BLACK REPRESENTATION IN HOSPITALITY INDUSTRY LEADERSHIP 2020
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The hospitality industry has had unprecedented furloughs and layoffs during the COVID-19 pandemic. How we bring people back to work, and who we bring back, will define the industry for years to come. This is a unique opportunity to re-shape the industry for a diverse future marketplace.

The statistics shown in Black Representation in Hospitality Industry Leadership 2020 could only occur in an industry that is structurally biased against Black employees. With heightened awareness of the challenges facing Black people in all aspects of life and work this report is an unbiased benchmark from which the industry can measure progress. Hospitality is even more dependent on Black employees than other industries in North America so equity, equality and inclusion are vitally important.

Castell Project, Inc., a non-profit, researched Black executive women so they would be fully represented toward our goal of a woman in more than one of every three leadership roles in the hospitality industry. To properly frame the statistics we also gathered data on men. Sparked by the killings of George Floyd, Ahmaud Arbery and Breonna Taylor this year, treatment of Black people by the community, police, legal system, schools and employers again erupted into public consciousness. In response, we felt compelled to accelerate publication of our findings on Black men as well as women. Statistics can convert vague promises into measurable commitments and accountability.

Diversity in leadership has not been a high priority for the hospitality industry. But, with attention now, it can shape the future of the industry. This means being mindful of the post-COVID racial makeup of organizations and implementing best practices modeled by leading companies that have successfully diversified leadership across the economy.

These statistics reflect the industry in early 2020 before the COVID-19 shutdowns. We will release an update in January 2021 to compare the industry before and after the shutdown.

Contact and more information may be found at www.CastellProject.org.
STATEMENT FROM THE CASTELL PROJECT BOARD

We produced this statistical report to add clarity at this moment when the hospitality industry is grappling with discrimination and bias. In the process, we assessed our own organization and realized that we must do better. So, the Board of the Castell Project will be racially diverse by the end of 2020. We also will implement measurable plans this year to make each of our initiatives significantly more inclusive. We will use our programs as catalysts to advance diversity and inclusion in the hospitality industry.

INSIGHT FROM THOUGHT LEADERS

This report was reviewed by a panel of Black and white hospitality industry thought leaders who strengthened and clarified the presentation. This selection of their notes contributes to interpreting this report.

At IHG, our Diversity & Inclusion Board is led from the top and has been taking D&I seriously for years. In 2019 we began a Courageous Conversations dialogue where senior leaders could hear, firsthand, the Black colleague experience and jointly create an actionable plan to address the opportunities. That said, we’re looking in the mirror because we realize we need to do more and move faster to achieve our mission. My advice to any hospitality company is to create a safe space where you can hear from your Black employees – believe me, that probably doesn’t exist today – and ensure your most senior people are listening and championing D&I. There should be clear evidence of a genuine commitment to recruiting, retaining, and promoting Black talent as part of an overall culture that values diversity and inclusion.

– Errol Williams, Vice President, IHG
The hotel industry should recognize the significance of diversity and inclusion; it is essential and thus, every Black entrepreneur who has the potential to succeed should have the supportive conditions necessary to start and grow their hotel ownership business.

Current hotel leaders and organizations with influence can organize and create new industry standards and practices to mitigate the friction that limits the flow of capital to Black entrepreneurs, including aspiring hotel owners and suppliers.

- Tracy Prigmore, Managing Partner, TLT Solutions, Founder, She Has a Deal

The Hospitality Industry will have to move beyond lip service and make a serious commitment to diversity and opportunities for African Americans to advance beyond the glass ceiling. The new NABHOOD report on “CREATING MORE OPPORTUNITIES AND EXECUTIVE LEADERSHIP POSITIONS FOR PEOPLE OF COLOR IN THE HOSPITALITY INDUSTRY” once adopted by hospitality leaders will help to open up the Executive Suite and make our industry much better than it is today. The culture of exclusion must change if we are going to be welcoming to more diverse guests.

Andy Ingraham, President/CEO, National Association of Black Hotel Owners, Operators & Developers (NABHOOD)
EXECUTIVE SUMMARY

One in five people working in the hospitality industry – the hotel business - is Black, according to the US Department of Labor (DOL). On a proportionate basis then, we might expect that one in five directors, vice presidents, senior vice presidents and C-suite leaders would be a Black executive. The reality is dramatically different.

Eighty-four percent of the 630 hotel company websites reviewed for this study do not show Black executives on their websites, 102 showed a Black employee at the director level or above. Although they are included in the study, big hotel companies are a very small component of the statistics in this report.

- Black employees comprise 18.8 percent of hospitality industry workers according to the US DOL, which is 53 percent above their 12.3 percent share of the employed US civilian labor force.¹

- Black executives represent 1.5 percent of hospitality industry executives at the director level or above on company websites which is 12.5 times below their proportionate share of hospitality industry employment.

- Compared to the hospitality industry, which shows 1.5 percent of executive roles being held by Black people, Korn Ferry reports that they hold five percent of executive positions across all industries and four percent of executive positions at S&P 500 companies.²

- One in five industry employees¹ is Black but they hold only one to 60 vice president positions and one to 66 EVP/SVP positions shown on websites.

- Less than one percent of hospitality industry CEO / Presidents (0.9 percent) and chiefs (0.7 percent) are Black executives or one to 108 CEOs / Presidents and 145 chiefs.

- Most Black CEO / Presidents are men (86 percent), while Black women represent 14 percent of Black CEO / Presidents or 0.1 percent of all industry CEO / Presidents.

¹ US Department of Labor, 2020
² Korn Ferry, 2020
SHARE OF BLACK LEADERS

As shown in the following graphs, representation of all Black leaders is extremely low in the hospitality industry, but Black women hold an even smaller share of leadership jobs than their male counterparts.

Black employees have been promoted to 2.7 percent of directors. Of this total, Black men hold 0.9 percent while Black women hold 1.8 percent. These statistics refer to mid-management directors working in corporate offices, not members of the board of directors.
Above the director level, Black men have a larger share of positions than Black women, but the total for all Black men in the dataset is still under one percent.

![Graph: Black Men: Percent of Hospitality Industry Leadership]

**BY FIELD**

Black women’s representation in leadership is heavily weighted toward human resources, which employs 67 percent of Black women directors. Black male leaders are most found in operations and, to a lesser extent, in accounting/finance, selectively at the director and VP levels.

**ODDS OF REACHING LEADERSHIP**

Without bias or disadvantage, Black people could be expected to be represented in leadership at a rate proportionate to their share of the hospitality labor force. This graph compares representation of Black executives to the proportionate share of one to five other traveler accommodation employees (18.8 percent)\(^1\).
The following charts show the actual representation of Black executives relative to their proportionate share. For example, the yellow line in the chart is at the proportionate share of one Black C-suite executive to five others. The green bars show the actual 145 other C-suite executive to each Black executive.
ODDS FOR A BLACK PERSON BY GENDER

Analyzing the odds by gender shows an even smaller share of leadership for Black women than for men. At the EVP/SVP level, Black women are one to 198 EVP/SVPs and men are one to 99 EVP/SVPs.

![Graph showing odds of Black women vs. Black men reaching mid-management levels compared to pro rata share.](image-url)
GENDER TO GENDER

Black women face the intersectionality of bias against women and bias against Black people. At 27 percent, all women are a smaller than proportionate share of executive positions in the hospitality industry. Black executives hold a smaller than proportionate share at 1.5 percent. Black women, 0.8 percent of executives, face bias on both fronts.

Because all women are under-represented, Black women are 2.8 percent of all women shown at the director through CEO levels. Because there are so many more total male executives, Black men are one percent of all men in these roles, an even smaller percent than Black women on a gender to gender basis.
METHODOLOGY AND SAMPLE

Methodology: These statistics show the public face of hospitality industry leadership. Three analysts captured information from the websites of hotel companies listed in the STR Directory of Hotel & Lodging Companies. Each website was reviewed twice. Identification was made by visual inspection and self-identification could vary. LinkedIn was used for verification on some entries.

Titles: Definitions for groups of titles used for this analysis follow.

Sample: This report presents statistics about a large sample of hospitality industry executives that their companies show on their corporate websites. Data includes 630 hotel companies drawn from 971 companies that are based in the US or Canada in the STR Directory of Hotel & Lodging Companies. The sample of 630 companies has a minimum of 5 hotels or 700 rooms. The dataset includes 6,302 people. These statistics reflect employees from the level of director through CEO.

Validity: This study only reflects the public face of the hospitality industry as reflected on hotel company websites. There are executives who are not shown on these websites. We also note that only a few top executives are listed for very large hotel companies that have robust diversity initiatives. We believe statistics for these companies are under-represented.

Of the 630 companies, 425 or 67 percent show a CEO on their website and 346 or 55 percent show a president. Virtually all companies show a CEO and/or president and the statistics are highly representative at these levels. At lower levels, sample size is substantial, but is less complete and therefore less representative. For instance, of the 630 companies, there are 341 or 54 percent that show at least one director. (Of these, 102 companies show a Black director). In total, there are 1,187 directors in the sample or an average of 3.5 directors for each company that shows directors on their website. This is a large sample of directors, but representation is lower than for CEOs and/or presidents. CEO / Presidents are over-represented in the overall averages in this report by the nature of positions shown on corporate websites.
DEFINITIONS

**Director:** Includes directors such as HR directors, corporate sales directors, development directors, acquisitions directors, design directors, national sales directors, project directors, IT directors, operations directors, senior managers and similar titles.

**VP:** Includes vice presidents, senior directors and similar titles.

**EVP/SVP:** Includes executive and senior vice presidents.

**Chief:** Includes c-suite executives with “chief-officer” in their title like chief operating officer. Some chiefs are also presidents or SVPs and are categorized by their chief role.

**Principal/Managing Director:** Includes principal, partner, member, shareholder, managing partner, managing directors as well as regional and group CEOs, presidents and heads.

**CEO / President:** Includes CEOs, as well as CEOs with additional titles such as CEO and chairman, president or managing director as well as titles of president, owner and founder.
THE CASTELL PROJECT

The goal of Castell Project, a 501c3 non-profit, is for women to hold more than one in three positions at all levels of hospitality industry leadership and ownership. Castell Project believes that the industry can only fulfill its potential with full participation from women of all races and ethnicities. Because this report uses the Castell database to address race, it includes statistics about Black men and women compared to the rest of the hospitality industry population.

Castell Project Initiatives

• Delivering benchmark statistics, including this white paper, to enable the hospitality industry to set goals and track performance on gender and race.
• Providing leadership training for women to accelerate the development and progression of women of all races and ethnicities; ethnicities through Castell BUILD and Castell ELEVATE programs.
• Making the Women Speakers in Hospitality List (WSH List) of curated referrals to women speakers of all races and ethnicities available to conference organizers so women on the podium can inspire others and advance their own careers.
• Bringing executive women to campuses and virtual classrooms through Castell@College to share experiences and opportunities with college women as they establish career goals and initiate resource networks within the industry; Castell@College brings women of varied racial and ethnic backgrounds to relate to diverse college students and encourage them to reach for strong careers in hospitality.
• Providing resources and mentoring to facilitate hotel ownership for women of all races and ethnicities.

REFERENCES
