The State of Women in the Hospitality Industry
Women continue to be under-represented in top management jobs at major corporations. In the United States, 47% of the labor force is made up of women who hold 38% of the managerial positions. But a study examining filings from 1,500 Standard & Poor’s firms shows women still have a long way to go before they’re equal to men in C-suite representation. In 2011, women held only 8.7% of top management jobs, up from 5.8% in 2000.

When looking at jobs that have profit-and-loss responsibilities the imbalance is even greater: Women make up only 3.7% of chief executive officers and 6.1% of other officer roles in 2011 — a number that has declined from a peak of 6.5% in 2009.

The state of women in the hospitality industry mirrors many of these same findings. A survey by Ferguson Partners, in partnership with the American Hotel & Lodging Association (AHLA), found that the majority of men have more confidence in their career prospects in the hospitality industry than women do.

The 2016 Women in Hospitality survey asked wide-ranging questions about three key areas: career advancement, talent acquisition and development, and management. Respondents were 82% female, with the majority holding titles in the C-suite or operations. More than 65% held executive management or senior-level professional positions, and 78% had more than 10 years of industry experience.

Examining how these professionals view the state of women in hospitality can help illuminate challenges and areas for improvement.

**Career Advancement**

Career advancement in the hospitality industry can be a challenge for many women. According to an article in Hotelier magazine, some of the imbalance can be attributed to the demands of juggling family and work. Many women are reluctant to relocate or find the demands of travel and the time commitment difficult, especially when they have young families.

Despite the demands of working in the industry, 80% of survey respondents said they wanted to move up in their organizations, with the average nearly evenly split between men and women. But for companies to close the gender gap in leadership, they’ll need to do a better job of making employees aware of career-development opportunities.

According to the survey, more than 30% of all respondents felt their firms needed to do more in terms of career development, with fewer women, on average, seeing development opportunities compared to their male counterparts. This discrepancy demonstrates that firms may need to increase awareness among women around development opportunities.

When asked about challenges for advancement, women cited male-dominated corporate culture, lack of equal opportunities for advancement, and balancing family and work as the top three issues.

**Talent Acquisition and Development**

When it comes to acquiring and developing top employees, hospitality companies have several best practices they can implement. The survey results show that more than half — both men and women — said that their firms had implemented programs to create an inclusive culture and to promote women from within their organizations.
Men in the industry also advocate for promoting women, with 57% saying their organizations were promoting women, and 54% saying their companies are working to be more inclusive.

There was a large gap between men and women when asked about diversity-related progress being made at their companies, indicating that more can be done to promote these programs or listen to those they’re intended to help. For example:

- 43% of men versus 26% of women said their companies had implemented mentoring programs targeted toward women.
- 57% of men compared with 48% of women said programs existed to promote women from within organizations.
- 17% of men versus 9% of women indicated their companies were driving accountability for diversity efforts.

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Other best practices — along with the percentage of respondents that believed their company was implementing them — include:

- Providing more flexible work arrangements (37%)
- Developing mentoring programs for top female leaders (30%)
- Increasing communication about the importance of diversity (28%)
- Offering clear criteria for promotion (13%)
- Driving accountability for diversity efforts (10%)

On the bright side, more entry-level respondents say their organizations are promoting women, as 62% of property-level professional and 63% of junior-level professionals say they saw improvements in this area.

More can be done. Fewer than one-third of executive and senior-level professionals thought the industry was doing a good job of establishing mentoring programs for women. Other areas for improvement include providing clearer criteria for promotions and driving responsibility for diversity efforts.

**Management**

The willingness of top management to tackle some of these challenges is a key to changing the hospitality industry. Unfortunately, the majority of respondents (55%) did not agree senior management viewed gender-diversity initiatives as a top priority.

This is evidenced by the dearth of women in executive positions across the industry and the scant gains women have made in gaining a seat at the C-suite table. But research shows that greater diversity improves innovation and creativity, particularly in decision-making.

Since women make up the majority of the hospitality workforce — 70% globally — managers need to prioritize creating a more inclusive environment that supports the advancement of more women.

**Conclusions**

Recruiting and retaining women will be a key way for hospitality companies to fill the 70 million jobs predicted to be created by 2019, according to the white paper Women in Tourism & Hospitality: Unlocking the Potential in the Talent Pool. Women are a critical way for companies to compete.

Providing a path for women to ascend to leadership roles has been proven to be good for business. It is critical for companies to improve communications with women regarding development programs to help them advance.

A global survey of nearly 22,000 firms from 91 countries by the Peterson Institute for International Economics shows that corporations with women in leadership positions improve firm performance. There is also evidence that companies in the top quartile of gender diversity have a 15% better chance of posting financial returns above the national median.
Increasing diversity and promoting women to executive roles will take time, dedication from leadership, and creative implementation of programs to mentor them and drive culture change. At FPL Advisory, we're poised to help hospitality companies face these challenges and create inclusive cultures, conducive to advancing the careers of women at all levels.

If you’d like to learn more about how to implement diversity measures in your organization, contact us at info@fergusonpartners.com.