

## **Women GMs constitute less than 10% of the total GM population in Indian hotels**

The hospitality sector in India is currently undergoing a profound transformation driven by various factors, including the resurgence in travel post-pandemic, technological advancements, and evolving guest expectations. Recent research by IBEF predicts that the tourism sector in India will make a substantial contribution of \$250 billion to the country's GDP by 2030, generating employment for a staggering 137 million individuals, far surpassing the current figure of 35 million jobs. However, to navigate these changes and build a sustainable future, the sector must innovate its human resources (HR) practices to address challenges such as manpower availability, high attrition rates, and relatively low pay scales.

Traditionally, HR practices in the hospitality sector have primarily focused on administrative efficiency rather than strategic decision-making. Unlike some other industries where HR is seen as a crucial "Business Partner," the hospitality sector has been slower to adopt this approach, often prioritizing cost management and owner expectations over modern HR practices. To gain insights into the evolving HR landscape in India's hospitality sector, The People Network conducted a comprehensive survey involving senior HR leaders from 12 hotel companies overseeing a total of 1546 hotels. This survey aimed to examine key trends such as compensation structures, workforce agility, diversity and inclusion initiatives, and the impact of technology on HR practices.

One notable finding from the survey is that HR leaders in the hospitality sector are increasingly being viewed as strategic advisors rather than mere administrators. Many hotel brands are reevaluating their HR strategies to better align with the evolving needs of their workforce. However, the level of empowerment for HR leaders can vary significantly from one organization to another.

Here are some key takeaways from the survey:

- **Compensation and Rewards:** Compensation and rewards programs play a pivotal role in attracting and retaining skilled professionals in the hospitality sector. While there have been some improvements in compensation structures, a significant portion (61.1%) of respondents believe that the sector's compensation landscape has not kept pace with other service industries. Dynamic variable payout structures, tied to performance metrics, are primarily implemented for senior management, with only 33.3% considering extending them to front-line staff. Such structures have the potential to boost employee engagement and address the issue of low pay scales at the entry level. Despite the sector's dynamic nature, annual salary increases have remained relatively stagnant at 8%-9%, mainly due to thin profit margins and budget constraints. To enhance pay and rewards while maintaining financial sustainability, steps such as offering a five-day workweek and exploring remote work options for select roles can improve employee satisfaction and work-life balance, making the industry more attractive to talent.
- **Diversity and Inclusion:** Diversity and inclusion initiatives are crucial for attracting a diverse pool of talent. The survey revealed that women General Managers (GMs) constitute less than 10% of the total GM population in Indian hotels, indicating progress but also highlighting the need for further gender diversity. Similarly, women's representation in finance roles is lacking, with 72% of hotels having less than 10% women in these positions. Embracing LGBTQ+ inclusivity can also help attract diverse talent and create an inclusive work environment.
- **Technology Integration:** The use of digital technologies for HR processes is gaining momentum in the hospitality sector. Employee self-service portals and data-driven decision-making are becoming common practices. Data-driven insights are being used for employee engagement, talent acquisition, turnover analysis, compensation restructuring, and succession planning. Embracing technology allows the sector to optimize workforce management and create a more agile work environment. To encourage innovation in digital transformation initiatives, the sector can

explore implementing artificial intelligence and machine learning in talent acquisition, investing in advanced analytics for predictive HR analytics, and focusing on enhancing the overall employee experience through digital solutions.

In conclusion, the survey's findings underscore both the shared challenges and unique strategies of different hotel brands within the hospitality sector. Collaborative efforts among industry stakeholders, including owners, operators, employees, and consultants, are crucial to showcase the sector's growth potential, competitive compensation packages, and commitment to employee well-being. By doing so, the hospitality sector can attract a new generation of talented individuals eager to contribute to its dynamic and rewarding field. In this transformative era, embracing innovative HR practices, addressing compensation challenges, prioritizing workforce agility, promoting diversity and inclusion, and leveraging technology will be essential for the sector's continued growth and success.