstrated adaptability and an understanding of changing consumer needs under pandemic conditions. Safety became a priority for leaders in the sector. Various lodging sectors' operation programs aimed to provide enhanced cleanliness and disinfection standards across their properties; such a proactive response reassured guests of their safety, a critical factor in gaining customer trust in these times.

Leaders recognized the need for collaboration and support for their employees and emphasized that the future of our sector will be shaped by those companies who put people at the heart of their business strategy. Many leaders stepped up their efforts to maintain employee engagement and morale. Many corporations offered free counseling services for employees handling the stress and anxiety of the pandemic. Leaders placed a strong emphasis on sustainability and responsible business practices and reaffirmed their commitment to sustainability despite the crisis, recognizing that the post-pandemic world would be more conscious of environmental impacts and responsible tourism.

In conclusion, the COVID-19 pandemic tested the characteristics of leaders in the tourism and hospitality industry in 2020. The crisis necessitated resilience, adaptability, a renewed focus on safety and cleanliness, empathy towards

employees, and commitment to sustainable practices. As the industry navigates its recovery, these leadership lessons will continue to guide the future of tourism and hospitality.

Navigating Through Crisis: Leadership in Cruise Lines, Airlines, Destinations, and Events in the 2021 Pandemic

The global travel and tourism industry was severely impacted by the COVID-19 pandemic, with cruise lines, airlines, destinations, and events being no exception. As vaccine rollouts commenced in 2021, leaders across these sectors faced new challenges and opportunities, having to navigate complex logistics, changing policies, and public opinion debates.

In the cruise line industry, leaders took proactive steps to ensure the health and safety of passengers. Several cruise lines implemented a comprehensive set of health protocols, including vaccine requirements for all crew members and passengers, enhanced air filtration systems, and upgraded onboard medical facilities. Many lodging business sectors focus on health and safety reflected their leaders' understanding that public trust is critical to the industry's recovery.

The airline industry underwent significant changes in adjusting to the new normal and advocated for digital health passports to verify travelers' vaccination statuses and streamline the travel process. However, this sparked debates around privacy and equality, as not everyone worldwide had equal access to vaccines. Recognizing these concerns, many corporate leaders underscored that health passports were not a long-term solution but a means to rebuild consumer confidence and kick-start international travel.

In terms of destinations, leaders had to balance public health concerns with the need to revive their economies. Many higher education institutions campaigned to encourage vaccinations and partnered with local organizations to hold outdoor events and festivals safely. This strategic approach underlined balancing safeguarding public health and revitalizing the local economy on an individual level.

Event industries pivoted towards virtual events during the initial phases of the pandemic. As vaccines became available, many leaders helped event organizers navigate complex health regulations and developed tools to verify attendees' vaccination statuses. Despite controversy over vaccine requirements for event participation, some defended this policy, emphasizing their event companies' commitment to enabling safe, in-person gatherings. While some companies faced backlash for implementing vaccine mandates for their employees or customers with critics citing personal freedom and discrimination concerns, leaders had to weigh these concerns against the benefits of such mandates in ensuring health and safety.

In summary, the leaders in cruise lines, airlines, destinations, and the event industry showed noticeable adaptability in the face of an evolving pandemic landscape in 2021. As vaccines became available, they navigated policy changes,

logistics, and public opinion debates, always striving to strike a balance between ensuring safety and reviving their businesses. The challenges and successes of these leaders provide valuable insights into crisis leadership, offering important lessons for the future.

Strategic Recovery: Leadership in Hospitality and Businesses During/Post-Pandemic in 2022

Since international travel has been partly restricted during various stages of the pandemic, domestic travelers are likely to be attracted to destinations that offer deals with good flexibility and cancellation policies. During the first week (January 1 to 7) of 2022, according to the US Transportation Security Administration (TSA) checkpoint records, the number of travelers was 11.8 million, which was up 79% from the first week of 2021 and down from the first week of 2020 (-19%) and 2019 (-20%). Travel prices have gone up compared to 2020 and 2019 and were predicted to increase 5.4% in 2022. With vaccines more widely available, these sectors started focusing on recovery, a process that required strategic leadership, clever marketing plans, attractive offers, and well-thought-out health policies.

In the hotel industry, leaders had to rethink their marketing strategies to cater to evolving customer needs and understand that travelers were looking for unique experiences after such prolonged restrictions. In the restaurant industry, leaders recognized the necessity of offers and discounts to attract customers and offered value meals and discount offers to draw customers back. Additionally, many decision-makers emphasized the need to balance short-term incentives with long-term profitability, showing a pragmatic approach to recovery.

In businesses like gyms and fitness centers, leaders used technology to their advantage. Many such businesses combined physical workouts with digital experiences, introducing a hybrid model in which customers could access workouts online. This strategy appealed to those who were still hesitant to return to gyms, demonstrating that innovative solutions can support business recovery.

The year also brought forth new health-related policies. While vaccines were widely available, the decision to enforce vaccination as a prerequisite to access services was a contentious one. In contrast, some leaders chose not to mandate vaccines, respecting individual autonomy and stressing the importance of personal choice and education, encouraging employees to get vaccinated without requiring it. Such an approach reflects the complexity of formulating health-related policies.

The mask policy was another crucial aspect of health and safety measures. Many companies decided to maintain mask requirements for their faculty, staff, and students despite loosening governmental regulations. Campus leaders defended this decision, stating that the company's priority was to create a safe environment for everyone.

In conclusion, the recovery from the COVID-19 pandemic in 2022 was a delicate process requiring strategic leadership in the hospitality and business sectors. Leaders had to devise effective marketing plans, offer enticing deals, and formulate health policies that balanced safety with personal freedoms.

The New Era: Leadership in Tourism, Hospitality, and Event Industries Post-Pandemic in 2023

The post-pandemic era in 2023 has presented leaders in the tourism, hospitality, and event industries with new challenges and opportunities. Navigating these circumstances has required a deep understanding of the evolving economic situation, political stability, and climate impacts. Collaborations, strategic marketing plans, competitive offers, and context-sensitive policies have become crucial in the path to full recovery.

In the tourism industry, leaders understand the importance of collaboration for industry revival. Many have fostered partnerships with global organizations and governments to set international travel standards and protocols, aiming to streamline the recovery process. Many countries have agreed to use digital health passports and coordinate efforts to mitigate the impacts of ongoing economic crises and political instability in various regions.

In the hospitality sector, the focus has been on creating enticing marketing strategies and offers, considering ongoing economic circumstances. Many corporations have introduced flexible booking options and loyalty program enhancements. Recognizing the economic difficulties faced by many customers, these types of approach have prioritized customer value, encouraged loyalty and repeat business [4].

The event industry has continuously introduced hybrid events that combine the appeal of in-person interaction with the convenience of digital access. This adaptive approach caters to a broader audience, considering different comfort levels with in-person gatherings across regions with variable political stability and economic recovery.

Leaders have also been mindful of extreme weather events, which have become more frequent due to climate change. Recognizing the need for more sustainable practices, some leaders have incorporated climate resilience into their recovery strategies. For example, the hotel industry initiatives to reduce water usage and carbon emissions acknowledges that long-term success requires harmonizing business operations with environmental sustainability.

The aftermath of the pandemic has also mandated changes in corporate policies. Many companies continued to uphold flexible work policies introduced during the pandemic, considering still widespread economic uncertainty and varying political situations across regions.

In conclusion, the post-pandemic leadership in tourism, hospitality, and event industries in 2023 has revolved around strategic collaborations, customer-centric marketing plans, attractive offers, and policies that consider economic, political,

and environmental contexts. The way these leaders have navigated recovery provides valuable insights into managing businesses in the face of adversity, demonstrating resilience, innovation, and adaptability. Their efforts underscore that successful recovery requires not just surviving the crisis, but also learning, evolving, and growing from it.

The AI-Driven Future: Leadership in Tourism, Hospitality, and Event Industries (2024 - 2030)

The period from 2024 to 2030 is expected to see significant technological advancement in the tourism, hospitality, and event industries. Leaders in these sectors are planning for the future by embracing the transformative power of Artificial Intelligence (AI), Machine Learning (ML), and robotics. These technologies are being harnessed to advance visionary strategic plans, streamline operations, refine customer offerings, and bolster risk prevention and crisis management efforts.

Workforce restoration and talent recruitment are top priorities as industries recover from the pandemic. AI and ML technologies are expected to play a key role in these areas. For instance, leaders of Marriott International are using AI-powered platforms for efficient talent recruitment, helping identify top talent faster and more accurately than traditional methods.

Once talent is recruited, professional development is crucial. By using ML algorithms that adapt to individual learning styles, companies can provide personalized training experiences, ensuring the development of a highly skilled, versatile workforce. The use of AI, ML, and robotics also extends to risk prevention and crisis management. The growing frequency and intensity of natural disasters such as wildfires, hurricanes, and heatwaves require leaders to find innovative solutions to mitigate their impact. Some companies are implementing AI-based predictive models to anticipate and manage the effects of extreme weather events on their properties as well as logistic retail distributions.

Manmade disasters such as war and crime also pose significant challenges. Companies have started using AI to enhance security measures, and AI-powered surveillance systems and facial recognition technology are being employed to ensure guest safety and prevent potential security breaches. Furthermore, some companies are leveraging robotics to ensure operational continuity during crises. Robots are being used for functions ranging from cleaning and maintenance to customer service, reducing the risk to human staff during emergencies.

Strategic marketing plans and customer offerings are being revolutionized by AI and ML, which technologies enable leaders to gain deeper insights into customer behavior and preferences. Data-driven personalization powered by ML algorithms is becoming the norm. We will not be surprised to see travel operators promoting AI-enhanced personalized travel experiences as a standard for the future of tourism. Through the judicious use of technology, ethical actions, and a strong focus on humanity, these leaders expect to guide their businesses into a sustainable, inclusive, and prosperous future. Their approach

offers a blueprint for leadership that successfully balances innovation and ethics, technology, and humanity in a rapidly changing world.

Reference

- [1] Wall Street Journal: <https://www.wsj.com/articles/whos-traveling-now-where-and-why-11639412143>. Who's Traveling Now—and Where and Why. December 14, 2021.
- [2] Recommend Magazine: <https://recommend.com/get-inspired/cruise/nearly-a-third-of-travelers-would-consider-a-cruise-in-2022/> Nearly a Third of Travelers Would Consider a Cruise in 2022. May 19, 2021.
- [3] ABC News: <https://abcnews.go.com/Entertainment/william-shatners-blue-origin-space-trip-reignite-passion/story?id=80404356>. Actor William Shatner prepares for space trip. October 12, 2021.
- [4] The Capitolist: <https://thecapitolist.com/report-social-media-plays-the-biggest-role-in-attracting-tourists-to-florida/> Report: social media plays the biggest role in attracting tourists to Florida. June 8, 2023.

About the author

Dr. Rachel J.C. Fu has many years of experience in the tourism and hospitality business. Rachel is the Chair and Professor of the Department of Tourism, Hospitality, and Event Management (THEM) at the University of Florida, where she is also the Director of the Eric Friedheim Tourism Institute (EFTI). Rachel is an affiliate Professor in the Department of Information Systems and Operations Management (ISOM) at the Warrington College of Business. In the past decade, through serving as guest editor, associate editor, editorial board member (for 14 leading and well-respected international journals), reviewer (for 9 leading international journals), and chair/reviewer (for 4 major international associations), Rachel has provided leadership in academic and professional organizations. Rachel has published more than 205 papers, including refereed journal articles, refereed conference papers, a magazine article, newsletters, technical reports, and book chapters. Rachel's work has been featured in various media outlets including the Wall Street Journal, US News and World Reports, Carnival Cruise Line, NBC, BBC, Bottom Line Personal, CNBC, ABC News, the Philadelphia Inquirer, AARC, KCBS, Recommend Magazine, and UF News. Email- racheljuichifu@ufl.edu