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Resilient Leadership in Chicago Hotels: Case Study in a Global Pandemic

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Resilient Leadership in Chicago's Hotel Industry: Case Study from a Global Pandemic

Research Report/March, 2021



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Authors

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ACKNOWLEDGEMENTS

We would like to thank the **Illinois Hotel & Lodging Association**, and particularly CEO Michael Jacobson, for their generous assistance and support with the research and publishing of this whitepaper.

We would also like to thank **Resilient Organizations**, a New Zealand-based research and consulting group focused on helping organisations, industries, and economies to thrive in any environment, for the use of their model and benchmarking tools which were adapted for this study.

Additional thanks to **T.R. Mandigo Consulting** for providing Chicago hotel market performance data for this report. Mandigo is a Professor Emeritus at Kendall College of Culinary Arts and Hospitality Management.

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Illinois Hotel & Lodging Association (IHLA)

IHLA is a not-for-profit, 501(c)(6) trade association that represents the lodging industry in Illinois. IHLA members consist of over 500 hotels and their employees throughout the state as well as related industry partners and suppliers. IHLA provides significant benefits to its members by advocating the industry's position on political issues, educating through quality, relevant seminars and webinars, providing promotional exposure and access to current industry news, resources, and contacts through IHLA's website, marketing initiatives, member programs, and networking events, and recognizing hotel employees for their outstanding accomplishments, service, and leadership in the Illinois hospitality and lodging industry.
www.illinoishotels.org

Executive Summary

The impact of COVID-19 on the hotel industry has been catastrophic and like elsewhere, the Chicago hotel market has faced steep declines in occupancy, revenues and profitability, resulting in severe staff cuts and drastic operating changes. Yet many hotels continued operating, albeit at a reduced level. What factors made it possible for hotels to adapt to these conditions? What management practices and processes contributed to their resilience in the face of adversity?

To answer these questions, a case study was developed from in-depth surveys with 16 Chicago hotels combined with interviews with 7 leaders from these hotels, providing a snapshot of resilient leadership in the Chicago hotel market before and after the COVID-19 pandemic. The results indicated that:

- **Hotels are more aware and better prepared for the next crisis, having** re-thought and enhanced their crisis management plans and procedures in ways that likely will outlast the immediate crisis.
- **“Resilient Leadership” won the day.** The pandemic promoted a new paradigm in hotel leadership: one that approached challenges with empathy, decisiveness, transparency and innovation. On the downside, leaders reported struggling to maintain optimism and morale.
- **Communications channels are open like never before.** The hotels in this study went to extraordinary lengths to communicate with employees and guests in innovative ways throughout the crisis. These changes have long-term implications for hotel management in the future.
- **Hotels have gotten used to doing more with less, and** pre-pandemic staffing levels may never return. Organizations are flatter, silos have been eliminated, teamwork and collaboration have flourished, and front-line staff have been empowered in new ways.
- **New levels of creativity and innovation has been unleashed.** In order to keep the lights on and keep guests satisfied, hotel staff found new ways to protect the health and safety of employees and guests, offer amenities and meet the needs of the surrounding community.
- **Hotels are more engaged with their industry and one another** in support of their mutual survival and recovery.
- **Overall, hotels are more resilient as a result of the pandemic,** but more upscale and better resourced hotels appeared to be better positioned to report enhanced resilience.

Looking ahead to recovery, study participants raised questions about how hotels will restore the brand experience for guests, while recruiting and integrating new talent into a crisis-sharpened culture. How will career progression change in the new organizational structures? The study also has implications for hospitality management educators as they strive to prepare well-rounded, versatile and resilient candidates for the altered professional landscape.

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A note about the limitations of the study: Conclusions are based on a small, self-selected sample of primarily upscale hotels that may not reflect the experience of other hotels across the Chicago region or in other markets.


INTRODUCTION

The impact of the COVID-19 pandemic on the hotel industry has been well documented in industry reports and popular media. With declining travel and local lockdown orders, STR year-end data indicates the U.S. hotel industry logged unprecedented lows in occupancy, ADR, and RevPAR in 2020 (Luther, 2021). The industry surpassed 1 billion unsold room nights eclipsing the 786 million unsold room night during the 2009 recession (Luther, 2021). Room revenue losses neared \$3 trillion with nearly 100,000 rooms lost due to suspension of operations and closures (Mandigo, 2021).

The Chicago hotel market was impacted particularly hard due to the loss of crucial convention and event business that typically accounts for 50% or more of the city's lodging demand (Mandigo, 2021). More than 24 of 143 hotels in the central business district closed and as many as 42 properties with 16,497 rooms or 37% of the room supply were off the market at various stages of the pandemic (Mandigo, 2021). Revenue loss has been staggering but the impact on profitability has been even greater with the majority of properties in the central business district unable to recover operating costs alone, relying on grants and loans to maintain operations (Mandigo, 2021). Industry-wide nearly 50% of employees were either permanently or temporarily laid off or furloughed. In Chicago alone, nearly 75% of employees have been terminated, laid-off or furloughed, and an estimated 20% may never be recalled (Mandigo, 2021). Although demand is not expected to return to pre-COVID levels until 2024, hotels are anticipating an increase in 2021, with leisure travel paving the way and business travel slowly returning later in the year (AHLA, 2021). In anticipation, hotels will be adding back jobs, although staffing levels are expected to remain significantly below pre-pandemic levels (AHLA, 2021).

Amid all the uncertainty and turmoil wreaked by the COVID-19 pandemic, the hotel industry remains optimistic. Destinations around the world saw record hotel development, increasing the number of hotel rooms by 8 percent over the previous year (Firshein, 2021). Hotels that continued operating, even at a reduced level, did so by finding creative new ways to meet guest expectations and developing innovative strategies for adapting to health and safety requirements for guests and employees. They maintained engagement with staff even in the face of massive layoffs. They invested in new technologies and rethought standard practices in light of changing circumstances. They utilized limited human and physical resources in effective new ways. Many stayed optimistic and focused on the future.

The goal of this research is to examine why some hotels were able to adapt more quickly than others to these adverse conditions. Certainly hotel size, type and market conditions played an important role. But we wondered if, under similar conditions, there were other factors, embedded in the



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management practices and culture of individual organizations, that created the conditions for greater resilience. What role did leadership, unity of purpose, adaptability, and creativity play? What other practices and processes have enabled some hotels to effectively respond, survive and set a course for recovery? How have these survivors transformed themselves to be better prepared for future shocks?

THE CASE FOR RESILIENT LEADERSHIP

“Resilient Leadership” has emerged as a way to define a management approach that enables organizations to survive and sustain their missions (Petty, 2020). Resilience is defined as “the capacity of a system (individual or complex) to change, adapt and regenerate in the face of adversity” (Fletcher & Sarkar, 2013). Recovery that leads to a positive adaptation and development of new capabilities or “thriving” is integral to the concept of resilience (Ledesma (2014). Resilient individuals have been shown to have a superior ability to cope with difficult situations, feel a sense of coherence, and make effective use of personal features and resources (O’Leary, 1998). They are more likely to find meaningful purpose in life, feel they can influence future events, and learn and grow from positive as well as negative situations (Bonanno, 2004). They display a consistent sense of optimism and hope (Ledesma, 2014).

Resilient leaders have similar characteristics that show up in their influence on followers and the workplace as a whole. They approach challenges with empathy, decisiveness, purpose, agility, transparency, vision and innovation (Deloitte, 2020). Numerous empirical studies indicate that resilience improves the leader’s ability to cope with adversity and there is evidence that it has a positive influence on followers’ well-being (Foerster & Ducheck, 2018). Resilient Leadership has been described as a process or mindset concerned with preparing people, systems and practices to adapt to shocks. “Leading for resilience is a deliberate commitment to examining the entire business and strategy and finding ways to diversify the risk ahead of the next major calamity. It’s a mindset to think of everything, continually model different scenarios and develop processes, approaches and talent dedicated to serving the mission and surviving the shocks (Petty, 2020).”

Resilient organizations have structures and processes in place that enhance performance by anticipating and preventing crises and turning those that occur into strategic opportunities (Seville and Vargo, 2018). They have cultures that are adaptable to change, leveraging critical thinking and learning across the organization. They devote sufficient resources to identifying and planning for potential risks. They make innovation and creativity a part of everyday operations, with strong internal networks and relationships promoting collaboration and learning. Resilient organizations maintain partnerships with external networks and draw on community resources while

We wondered if, under similar conditions, there were other factors, embedded in the management practices and culture of individual organizations, that created the conditions for greater resilience. What role did leadership, unity of purpose, adaptability, and creativity play? What other practices and processes have enabled some hotels to effectively respond, survive and set a course for recovery? How have these survivors transformed themselves to be better prepared for future shocks?

maintaining a robust capital structure. They promote resilience in their workforce by communicating effectively, providing opportunities for growth, providing a voice and influence over decisions, and promoting work-life balance (Cooper et al., 2013). Leaders create the climate and facilitate the processes that allows the resilient organization to flourish.

RESEARCH GOALS

The goal of this research study was to examine “Resilient Leadership” in selected Chicago-area hotels responding to the COVID-19 pandemic. By investigating the leader’s management philosophy and actions for practices and attitudes associated with resilience, we hoped to pinpoint the capabilities and attitudes that could help hotel managers respond to crises more effectively. Recognizing that “Black Swan” events and other disruptions are likely to occur in the future, we wanted to share lessons learned in the current environment to help enhance hotel industry resilience for the future.

The topic of resilience has been studied in individuals and organizations across a wide range of industries facing a variety of adverse events. However, to our knowledge resilience has not been considered in the hotel industry directly. Lee, Vargo and Seville (2013) have amassed substantial data on the resilience of various types of businesses and nonprofits impacted by disruptions as varied at natural disasters, terrorism, political turmoil, economic turbulence and disruptive innovation. Studies identify a set of common characteristics that can help predict the ability of organizations to effectively respond to and recover from adverse events. Their model consists of three interdependent attributes and 13 indicators that these researchers found to contribute to organizational resilience as well as BAU (business-as-usual) effectiveness, as depicted in Exhibit 1.

Resilient organizations have structures and processes in place that enhance performance by anticipating and preventing crises and turning those that occur into strategic opportunities (Seville and Vargo, 2018).



Exhibit 1: Organizational resilience module organized in three categories with 13 indicators. Reproduced with permission. Copyright © 2021 Resilient Organisations.

It is important to remember that resilient leadership is context-specific, meaning that the conditions driving instability and appropriate responses are different in different types of business and locations. We wanted to understand how these conditions might apply in the Chicago hotel industry. We attempted to adapt the model and research tools developed by Lee, Seville and Vargo to reflect the unique business challenges of hotels and the specific conditions of the Chicago hospitality market.

RESEARCH METHODOLOGY & DESIGN

The research was conducted between October 2020 and January 2021. During this time, Chicago hotels were experiencing a second lockdown in response to a resurgence of COVID-19 cases. A case study was developed involving 16 hotels, representing a cross-section of types, sizes and ownership models in the Chicago metropolitan area, with the majority of them in Chicago's central business district. Participants self-selected in response to outreach through the Illinois Hotel & Lodging Association. Participants completed in-depth surveys to assess their management practices and policies while providing basic background on themselves and their organizations. The core of the survey were 18 statements related to staff engagement, decision-making, innovation and creativity, partnerships, unity of purpose and proactive posture. These statements were based on the Lee, Vargo and Seville model and survey instrument. Participants were asked to agree or disagree with these statement on a 7-point scale. They were asked to evaluate each statement twice, reflecting their practices and processes before and then after onset of the COVID-19 pandemic, so that we could identify how the crisis might have influenced their approaches and mindsets. We also gathered data concerning steps taken to respond to the crisis, such as applying for financial assistance and PPP, initiating staff reductions, and making changes to operations and amenities.

We then conducted qualitative interviews with willing survey participants to shed additional light on survey responses and further explore successful strategies for promoting resilience in hotels. In addition, we sought to gain an overall assessment of their experience during the pandemic. The qualitative interviews probed for topics such as leadership style, staff and guest communications, the influence of public policy and partnerships emerging from the crisis, along with an assessment of the organization's overall change readiness and resilience as a result of the pandemic. A total of 7 hotel leaders consented to one-on-one interviews conducted over videoconferencing technology.

Survey and qualitative data were analyzed using analytical software tools to identify salient issues and patterns related to resilient leadership. Responses were kept confidential and data separated from individual names and affiliations. Participants could skip any survey question they preferred not

to answer, and several did not include the name of their property with their submission. However, the 7 individuals who participated in the interviews identified their properties and agreed to be quoted in this report.

Research Limitations: The findings are intended to provide a snapshot of management practices and attitudes related to resilience during the COVID-19 pandemic in the Chicago hotel market. Since findings are based on a small sample, they cannot be considered representative of the hundreds of hotels in the Chicago region or in other markets. Since the sample is self-selected, it is possible that findings reflect the views of hotel managers with greater ability to participate, either because they are having a more positive experience and/or have greater stability to do so. It should be noted that since the research was conducted, several participants have lost or changed positions, and at least one management company has filed for bankruptcy. The findings also reflect the participants' experience in a particular point in time; attitudes, practices and processes may continue to evolve over time. Assessing actual occupancy and financial performance was outside the scope of the study.

PARTICIPANT PROFILE

Demographics: Survey participants were primarily male (88%) and all were senior executives. Approximately 70% (11) were General Managers; there was one owner, one regional director, two Human Resources Directors and one Sales Manager in the sample. Approximately 60% were ages 50+ with nearly half of those 61+; 40% were under 50 with the majority in their 30s. A total of 12 (75%) had worked in the industry for 21+ years, while 3 (20%) had 10 to 20 years' experience and one had less than 10 years' experience. The majority of participants, 10 (63%), had been in their current position for 4 - 10 years and 4 (25%) for more than 10 years.

TABLE 1: PARTICIPANT DEMOGRAPHICS

Role		Title		Age Range*		Experience**		Years in Current Position**	
Male	88%	General Manager	70%	50+	60%	21+ yrs	75%	4 - 10 yrs	63%
Female	12%	Other Senior Executives	30%	< 50	40%	10 - 20 yrs	20%	10+ yrs	25%

*One participant preferred to not report age range.

** One participant had <10 yrs experience

Exhibit 2: Brand Segments

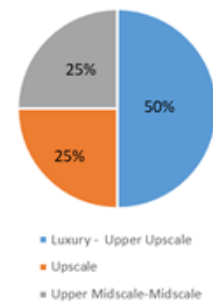


Exhibit 3: Ownership Type

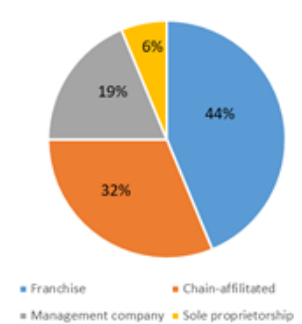
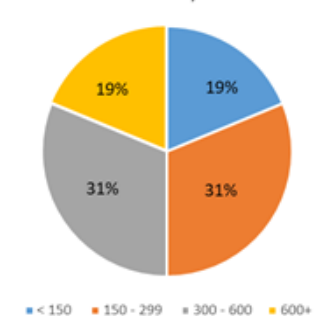


Exhibit 4: Size/Room #



Property Characteristics: The sample represented a cross-section of property types, ownership models, sizes, revenue levels and operating histories. Overall, the sample was predominantly upscale to luxury (80%), franchise or chain-affiliated (76%), between 150 – 600 rooms (62%), with annual revenues of more than \$10 million (70%) with half of those with more than \$25 million, and operating histories of 10 – 49 years.

TABLE 2: Overall Property Characteristics

Brand Segment	Upscale to luxury	80%
Ownership Model	Franchise or chain affiliated	76%
Size by Room #	150 – 299, 300 – 600	62%
Annual Revenues	> \$10 M (half of them \$25+ M)	70%
Operating Histories	10 – 49 Years; one 50+ years	56%

- **Brand Segments:** Luxury and upper upscale represented 8 (45%) of the sample, while upscale represented 25%. Upper midscale and midscale accounted for 20% of the sample (Exhibit 2).
- **Ownership Type:** Over 75% of the sample were franchises 7 (44%) or chain-affiliated 5 (32%). Three (19%) were owned by a management company and one (6%) was a sole proprietorship (Exhibit 3).
- **Size:** Nearly two-thirds 10 (62%) were mid-sized, evenly divided between 150 – 299 rooms and 300 – 600 rooms. Three hotels had 600+ rooms (19%) and three have < 150 rooms (19%) (Exhibit 4).
- **Annual Revenues:** More than half of the sampled hotels (9) had annual revenues of more than 18 million (57%), with the majority of those (6) having more than \$25 million. A sizeable percentage (25%) had revenues of \$4 - \$10 million (4). Two had revenues of \$10 – \$18 (13%) and one had less than \$4 million (6%) (Exhibit 5).
- **Operating History:** A total of 9 (56%) of the properties had been operating for 10+ years and one of those for 50+ years. A little less than half (7) had been in business less than 10 years (44%), and of those, 3 had been operating for less than 4 years (Exhibit 6).

INTERVIEWEE PROFILE: Interview participants were recruited from among the survey participants. The 7 interviewees were primarily affiliated with upscale to luxury hotels with 150 – 300 rooms, although one participant’s hotel was upper midscale with <150 rooms and another interviewee represented a 600+ room hotel. Annual revenues ranged across all categories. Most of the hotels were either franchise or hotel management company-run properties. Most individuals were aged 50+ however, two of the interviewees were in their 30s.

Exhibit 5: Annual Revenues

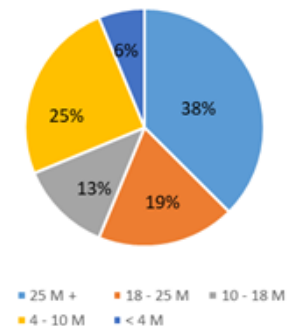
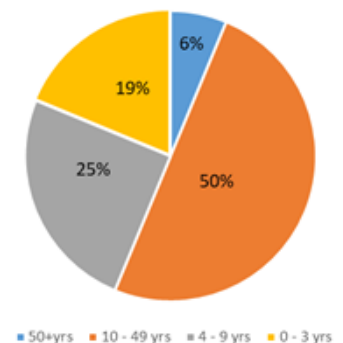


Exhibit 6: Operating History



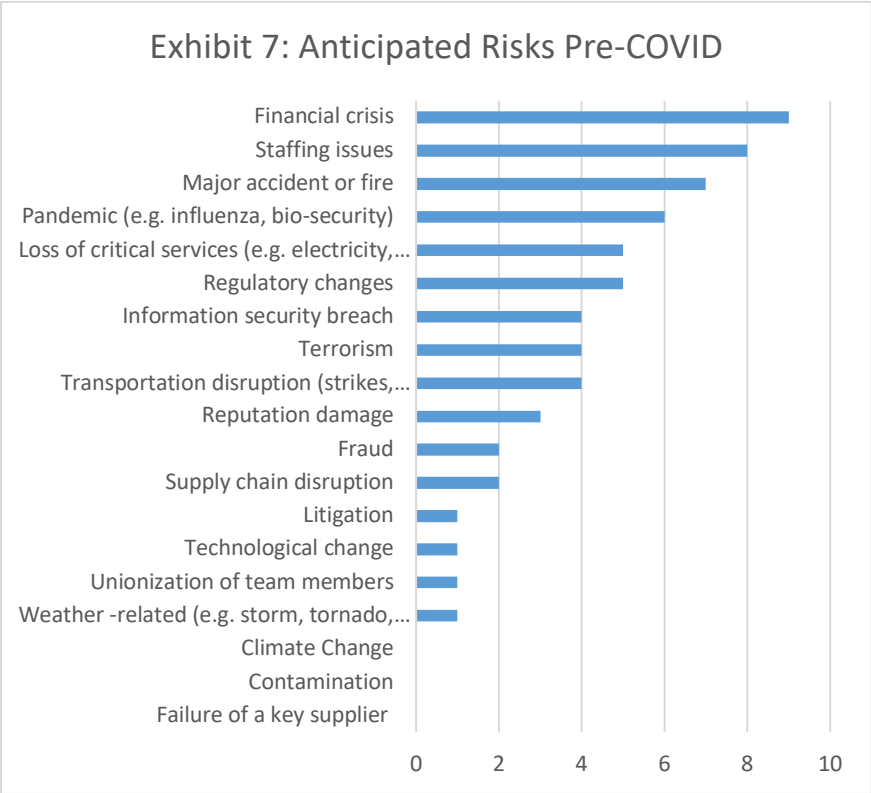
RESULTS

Our research provides a snapshot of resilient management practices and processes before and after the onset of the COVID-19 pandemic in a select number of hotels in the Chicago metropolitan area. It also offers insight into the industry’s operational challenges and responses to the crisis and indicates some future trends and challenges in recovery.

Results reflect a combination of in-depth surveys with 16 hotels and interviews with 7 hotel managers. Included are participant self-assessments on 18 indicators of resilient organizations, before and after COVID-19, survey data on responses to the crisis, as well as open-ended comments about the experience of managing through the pandemic. Findings are organized around 8 themes that emerged from the analysis: 1) Crisis Management, 2) Leadership, 3) Communication, 4) Collaboration and Teamwork, 5) Creativity and Innovation, 6) Partnerships, 7) Capital Resources and Finance, and 8) Overall Resilience Before and After COVID-19.

1. Crisis Management

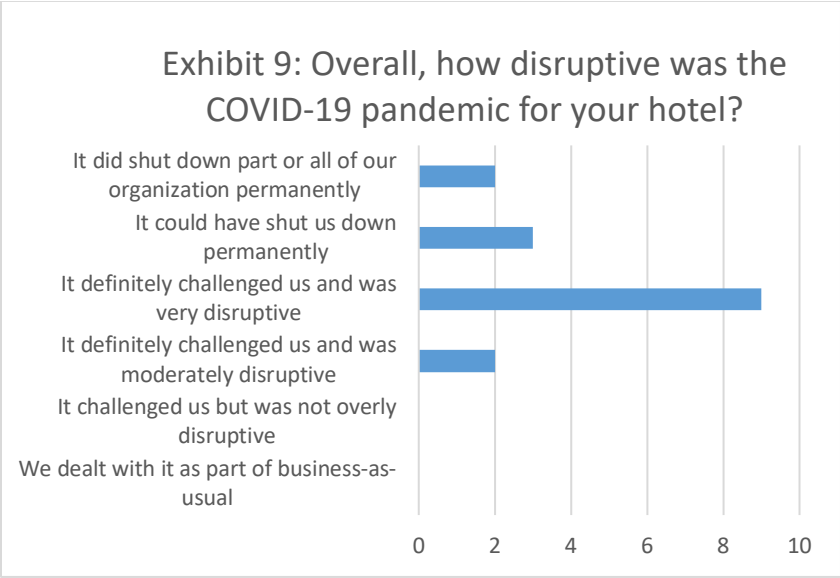
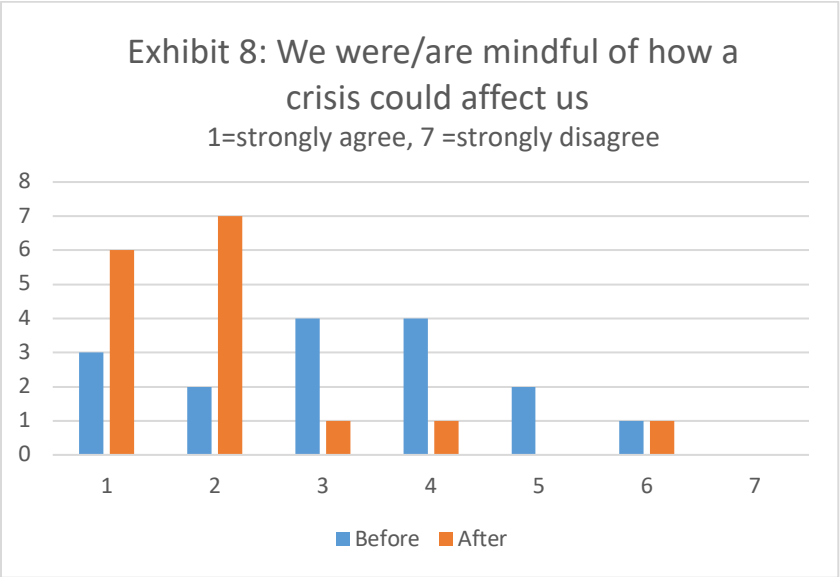
Proactive risk assessment and planning are important factors in organizational resilience. Keeping in mind that better prepared hotels were more likely to respond to the survey, all of the hotels in this study reported having crisis plans and were conscious of potential threats. When asked to identify the top five risks that could lead to a crisis for their hotel from a list of 18 possible threats, they placed a pandemic or bio-security hazard fourth, behind a financial crisis, staffing issues, major accident or fire (Exhibit 7).



“Few thought to pay much attention to [the biohazard] section of the manual. However, when two employees died from the virus at the Hilton Chicago and when the issue of mask wearing came to the fore, we along with the rest of the company embraced and adopted these emergency standards.”

-- John Wells, General Manager, Hilton Chicago

While participants were mindful of how a crisis could affect them, awareness was heightened by COVID-19 (Exhibit 8). The COVID-19 pandemic took many by surprise and proved more disruptive than most had anticipated. Most participants found the pandemic very disruptive and some moderately disruptive (Exhibit 9). Several reported that it could have shut the hotel down permanently, and two hotels from our sample reported that it did shut down all or part of the organization permanently. None felt that it was not overly disruptive and none said they dealt with it as business-as-usual (Exhibit 9).



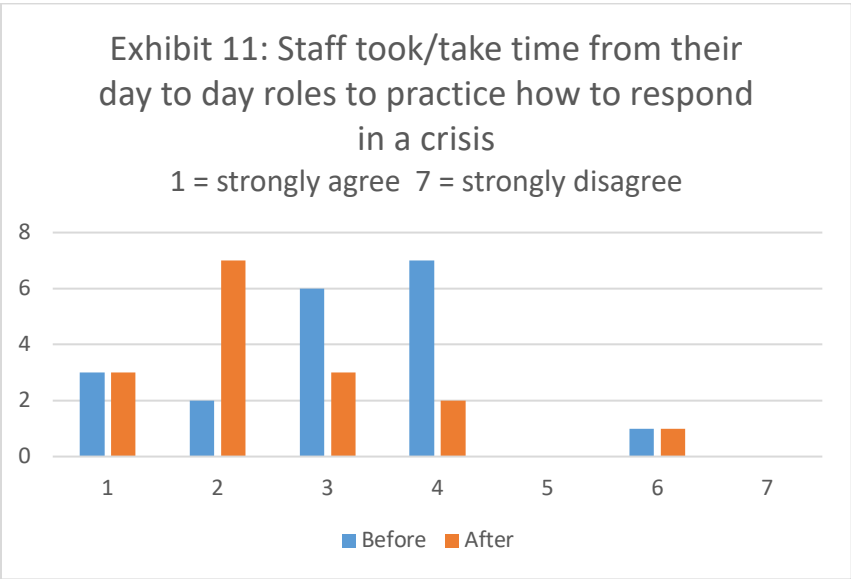
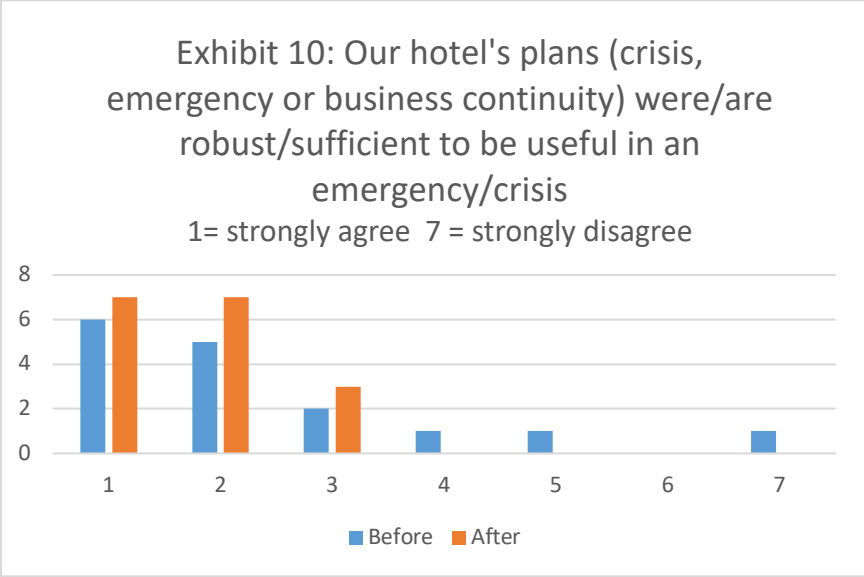
Crisis Planning: Proactive planning increases readiness to address disruptions if they come. Making risk assessment a focal point of strategic planning and embedding crisis plans into day-to-day operations ensures that managers are equipped to address vulnerabilities in a timely manner. The majority of hotel participants felt that they had sufficiently robust crisis



The COVID-19 pandemic took many by surprise and proved more disruptive than most had anticipated. Most participants found the pandemic very disruptive and some moderately disruptive. Several reported that it could have shut the hotel down permanently, and two hotels from our sample reported that it did shut down all or part of the organization permanently.



management plans in place before COVID-19, although several felt their organization was lacking in that area (Exhibit 10). All of the participants have beefed up crisis plans as a result of the pandemic, and more of them taking time to practice them to enhance their effectiveness (Exhibits 11). Counterintuitively, belief in the need to practice for crises declined. This possibly indicates how unusual and extreme responding to the pandemic has been versus other type of localized crises. In follow up interviews, participants commented that crisis planning was now more proactive with longer planning horizons. Another remarked that preparedness in the area of biohazards is now at a much higher level as a result of this pandemic and has become embedded in the training program for the future.



Crisis planning was now more proactive with longer planning horizons... preparedness in the area of biohazards is now at a much higher level as a result of this pandemic and has become embedded in the training program for the future.

Agility: Agile organizations take decisive action to protect themselves in a crisis. For many hotels impacted by COVID-19 this meant moving quickly to stem financial losses by reducing operations, rethinking processes and procedures, evaluating staffing and developing new strategies for serving guests. The majority of participants saw their organization as able to rapidly shift to respond to crises before the pandemic, and the most felt that their capacity to do so increased after, as well (Exhibit 12). Most were able to shift from business-as-usual to operating even at reduced capacity within 1 to 2 months and a few within 3 to 5 months, but several were still not open or back to normal operations as of the end of 2020 (Exhibit 13).

Exhibit 12: We are able to shift rapidly from business-as-usual to respond to crises
1 = strongly agree 7 = strongly disagree

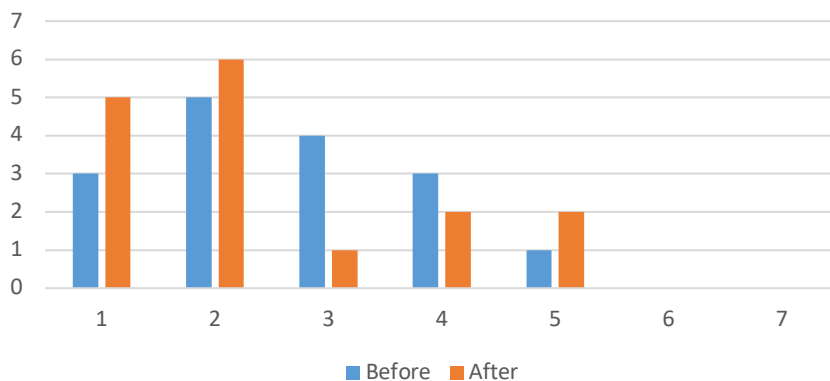
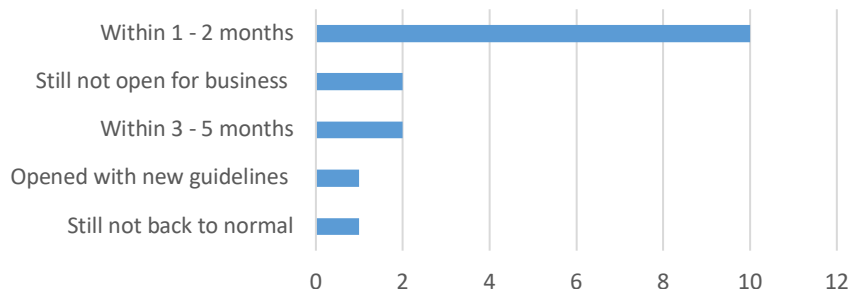


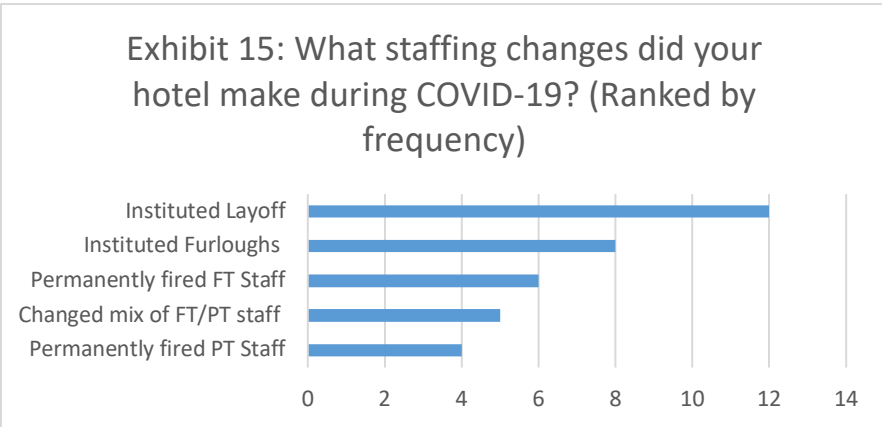
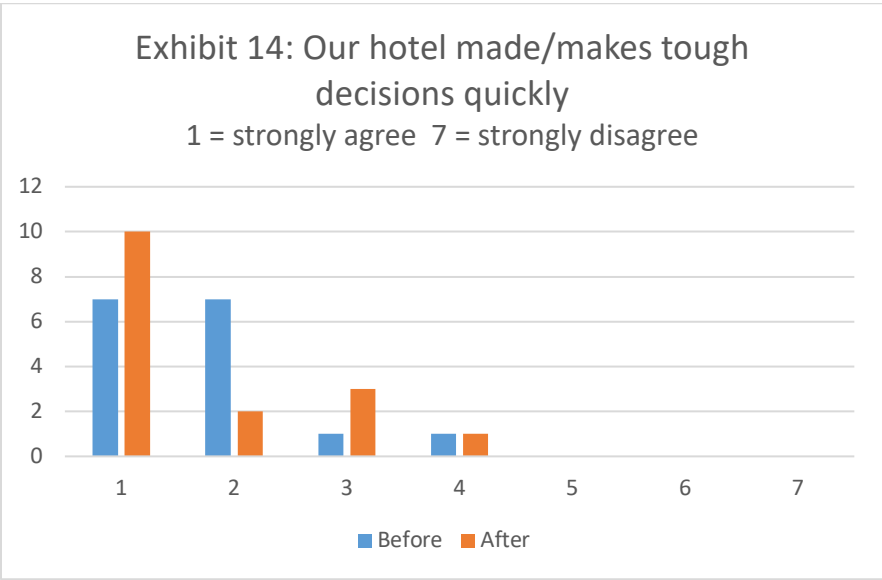
Exhibit 13: How quickly was your hotel able to shift from business-as-usual to operating even at reduced capacity?



“Resiliency has become a required factor in conducting business. A pandemic forces all managers to know how to adjust to unexpected circumstances and to know how to adjust quickly. These fast adjustments have to come from a working relationship that combines all elements of the company, i.e. ownership, investors, management and the entire hotel team.”

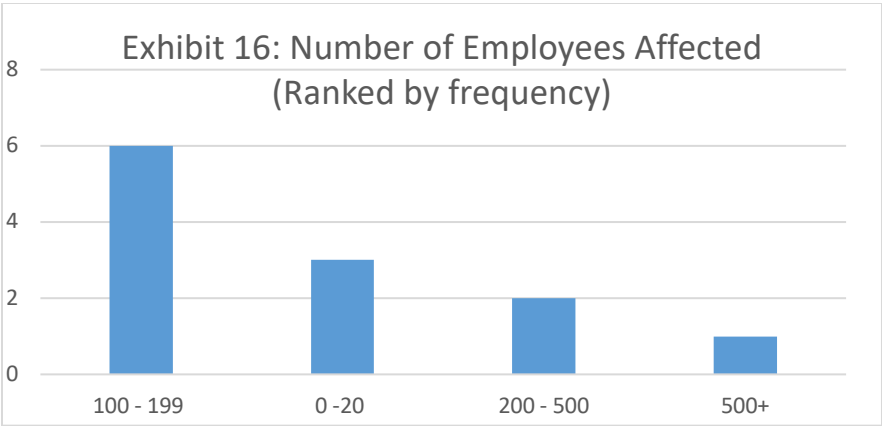
--Lindsay Srednicki, Hotel Manager, The Langham Chicago

Decision-making: Most participants felt able to make tough decisions quickly before the pandemic and most thought they had enhanced this capacity as a result of the pandemic (Exhibit 14). Participants were forced to take drastic and often painful measures to maintain operations during the pandemic. In interviews, participants noted that managers became nimbler and were more flexible, making tougher decisions more quickly. All engaged in a combination of layoffs, furloughs, terminations of full- and part-time staff and changes to the staffing mix that impacted hundreds of employees (Exhibits 15 and 16). One participants reported that the hotel severed 60% of staff through two severance dates. Another said 50% of hotel employees were affected by layoffs, furloughs or changes in staffing mix.

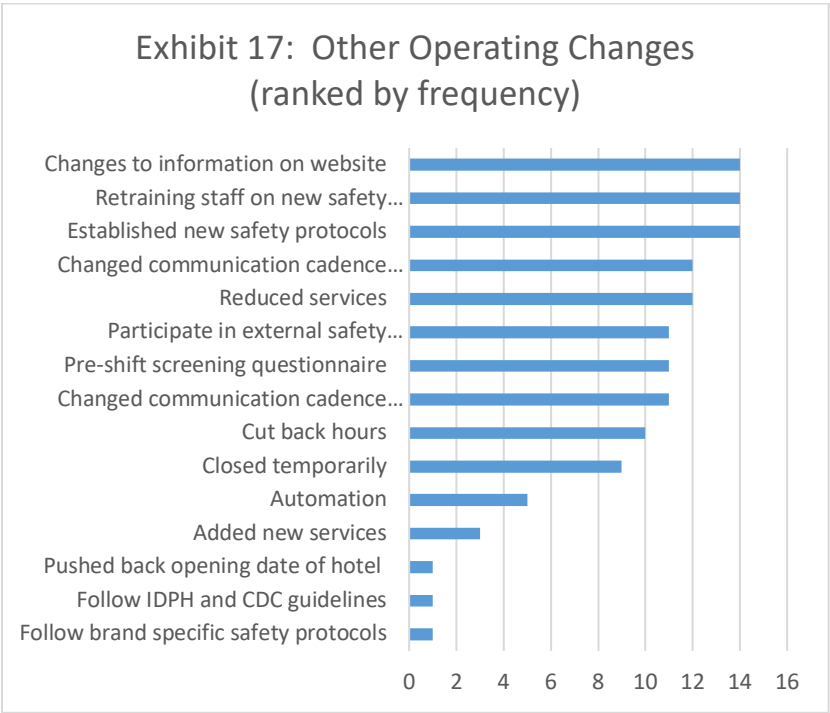


“After this hit, we quickly realized we need to go into survival mode. We pared down to 11 employees from 150 and only saw 1%-5% occupancy during the first few months. We have shifted into survival mode and have not crawled out of that yet.”

– Nabil Moubayed, Area Regional Director, Kimpton Hotels



Hotels were forced to make dramatic operational changes to comply with safety standards and preserve profitability. The most frequent operating changes included changing information on the hotel’s website, establishing new safety protocols, reduced services, pre-shift employee screening and cutting back hours, although several reporting adding new services (Exhibit 17). The use of automation to promote touch-free services was also noted.

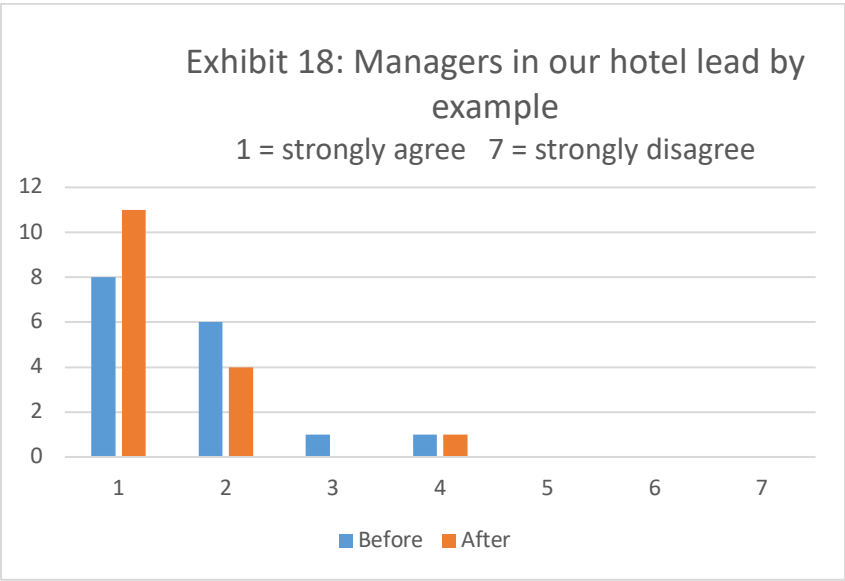


All [hotels] engaged in a combination of layoffs, furloughs, terminations of full- and part-time staff and changes to the staffing mix that impacted hundreds of employees.

2. Leadership

Crisis situations test the ability of leaders to inspire and motivate others. Resilient leaders set a tone and example that helps the team work through destabilizing events to embrace a new reality. They employ emotional intelligence to manage their own and others’ emotions, empathize with their employees’ feelings and needs, and project optimism and hope to help maintain staff morale. One General Manager commented, “For me personally, it’s been about trying to remain the steady captain for the team.”

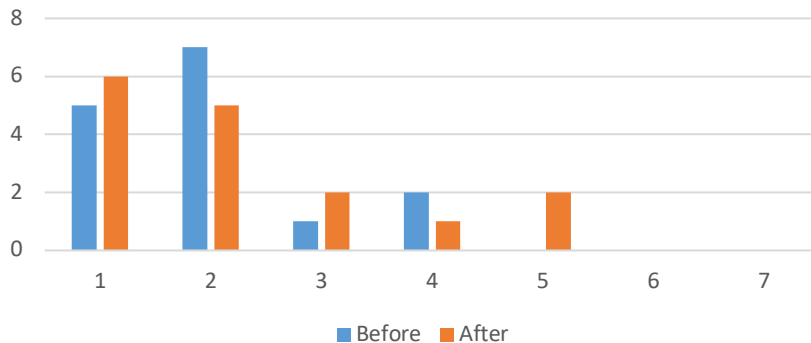
The need to lead by example was already on high on participants’ agenda before COVID-19, but received more emphasis after the pandemic (Exhibit 18). Another common theme was the focus on the future. Leadership directed staff and management not to dwell on the pandemic, rather to focus on the future. Responses indicated that leaders’ ability to project optimism and hope was tested by the pandemic (Exhibit 19). One General Manager candidly stated, “Throughout the pandemic, there are days when I feel I need to go into the walk-in cooler and scream.”



“It has been necessary to lead by example, maintain a positive atmosphere, and maintain relationships at the highest level.”
-- Dr. D.J. Patel, Owner, Clarion Inn South Holland

Exhibit 19: Leaders tend(ed) to be optimistic and find the positive in most situations

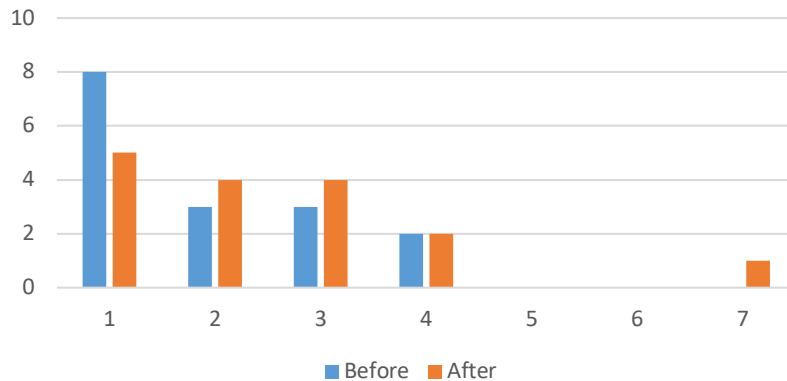
1 = strongly agree 7 = strongly disagree



Unfortunately, staff morale declined for the majority of properties after COVID-19, with one organization rating it as extremely low (Exhibit 20). Continuing layoffs, furloughs and operational reductions tested the ability of both leaders and team members to maintain optimism and hope for recovery.

Exhibit 20: Our hotel maintain(ed) high staff morale

1 = strongly agree 7 = strongly disagree



Participants commented that the pandemic ultimately changed their leadership styles in several ways. First, there was a greater focus on empathy. Second, there was an investment in clear, calm and courageous communications with individuals and the team as a whole. And third, manager spent more time in the trenches with teams as layers of management were eliminated.

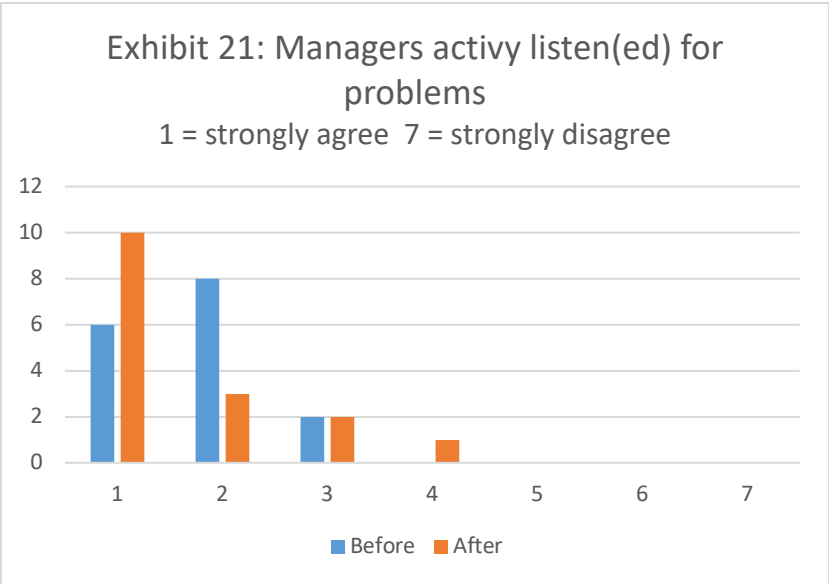
"[It's] incumbent on the leader to rise to occasion, recognize impact on morale and do what is needed to keep people safe and comfortable through challenging times." --Mitch Langelier, Former VP of Talent and Culture, SMASHotels

"I became a wartime GM who can lead during the toughest of times. I became much quicker and better at tough decision-making, a process that usually included consensus building but now had to be made swiftly. I was a good GM having worked through 911 and the recession. However, this is unlike anything that any of us have been through." – Nabil Moubayed, Area Regional Director, Kimpton Hotels

3. Communication

According to study participant, disruption produced by Covid-19 was a major driving force to evaluate and re-evaluate the ways they and their parent companies communicated with both their employee teams and their guests. Participants discovered that their former communication methods (monthly departmental meetings, internal and external newsletters, group discussions and formal training sessions) required immediate change. The new approach involved “casting a wide net to personalize the process” and delivering the message that “we care about you [and we are] helping each other out.”

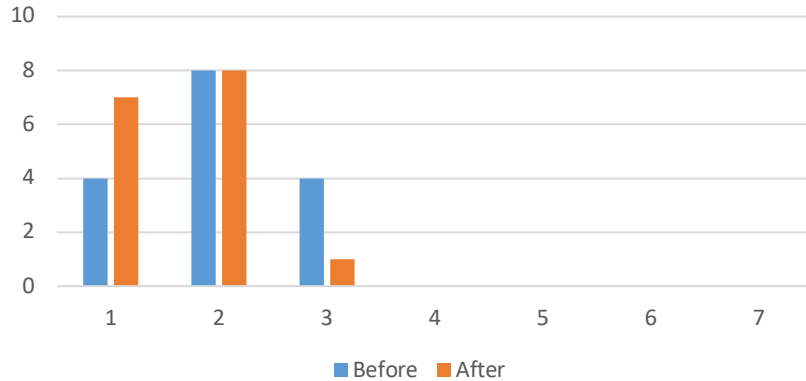
The study revealed that management made tough decisions quickly by actively listening for problems so they could be immediately addressed (Exhibit 21). Actively listening for problems was a way to develop trust with both active, furloughed and laid-off employees for most of the participants. Participants expressed how “communications and listening were critical skills and that hotel ownership/management should be communicating more, not less.”



In the effort quickly adapt to the crisis, two or more participants created “ hotlines” (one operated 24-hours-a-day) including and directed at retained and furloughed staff to answer questions and enhance engagement. They also reported using technology such as videoconferencing and engaged in one-on-one discussions more frequently. Participants prioritized providing direction for staff in crisis during the pandemic in these communications (Exhibit 22).

“The biggest thing was that I recognized that people needed more human contact. I went to the properties more often, was more present, gave people a sounding board.” – Mitch Langelier, former VP of Talent and Culture, SMASHotels

Exhibit 22: Our priorities for recovery provide(d) direction for staff in a crisis
1 = Strongly agree 7 = Strongly disagree



Other adaptations included website redesigns, impactful use of social media and a changed communications cadence as is demonstrated in the overall uptake and significance of communications and scheduled meetings. One respondent created a new Facebook page as a method of keeping everyone connected with the weekly, often daily, postings of the General Manager and HR Director about new policies and protocols. These were often accompanied with some humor to encourage higher morale. One participant found that 99% of the team began regularly posting and sharing a mix of positives and negatives dealing with the workplace as well as personally.

Guest Communication: In interviews, participants discussed how emphasizing safety and health protocols in communication was a key factor in building trust with potential guests who were concerned about traveling during the pandemic. One participant also included information on options outside the hotel, e.g. where to do things, what's open, what's not and what protocols were required across Chicagoland. Another created a special YouTube holiday message for not only his team, but also directed at loyal regular group customers and corporate meeting planners. This same hotelier made it a point to closely watch COVID-19 timelines so as to coordinate prospective guest messaging with vaccination roll-outs and on-going processes. This planning process allowed hotels to evaluate business and corporate meeting/travel policies that will require on-going and frequent knowledge of health and safety protocols being actively used. Participants noted that using QR codes on everything for messaging guests reinforced trust in picking one hotel over another. Since interactive and social media messaging is now a quite normal way of communicating during and post COVID-19, another hotel respondent emphasized the significance of the use of *visuals* to show guests (and staff) how normally back-of-the-house jobs are performed now, i.e. the step-by-step guest room, public space, overall hotel disinfecting protocols in action.

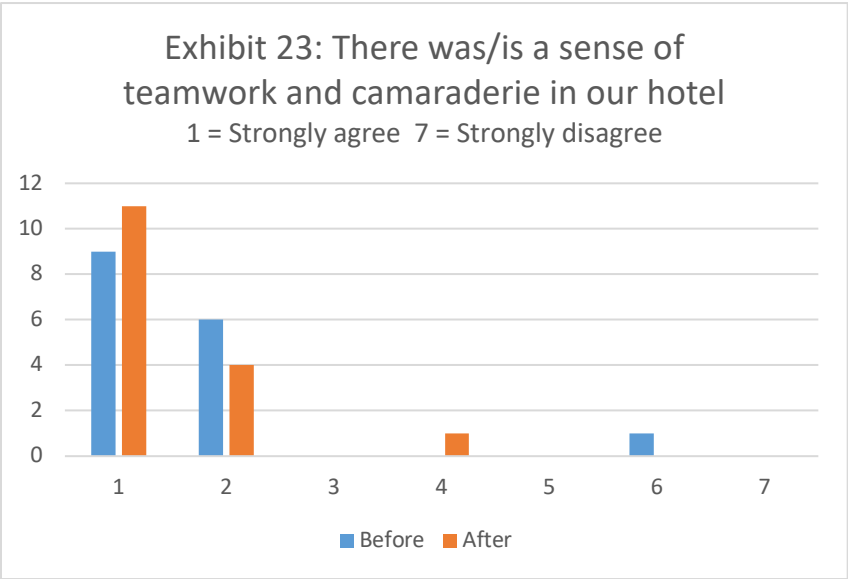
"We also had to learn to have 'courageous conversations' with all staff (both furloughed and active) addressing not only business related, but also personal problems arising from COVID-19." – John Wells, General Manager, Hilton Chicago

"Looking back, you can't over-communicate when working through such a challenging environment." – Mitch Langelier, former VP of Talent and Culture, SMASHotels

Further, participants noted that teams need not to have a victim mentality or be unapologetic about newly instituted rules, regulations and protocols. Regardless of guest status, all guests were expected to adhere to safety standards that existed to protect other guests and staff.

4. Teamwork and Collaboration

In resilient organizations, staff are connected to the mission and understand how they contribute to the organization’s recovery and long-term success. With the pandemic reducing occupancies, participants found ways to respond to the crisis by consolidating and paring staff positions, providing time for active employees to learn new roles, practice them and learn how to maintain high service levels. The staff had to be heavily cross-trained and departmental differences were eliminated in order to focus on serving the customer. Participants commented that leaders got in the trenches with their teams and senior people were doing jobs they haven’t done in years like cleaning rooms, taking out garbage, and working at the front desk. The resulting “lifeboat mentality” enhanced the already high sense of camaraderie and teamwork at most of the hotels (Exhibit 23).



Interestingly, one respondent of a small hotel reported that by imposing new cross-utilization methods, they did not lay off anyone. The property moved food and beverage staff into hotel tasks, used time-off flexibility rather than cutting hours, and scheduled accordingly once school closing presented new challenges for working parents.

Knowledge Sharing and Breaking Down Silos: The study data showed that layoffs and furloughs created smaller teams, thus flattening the organizational charts and requiring a free flow of information more readily between senior managers and line staff. This flatter organizational structure required empowering staff by providing direction, knowledge, tools to solve unexpected problems (Exhibit 24). In addition, owning problems until they are

“[We] focused heavily on cross-training management to meet the needs of properties with reduced occupancies and revenues. Leadership has required a variety of training protocols be learned by anyone still serving guests and/or acting in a team during the pandemic.” -- Lindsay Srednicki, Hotel Manager, The Langham Hotel Chicago

resolved became more important. (Exhibit 25). In interviews, participants reported positive results with staff inclusion in critical decision-making.

In interviews, participants described a heightened sense of collaboration among and across all departments. They emphasized company values and respect for employees’ resilience and dedication to maintaining an ongoing viable business. Collaboration was heightened by the ongoing and daily implementation of new health and safety policies and protocols, and by technology-enabled meetings and virtual training sessions across the hotel’s organization which kept everyone “in the loop.”

Exhibit 24: Staff had/have the information and knowledge they need to respond to unexpected problems
1= agree strongly 7 = disagree strongly

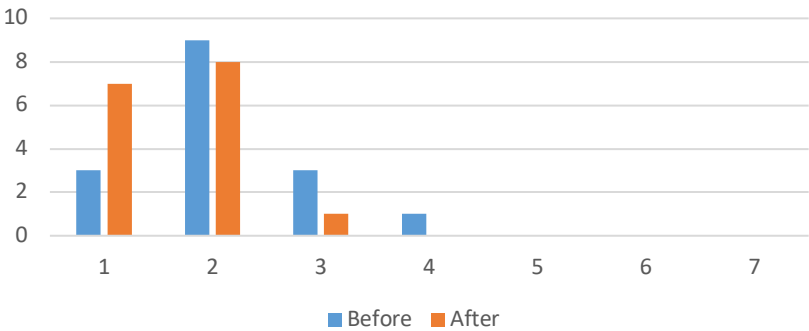
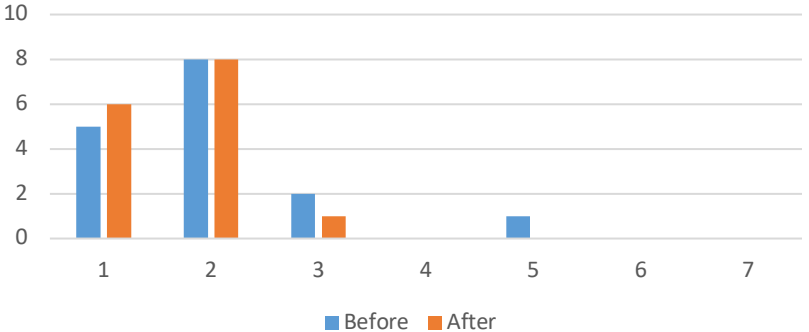


Exhibit 25: People in our hotel owned/own a problem until it is resolved
1 = strongly agree 7 = strongly disagree



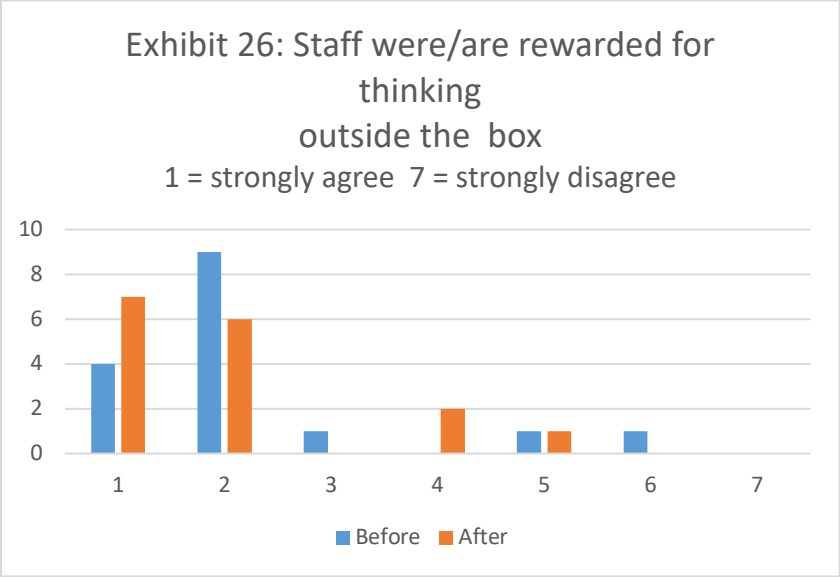
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“[It was necessary] to have management and chain ownership mandate there to be no delineation between departments with all information to be shared with all employees.” -- Lindsay Srednicki, Langham Hotel Chicago

According to interviews, to work effectively in this new environment, any pre-existing “silos” or barriers between department needed to be eliminated. Study participants described how in the post-COVID environment, what happened in one department needed to be shared with all others through universal communication once not the norm. The silos were further minimized, if not eliminated, by daily morning ‘crisis’ meetings that encompassed one chain’s worldwide team with the intent to keep everyone aligned and focused on the same topics of concern, thus creating a more cohesive environment. In one instance, once separate departments with separate functions, like a food and beverage department, were now merged with oversight more clearly a function on the whole operation. Further, most participants found themselves combining multiple different disciplines that were once handled by multiple team members.

5. Creativity and Innovation

Participants in this study found that hotel emergency plans had to have the ability to respond to all eventualities in order to efficiently operate. The unexpected nature of those eventualities related to the pandemic forced hoteliers to develop creative and innovative methods to preserve occupancy and stay open if possible. One participant likened it to operating in “survival mode” that compelled employees to find innovative ways to maintain positive guest experiences. While most participants rated their organizations highly in innovative thinking prior to the pandemic, rewarding “thinking outside the box” (Exhibit 26) became more prevalent for sustaining operations during the pandemic.



Out of necessity new innovations grew. Hotels created new amenities as traditional amenities were pulled, they offered new forms of dining, and they offered new services. In the luxury market, a desire to keep some of the “customer experience” spurred innovation and partnerships.

“The property has had to create alternatives such as ‘Cinema Suite Packages’ and ‘Private Pool Swim Packages’ whereas this would not have been a priority pre-pandemic.” Lindsay Srednicki, Hotel Manager, The Langham Hotel Chicago

“The goal has always been not to allow the Thompson experience to change too much with all the COVID restrictions. We may only have 20 rooms occupied but those guests need to have the best experience.” – Paul Cardona, General Manager, Thompson Hotels

In interviews, participants shared how new ideas were considered, often acted upon and rewarded. For instance, one hotel's employee, upon noticing that the closure of all room mini-bars was causing guests to ask for directions/options to obtain cocktails/mixed drinks, came up with a program called 'The Concierge Cocktail' wherein team members created named cocktails, obtained the ingredients, labeled and bottled the drinks for purchase in the hotel lobby. This innovative idea generated the sale of over 2000 cocktails, an unexpected and much needed source of revenue with a local charity component a part of each sale. Industry publications reported the use of robots, voice assisted solutions and other remote controls to keep the environment in clean and sanitized condition. In alignment with this trend, one small hotel used ultraviolet lighting to sanitize common areas. Others innovated in the marketing realm. For instance, the term 'staycations' took a new meaning when offered as an opportunity for pandemic-fatigued guests to get a change of scene while still adhering to social distancing and quarantining requirements.

Creative and innovative thinking is also reflected in the way staff are approaching teamwork and problem-solving. One participant likened the situation to a period in time when football players were specialized to do one task on the field, whereas now you had to broaden your skills and learn all facets of the game.

6. Partnerships and Community

Resilient organizations maintain partnerships with outside entities who may be able to help in a crisis. Not surprisingly, participants already had a strong relationship with the Illinois Hotel & Lodging Association, who helped facilitate recruitment for this study, but grew even closer in this crisis (Exhibit 27). Participants had looser relationships with other outside resources before the pandemic. However, the data suggests that they put significantly more energy into these relationships after the onset of COVID-19 (Exhibit 28). Participants reported greater reliance on outside vendors, as hotels cut staff and outsourced various management functions with the thought that these arrangements could extend beyond the pandemic. Interviewees noted that the desire to keep some of the "customer experience" spurred innovation and partnerships. One example of this was closer partnerships between hotels and neighborhood restaurants to provide room service for guests.

One hotel's employee came up with the 'The Concierge Cocktail' wherein team members created named cocktails, obtained the ingredients, labeled and bottled the drinks for purchase in the hotel lobby. This innovative idea generated the sale of over 2000 cocktails, an unexpected and much needed source of revenue with a local charity component a part of each sale.

Exhibit 27: We were/are an active participant in industry groups

1 = strongly agree 7 = strongly disagree

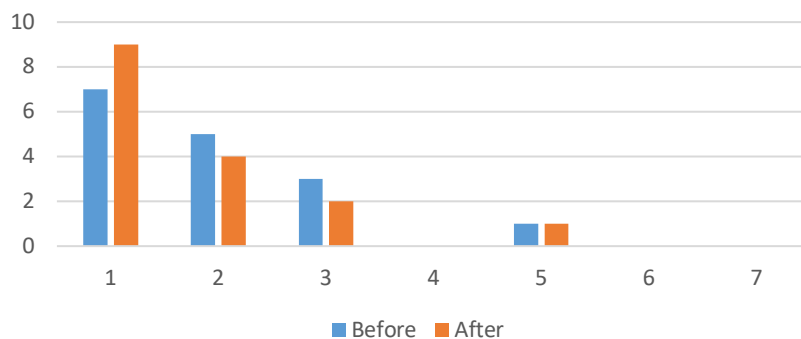
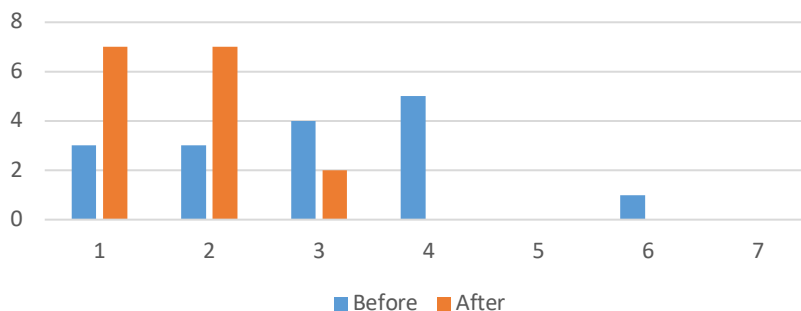


Exhibit 28: We built/build relationships with organizations we might have to work with in a crisis

1 = strongly agree 7 = strongly disagree



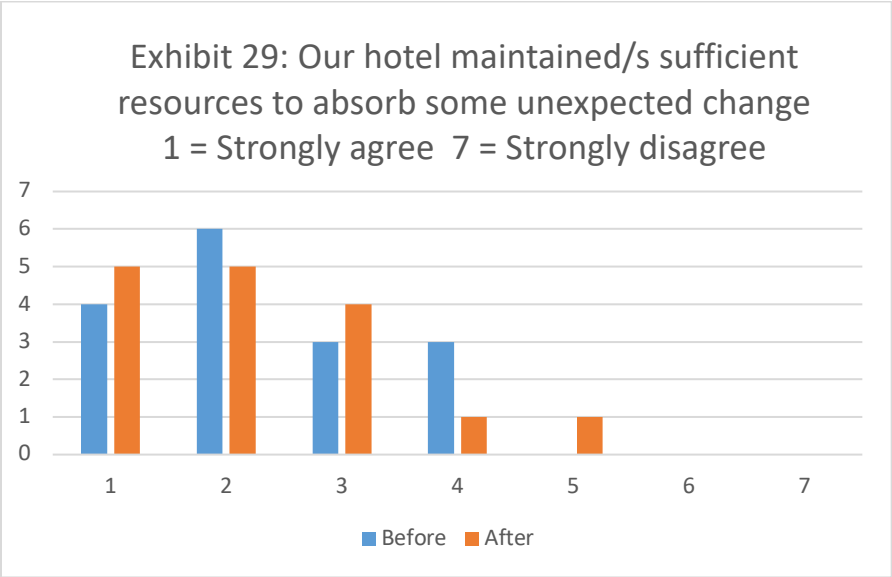
Collaboration with local, state and federal government agencies presented difficulties for some of the hotels, which found the conflicting guidance confusing. One participant noted that differences between government guidance and franchise standards, which were more stringent, complicated decision-making within the hotel. In this instance, constantly changing requirements created confusion and hurt staff morale.

As the pandemic lingered, hoteliers focused less on competing and more on collaborating to save the industry. One General Manager noted that “Relationships with other luxury hotels in Chicago were never better. We are no longer hiding information from each other, but now sharing information with each other to help the industry survive.” Participants expressed the belief that the overall health of the industry will rely heavily on partnerships and cooperation from private industry, government and quasi-government agencies. Interviewees singled out Choose Chicago as an important partner in the recovery.

“We will need “demand” generators for the city, state, country to get the hotel industry back on track. This will require strengthened partnerships with local convention and visitor bureaus, DMOs and all tourism related support groups.” – John Wells, General Manager, Hilton Chicago

7. Capital Structure and Resources

Having sufficient resources to weather unexpected changes is a common predictor of resilience. Responses from participants suggested that they were tested on this point. Nearly all of them felt they had sufficient resources to absorb some unexpected change. One smaller hotel reported developing a sizeable cushion to ride out a crisis by setting aside a significant portion of annual revenues over the past few years. But on the whole confidence in having sufficient resources barely increased and in some cases decreased given the scope and longevity of the crisis (Exhibit 29).



Only a few hotels applied or received government or industry assistance. The data indicates that the most popular support used was the Payroll Protection Program (PPP) with very little awareness or interest in the a) Economic Injury Disaster Loans (EIDL) through the SBA, b) Main Street Funding through the Federal Reserve, c) Illinois Small Business Emergency Loan Fund or d) Hospitality Emergency Grant Program (Table 2). The complex ownership structure of hotels (franchise, management companies, owners, brand) may have contributed to the lack of reliance on aid/loans. One GM stated, “PPP is still evolving. Changes keep coming up, confusing us more. And the paperwork keeps changing.”

“After the pandemic, we have financial opportunities for doing more with less. It has definitely changed the type of hotelier that I am. As a result, I will be a better operator.” -- Paul Cardona, General Manager at the Thompson Hotel

TABLE 3: Use of Outside Resources

Program	Applied for	Received Support	Unaware of Program	Uninterested	NA
Payroll Protection Program (PPP)		8	1	5	2
Economic Injury Disaster Loans (EIDL) through the SBA		1	3	10	2
Main Street Funding through the Federal Reserve			3	11	2
Illinois Small Business Emergency Loan Fund	2		3	9	2
Hospitality Emergency Grant Program	2	1	3	8	2

The same complexity around ownership issues cropped up as interviewees commonly considered three main stakeholders: employees, customers and owners. The realization that owners will be looking for a return to financial profitability was never far from the surface in the interviews. One General Manager commented, “At some point as a leader I had to make a decision. I needed to do what was right for the business.”

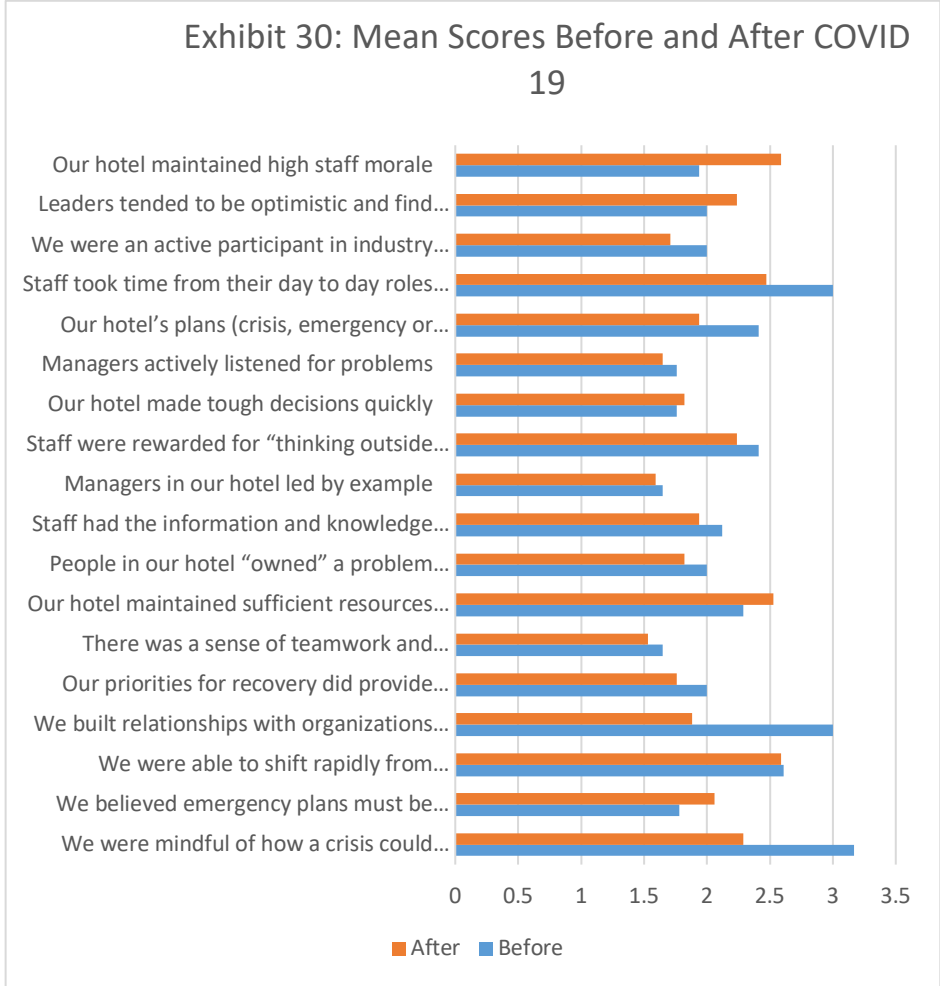
A sentiment was expressed throughout the interviews that the pandemic would cause hotels to be more discerning about resources in the future. This was evident in the areas of staffing and supply chain management. Managers in a variety of segments see that human resources can be deployed more frugally. The idea of “doing more with less” was a common theme. Leaders found new ways to be efficient.

The nature of the pandemic affected supply chains and rippled through the economy in a domino effect. It appears that vendor relationships were deeply tested. “Vendors and other suppliers were 95% cooperative and adaptive to our organization’s requests for flexibility and latitude. Those that did not bend the rules and did not work with company will no longer be doing business with the hotel now or in the future,” stated one luxury hotel General Manager.

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8. Overall Resilience Before and After COVID-19

Analysis of participant responses to resilience indicators suggests that through the COVID-19 pandemic, on the whole, hotels became more resilient in multiple dimensions. Although participants rated their hotels highly (1 – 3 or 4 of 7) on the resilience indicators prior to the pandemic, there were noticeable shifts evident in numerous categories. To derive mean scores, we calculated the average of all scores for the item. We used mean or average scores since responses were relatively symmetrical. Exhibit 30 compares mean scores for each indicator before (blue lines) and after (orange bars) COVID-19. Large shifts to the left in any indicators reflect a positive change and large shifts to the right suggest a negative change.



Analysis of mean data indicates that the hotels participating in this study become more mindful of how a crisis could affect them, enhanced their crisis management plans and took more time to practice those plans. They became more active in industry groups and built more external relationships with organizations that could help them. “Thinking outside the box,” communication, staff engagement, knowledge sharing and teamwork were enhanced (Exhibit 30).

The hotels participating in this study become more mindful of how a crisis could affect them, enhanced their crisis management plans and took more time to practice those plans. They became more active in industry groups and built more external relationships with organizations that could help them. “Thinking outside the box,” communication, staff engagement, knowledge sharing and teamwork were enhanced.

On the negative side, it appears that leaders struggled to project optimism and hope and staff had lower moral after COVID-19, although managers actively listened for problems, provided direction and led by example slightly more after COVID-19. As a whole, these hotels had difficulty maintaining sufficient financial resources (Exhibit 30).

Resilience by Brand Segment. By calculating mean scores by brand segments (Upper Upscale/Luxury, Upscale, and Upper Midscale/Midscale), we noted all segments increased how conscious they were of how a crisis could affect them and all increased how robust their crisis management plans were as a result of the pandemic (Table 4). Involvement with industry groups and relationships with outside organizations that could help them increased across segments. The segments differed however in several keys areas: For instance, Upper Upscale/Luxury hotels rated themselves higher in initial resilience overall. Upper Upscale/Luxury hotels also reported steady leader optimism and employee morale, while both the Upscale and Upper Midscale/Midscale hotels showed declines. Staff rewards for thinking outside the box was the same or increased in the Upscale and Upper Upscale/Luxury hotels, while it decreased in the Upper Midscale/Midscale properties. The Upper Upscale/Luxury hotels reported having sufficient resources to address the crisis, while the Upper Midscale/Midscale hotels reported a significant decline in that indicator (Table 4). See Appendix A for details.

TABLE 4: Change in Resilience Indicators by Brand Segment			
Indicator Category	Upper Upscale/Luxury	Upscale	Upper Midscale/Midscale
Crisis Awareness and Planning	Increased	Increased	Increased
Involvement in Industry Groups	Increased	Increased	Increased
Relationships with Outside Organizations	Increased	Increased	Increased
Leader Optimism, staff morale	About the same	Decreased	Decreased
Ability to quickly shift operations	Increased	About the same	Decreased
Teamwork	About the same	Increased	Decreased
Had Adequate Resources	Increased	About the same	Decreased
Creativity and Innovation	About the same	Increased	Decreased

It appears that leaders struggled to project optimism and hope and staff had lower moral after COVID-19, although managers actively listened for problems, provided direction and led by example slightly more after COVID-19.

Resilience Indicators by Annual Revenue. We grouped participating hotels into three categories of Annual Revenues: \$ 25 million +, \$10 – \$25 million, and under \$10 million. The \$25 million + group and the \$10 million or less groups reported that their initial resilience increased as compared to the \$10 - \$25 million group. The \$25 million+ and the \$10 – 25 million groups reported improvements or steady levels of crisis management, participation in industry groups, creating relationships with outside organizations, agile decision-making about operational changes, teamwork, and innovation/creativity. Leader optimism increased and employee morale decreased slightly in the \$25 million+ group (Table 5). Both leader optimism and staff morale decreased in the \$10 – 25 million and \$10 million or less group. The \$10 million or less group showed declines in all categories except the ability to quickly shift from business as usual (Table 5). (See Appendix B for details).

TABLE 5: Change in Resilience Indicators by Annual Revenue			
Indicator Category	\$25M+	\$10 – 25M	<\$10M
Crisis Awareness and Planning	Increased	Increased	Increased
Involvement in Industry Groups	Increased	Stayed the same	Increased
Relationships with Outside Organizations	Increased	Increased	Increased
Leader Optimism, staff morale	Leader optimism increased by staff morale decreased	Decreased	Decreased
Ability to quickly shift operations	About the same	About the same	About the same
Teamwork	Increased	About the same	Decreased
Had Adequate Resources	Slight decrease	Increased	Decreased
Creativity/Innovation	Slight increase	increased	Decreased

CONCLUSIONS

From external data and our research, it is clear that the COVID-19 pandemic has had a lasting impact on the Chicago hotels and the leaders who are steering their organizations through the crisis. Operations are leaner and more agile, organizational structures are flatter and old silos have been eliminated, teams are nimbler and more collaborative, and new levels of resilience have been achieved by many hotels. Although the sample was small and self-selected, the findings reflect some greater truths about how hotels have changed as a result of the crisis and what it could mean for the industry in the future.

Conclusion #1: Hotels are more aware and better prepared for the next

crisis. The hotels included in the study were challenged by COVID-19 to rethink and enhance their crisis management plans and procedures in ways that likely will outlast the immediate crisis. Most of these hotels had sufficiently resilient systems and strategies in place to respond quickly and effectively to the existential threat posed by COVID-19. As a result, they were able to make tough decisions and adapt quickly to sustain operations. They also absorbed lessons from the experience that could transform their readiness for any future crisis. They are more likely to be scanning the environment for predictable crises and “Black Swans.” As one participant put it “I’d put money on the table that this will happen again.”

Conclusion #2: “Resilient Leadership” won the day. The pandemic promoted a new paradigm in hotel leadership: one that approached challenges with empathy, decisiveness, transparency and innovation. Participants in this study demonstrated these qualities of “resilient leadership” in their attitudes and actions throughout the crisis. Although maintaining optimism and staff morale was a continuing struggle, teamwork and collaboration rose to extraordinary levels under the most trying conditions. Leaders expressed genuine caring and concern for team members and backed it up with transparent and consistent communication. They made tough choices and showed courage and resolve, forging ahead to find creative ways to overcome obstacles, from maintaining customer satisfaction to keeping people employed.

Conclusion #3: Communications channels are open like never before. The hotels in this study went to extraordinary lengths to communicate with employees and guests throughout the crisis. They put a premium on reassuring and maintaining the trust of current employees with frequent and transparent communications. With the flattening of reporting relationships, the communication net has widened to include more front-line managers and staff. The hotels pioneered new methods of communication, as well, finding new uses for social media and recognizing the utility of teleconferencing for

The pandemic promoted a new paradigm in hotel leadership: one that approached challenges with empathy, decisiveness, transparency and innovation. Participants in this study demonstrated these qualities of “resilient leadership” in their attitudes and actions throughout the crisis.

training. Guests have more information at their fingertips, too, as the hotels have expanded their messaging to include information about the community and services outside the hotel.

Conclusion #4: Hotels have gotten used to doing more with less and may continue to do so. One of the most profound changes has been in the way hotels plan to deploy and engage with staff going forward. Doing more with less has become the norm and several participants speculated that pre-pandemic staffing levels may never return. Managers have wider spans of control and more team members are multi-tasking across departmental and functional boundaries than ever before. While this has had a positive effect on hotel's ability to sustain operation, it could also negatively impact the guest experience. It's an open question as to how long to continue this staffing strategy, and in what way, as business picks up and services and amenities are restored.

Conclusion #5: New levels of creativity and innovation has been unleashed. This study merely scratched the surface on the creativity and innovation that has taken place in hotels in response to the crisis. In order to keep the lights on and keep guests satisfied, hotel staff found new ways to protect the health and safety of employees and guests, offer amenities and meet the needs of the surrounding community. These health and safety protocols and the effort to communicate about them to guests has been the key to rebuilding trust. The question is whether the genie can get put back into the bottle. Will hotels continue to deliver guest services in new ways or default to traditional methods? And what will become the "new normal" from the guest perspective? Will "amenity creep" be the way hoteliers differentiate their properties?

Conclusion #6: Hotels are more engaged with their industry and one another. In a crisis, businesses don't operate in a vacuum and the hotels recognized the importance of reaching outside their properties for support. They reported working more closely with industry groups and with one another. They reached out to others in the community and they worked with vendors to outsource functions where needed. Engagement with government agencies and funders were less robust, but could become an area to focus on in preparing for any future crisis.

Conclusion #7: Overall, Chicago hotels are more resilient as a result of the pandemic. In our sample, more upscale hotels reported greater resilience to begin with and therefore may have been better positioned to respond in a positive way to the pandemic (and the study). Leader optimism and employee morale seemed least affected in the most upscale hotels. On a basis of revenues, in our sample those with \$25 million+ and those with less than \$10 million seemed to have greater initial resilience, while those with revenues between \$10 and \$25 million struggled more. Not surprisingly, better resourced hotels

Doing more with less has become the norm and several participants speculated that pre-pandemic staffing levels may never return.

appeared to be able to respond more positively than those with less resources, although resources were not correlated with total revenue in our analysis. As a rule, leader optimism and employee morale were particularly reduced in hotels with fewer resources.

IMPLICATIONS

Looking ahead, what does this all mean for the hotel industry? In interviews, participants stressed the importance of not dwelling on the pandemic but rather focusing on recovery and what the future may hold for their organizations. One participant mentioned using the slack time with fewer guests around to challenge staff to engage in forward thinking to plan for the return of guests. Participants are projecting increases in travel toward the middle and end of 2021, with pent up demand in the leisure market breaking through in the second half of the year. With the changes that have taken place due to the pandemic and recovery on the horizon, what are the implications for hotel managers moving forward?

RECREATING THE BRAND EXPERIENCE

A pervasive concern was how to recreate the pre-COVID-19 brand experience with continued safety and sanitation protocols. How will these hotels, particularly upscale and luxury hotels, meet the expectations of guest who knew how it “used to be,” in light of changes to staffing, services and amenities? What aspects of the new health and safety protocols will be retained, and how will it influence the guest experience in the future? Several participants noted that the guest profile changed during the pandemic and sometimes in less than desirable ways. How will these hotels welcome back their traditional clientele while catering to a broader population as rates slowly rebound?

HOTEL TEAMS OF THE FUTURE

If the cross-utilization trend continues, as many think it might, what will the hotel employee of the future look like? Certainly team members will have to be more versatile and adaptable, well-versed in the overall operation of the hotel, empowered and better at innovating to meet customer needs. Once empowered, it could be challenging to default to a more top-down management approach. In addition, the loss of staff has impacted the hotel’s culture, potentially creating a division between those who survived COVID-19 and potential new hires. Some worried that this changed in culture will affect the ability to grow teams and bring in new talent needed to propel the organization forward in the future. The restoration of the brand culture could become a challenge for hotel leaders. An additional concern is how flatter organizational structures will affect career progression in the future. Will survivors lose out now that the pathways to promotion have been altered by the pandemic?

“After we get through the pandemic, recruitment will be the number one focus. Business will come back simultaneously for all hotels and a number of properties will be hiring making it a buyer’s market for employee. We will need to find ways to stay connected with [furloughed employees] and nurture those relationships.” – Paul Cardona, General Manager, The Thompson Hotel

EDUCATORS MUST RESPOND

Hospitality management education programs and other training sources must be mindful of the needs of the industry as it recovers and prepare candidates accordingly. Health and safety will be front and center for the foreseeable future and curricula must prepare students to deliver the brand experience in such an environment, including knowing how to deploy and maintain the various new technologies. Resilience and how to cultivate it should be a topic in courses and leadership trainings for the industry. Educators can also play a role in providing reassurance of the value of pursuing careers in hospitality and ensuring a pipeline of well-rounded, adaptable and creative individuals are available when employment rebounds.

To meet the needs of the industry during and after COVID-19, Kendall College is offering a 6-week, noncredit self-paced course entitled “Resilient Leadership in the Hospitality Industry.” The course is designed to promote resilient leadership for the unique needs of the hospitality industry and provide strategies and tools hospitality professionals can use immediately. The course covers:

- *Leadership in times of change and uncertainty*
- *Maintaining the Service Culture*
- *Identifying and Managing Risk*
- *Enabling Innovation and Redesign*
- *Meeting New Customer and Employee Expectations*
- *Financial Planning for Resilience*

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APPENDIX A: Resilience Indicators by Brand Segment

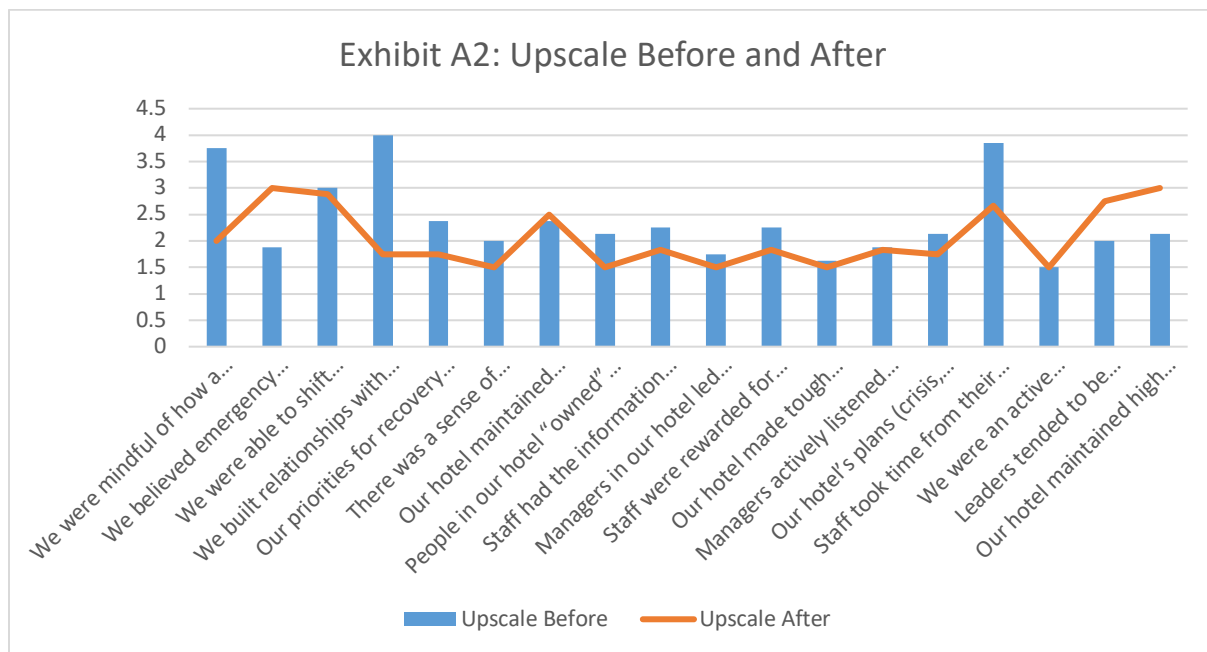
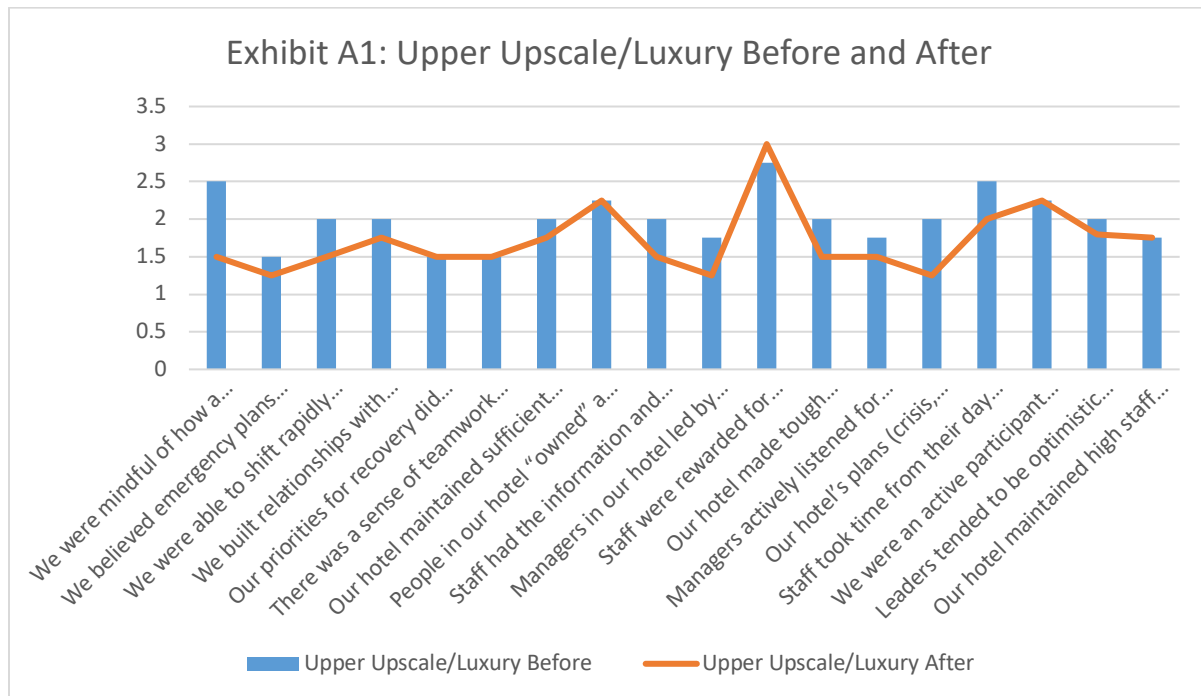
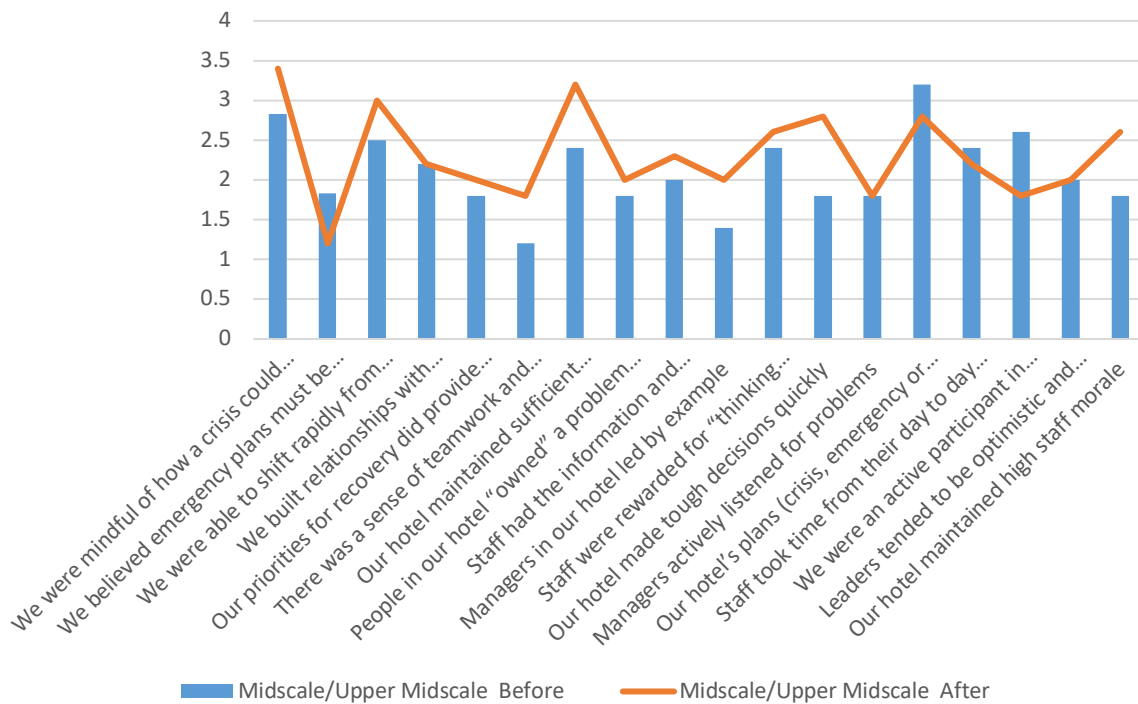


Exhibit A3: Midscale/Upper Midscale Before and After



APPENDIX B: Resilience Indicators by Annual Revenue

Exhibit B1: Annual Revenue \$25M+
Mean Scores Before and After COVID-19

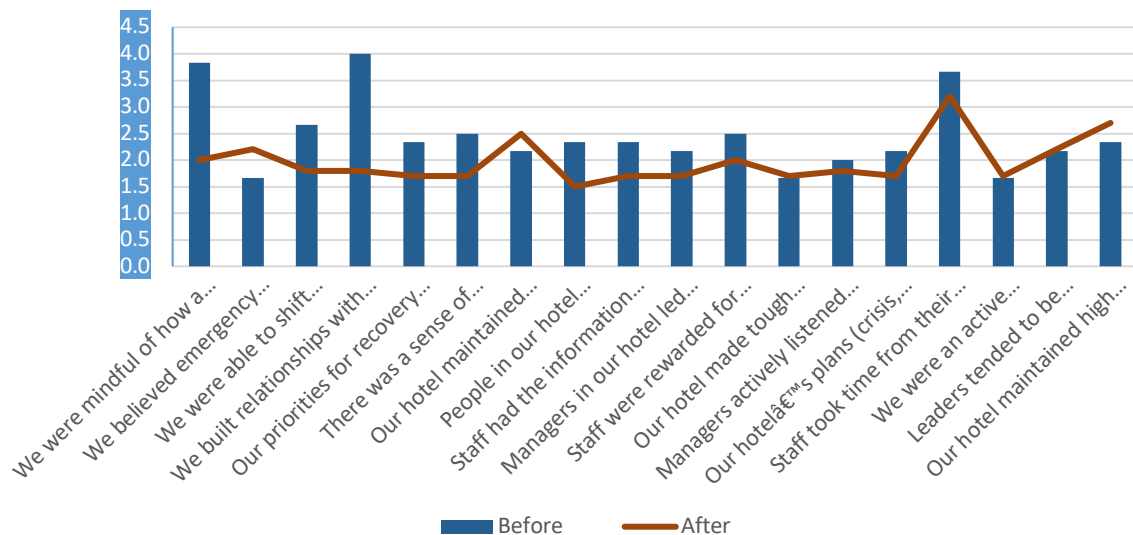


Exhibit B2: Annual Revenue \$10 - 25M
Mean Scores Before and After COVID-19

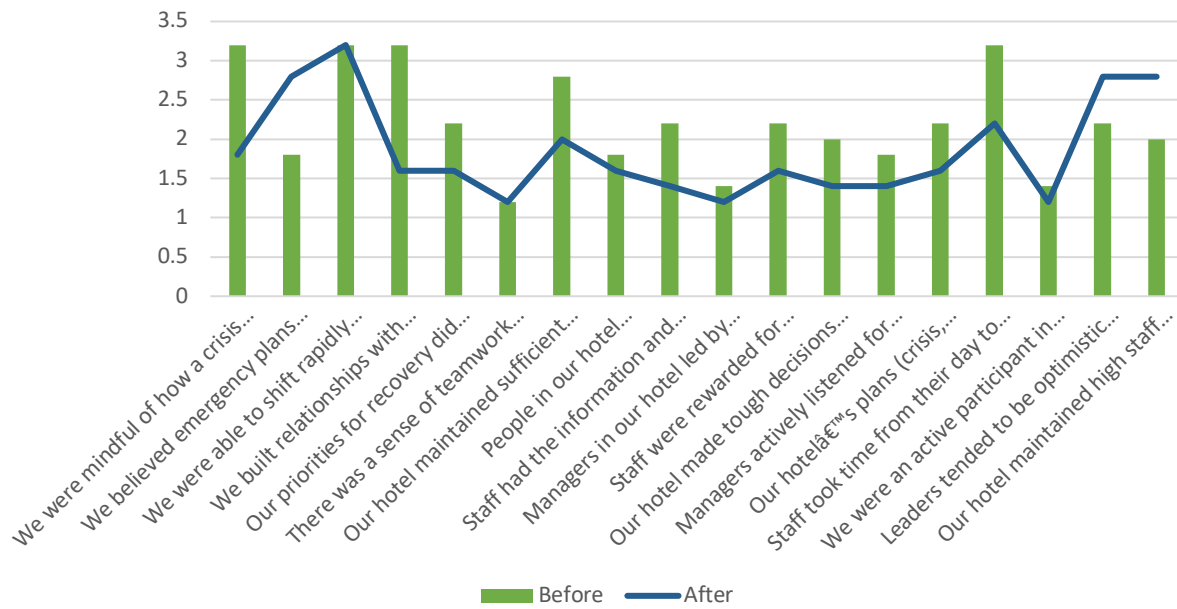


Exhibit B3: Annual Revenues of \$10M or Less
Mean Scores Before and After COVID-19

