



2019

# Women in Hospitality Industry Leadership



January 7, 2019

Now entering its third year, Castell Project has elevated the discussion about advancing women in hospitality industry leadership with facts and insights on which to base management and policy decisions to progress more females into leadership roles.

**THE GOAL OF CASTELL PROJECT IS FOR WOMEN TO BE IN MORE THAN ONE IN THREE POSITIONS AT ALL LEVELS OF HOSPITALITY INDUSTRY LEADERSHIP.**

This report provides data about where career opportunities are open to women in hotel operations and where they are limited, using the STR Directory of Hotel & Lodging Companies. Using rosters from four large hotel investment conferences, the report also shows where women are advancing in the development sector and related fields and where women's careers are constrained.

In many hospitality fields, women's career trajectories slow from the early levels of management. Women comprise 67 percent of students in university hospitality programs, according to the Journal of Hospitality & Tourism Education, May 2015. Yet, by the time they reach the C-suite, women are only 11 percent of chiefs, including CEOs, in these datasets.

While it is true that some women leave the workforce or scale back when they have children, most women with and without children continue to work. Despite this, in every aspect of the hospitality industry, women's odds of promotion diminish at each higher level.

In the hospitality industry, like many others, institutional bias continues to constrain women's career advancement. Many women also have the challenge of overcoming their own biases about their career potential. While this is likely unconscious, change requires deliberate and intentional action.

**Bias is expensive. For profitable firms, a move from no female leaders to 30 percent representation is associated with a 15 percent increase in the net revenue margin.<sup>1</sup>**

Castell Project is committed to helping the hospitality industry benefit fully from women in the workforce and to providing women in hospitality with tools to support their advancement. Castell Project believes that all parties stand to benefit.

## Purpose of Castell Project

Castell Project, Inc., a 501c3 non-profit, is dedicated to seeing women well-represented in hospitality industry leadership. Castell Project initiatives in support of the goal of women holding at least one in three positions at all levels include:

- delivering benchmark statistics, including this report, to enable the hospitality industry to track its performance regarding gender.
- providing leadership training for women to support the hospitality industry in accelerating the development and progression of women.
- making the Women Speakers in Hospitality List, the WSH List, available to conference organizers; WSH provides curated referrals to female speakers, putting more women on the podium at hospitality industry events.
- bringing executive women to campus to share experiences and opportunities with college women as they establish their career goals; “Castell at College” is being rolled out in 2019.

If you are interested in Castell Project, contact and more information is at [www.CastellProject.org](http://www.CastellProject.org).

## The “Why”

Data demonstrates a business case for making diversity a priority and many executives believe that their company has solved the challenge of gender diversity. However, statistics show that hospitality industry companies, on the whole, have not. According to McKinsey and Company:

***“More than 90 percent of companies say they prioritize gender and racial diversity because it leads to better business results, but the message is not reaching employees. Only 42 percent of employees think this is the case for gender diversity, and only 22 percent think it’s the case for racial diversity.”<sup>2</sup>***

The reality is, if employees do not see diverse candidates rising in the company, they will not believe that their company truly acts on its diversity policies.

This challenge is not just facing the hotel industry. However, it is crucial for the hotel industry because a majority of industry employees are women and it is highly reliant on a limited labor pool that is more than half female.



Although many hospitality industry executives believe that their companies have solved the challenge of gender diversity, statistics indicate that most have not.

## Executive Summary

More women are making their way into hospitality industry executive positions. However, progress is uneven. Representation of women is still significantly lower in leadership than at the entry level. Different functional areas also have uneven representation of women. The statistics raise questions about why women find career opportunities in some fields, but not others.

- Overall, women comprise 11 percent of hotel company leadership positions including managing director, president, partner, principal and CEO roles. Women are represented at a ratio of one woman to eight men in leadership. At the CEO level, women are represented at a ratio of one woman to 21 men at hotel companies and one to ten among CEOs at investment conferences. This is partly because women are not being promoted to senior leadership and partly because women do not often lead hotel development projects or hotel ownership groups - yet.
- One in seven presenters at hotel investment conferences is a woman. This is an improvement since 2016 when the figure was one in eight, but still does not showcase an industry that offers desirable career paths to high-potential women. Until women attend and present at these conferences, their opportunity to compete effectively will be diminished as they are missing the chance to develop a resource network, connect with mentors and build their personal brand.
- Women are less likely to be promoted in fields that have Profit and Loss responsibility. According to a study from life insurer Allianz's "Women, Money, and Power"<sup>3</sup>, 51 percent of women control the finances of their family and 37 percent of married women are the primary breadwinner. Women now control 51 percent of US personal wealth<sup>4</sup>. There is disconnect where women are recognized as financial managers on a personal level but not given the opportunity to take financial responsibility at work.
- Women are less likely to be promoted in the fields of investment and development, where success is driven by negotiation. Yet women are promoted in the sales field, which is also driven by negotiation. There is a disconnect where women are accepted as candidates for promotion in some fields where success is based on negotiation, but not in others.
- Women are near or above parity in human resources, revenue management and sales and marketing at the executive level within hotel companies. In hotel company accounting and finance, women represent over half at the manager and director level, but representation drops dramatically from director to EVP/SVP, and it is rare for a woman to be promoted to a chief level role.
- Women are now over one-third of investment conference representatives at the director level for consulting, legal and brand/franchise companies. As the careers of these women mature, there is the opportunity for them to change the gender balance at higher levels.

## Methodology

This report summarizes findings from analysis of two large existing data sets on hospitality industry leadership.

**Hotel Investment Conference Rosters:** The hotel conference sample combines rosters from the four national hotel investment conferences: The Americas Lodging and Investment Summit (ALIS), the Hunter Hotel Conference, The Lodging Conference and the NYU International Hospitality Industry Investment Conference. There are 19,667 lines of data in the hotel investment conferences database covering three years of each of the four conferences.

**STR Directory of Hotel & Lodging Companies:** The Directory lists leadership at hotel companies. Included in this analysis are companies reported in the Directory to have hotel rooms in the United States. There are 1,125 hotel companies included. The 2018 Directory analysis has 6,432 lines of data.

Everyone included in the STR Directory of Hotel & Lodging Companies hotel company sample works within a hotel company. This data set provides a large sample of hotel company executives and offers an accurate depiction of the distribution of women in hotel company executive ranks.

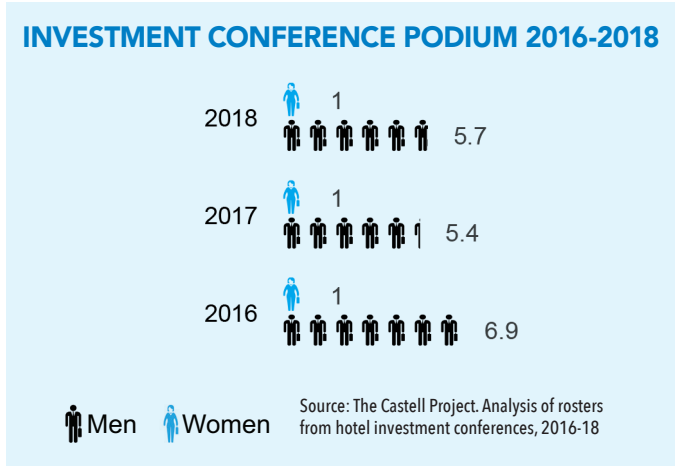
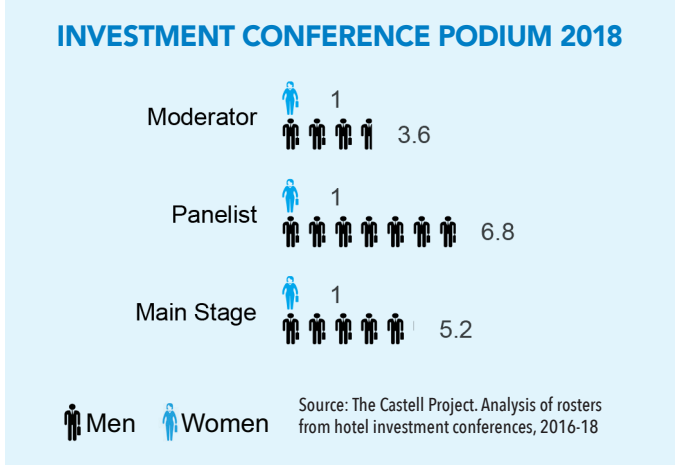
Conference data includes companies in hotel financing, advisory services and related fields, as well as hotel companies. This large data set was chosen to give a broader view of the industry and the hotel development sector.

# Women on the Podium

More women are making their way into hospitality industry executive positions. Women presenting as speakers and moderators on the podium at industry conferences convey the message that the hospitality industry has great career potential for women, particularly women who are young in career.

The Castell Project tracks the share of women speakers and moderators on the podium at the hospitality industry's four high-profile annual investment conferences.

For every woman who appears on the investment conference podium, there are six men. Women appear on the podium at an even lower rate than they attend the conferences. Missed visibility and missed connections are a lost opportunity for women and their companies.



Women on the podium:

- Capture audience interest
- Showcase their companies
- Demonstrate to talented women and men that the hospitality industry has open career paths
- Build their personal brand, which is important to career advancement

Although conference organizers have been making gains, it is still a challenge to bring gender diversity to their rosters. When organizers connect with their networks and sponsors for recommendations about speakers, they typically receive male referrals.

Manel is the word for an all-male panel. Manels are a choice - a bias. Conference organizers are successfully bringing women to the stage, particularly as moderators. However, shifting the mix of panelists will take deliberate action from sponsors and advisory boards, as well.

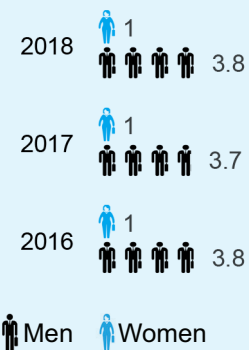
To address this and interrupt the pattern of disproportionately male speakers, Castell Project produces the annual WSH List with over 1,000 well-regarded and qualified senior executive women. Curated speaker referrals from the WSH List enable conference organizers to identify relevant and diverse female speakers.

Only 21 percent of attendees at hotel investment conferences are women – including college students who intern at the conferences and are majority female.

Attending hotel Investment conferences is a powerful way to build visibility and reputation, create a resource network, connect with mentors and develop business skills. While not the sole factor, women’s lack of visibility at these conferences affects the opportunity for companies to develop their high-potential female employees to the C-suite level, particularly in the fields of investment and development.

“More than 8 in 10 Americans believe that not having women in leadership positions as role models fails to inspire women and has contributed to preventing women from securing top leadership positions.”<sup>5</sup>

### ODDS OF A WOMAN BEING SELECTED TO ATTEND A HOTEL INVESTMENT CONFERENCE



Source: The Castell Project. Analysis of rosters from hotel investment conferences, 2016-18

## Levels in this Report

The titles and levels used in this analysis are defined in the appendix.

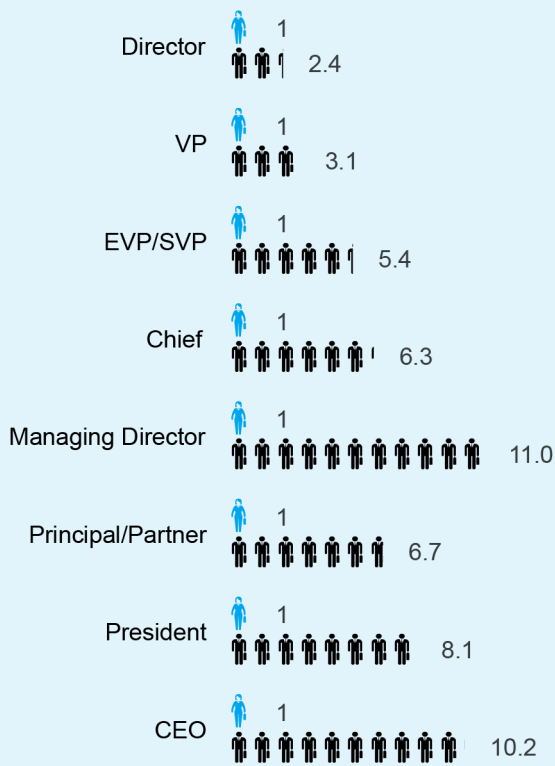
## Women by Corporate Level

Overall, the odds of a woman reaching top leadership, C-suite and above, are one woman to eight men in both data sets.

At the manager and director levels in hotel operating companies, women are half of employees. Moving up the ranks, women's representation drifts down to one woman for every five men in the hotel company C-suite. Women CEOs are rare at one woman to 21 men.

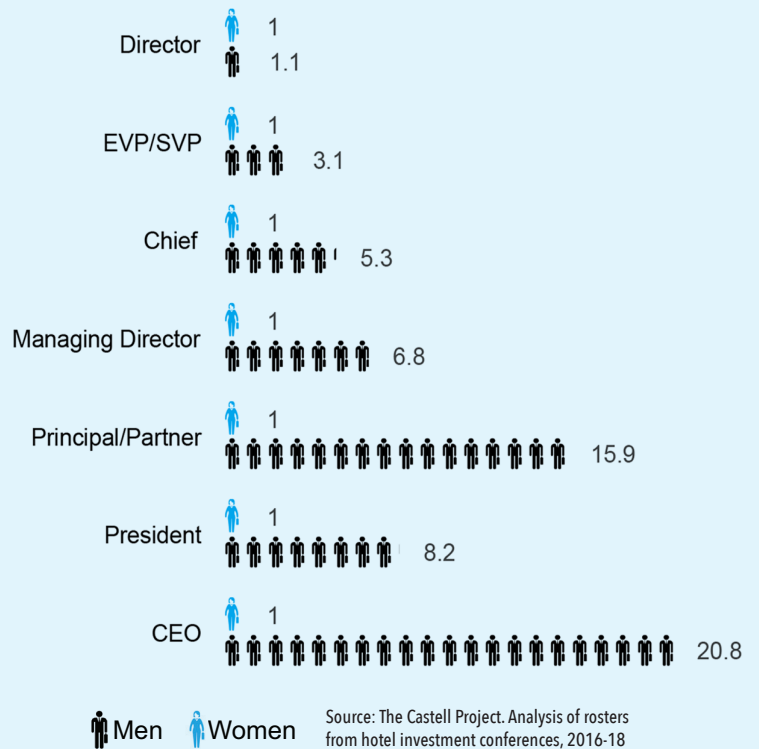
At the investment conferences, there are 2.4 men to each woman attending at the director level. By the CEO level, representation is one woman to 10 men.

### ODDS OF WOMEN RISING IN HOTEL INDUSTRY EXECUTIVE RANKS INVESTMENT CONFERENCES 2018



Men Women Source: The Castell Project. Analysis of rosters from hotel investment conferences, 2016-18

### ODDS OF WOMEN RISING IN HOTEL COMPANY EXECUTIVE RANKS



Men Women Source: The Castell Project. Analysis of rosters from hotel investment conferences, 2016-18



## Chiefs: Women in the C-suite

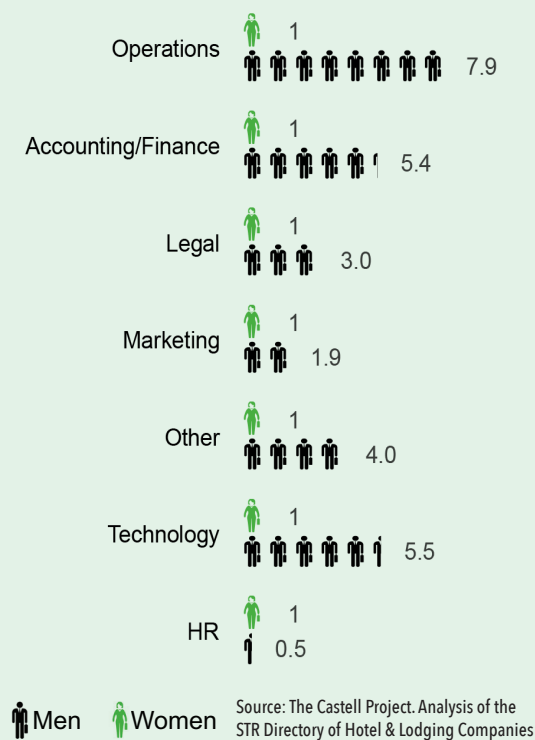
Attaining the benefits of gender diverse leadership requires more than an “only.” A sole woman in a group of men tends to function as a token, while more than two are in a position where their individual voices can benefit the company. In the hospitality industry, a women in the C-suite is commonly an “only.”

In both data sets used in this study, women are represented in the C-suite in human resources (CHRO) and are not uncommon in marketing (CMO), legal (CLO) and administration/accounting (CAO). Women are rare in operations (COO), development (CDO) and investment (CIO).

In the hotel company sample, there were 1,108 people with the title of chief, of which 54 were men with the title chief investment officer and 39 were men with the title of chief development officer. There were no women with these titles.

Attaining the benefits of gender diverse leadership requires more than an “only.”

### CHIEFS AT HOTEL COMPANIES



### CHIEFS AT INVESTMENT CONFERENCES BY FIELD



# WOMEN IN HOTEL COMPANIES: ANALYSIS OF THE STR DIRECTORY OF HOTEL & LODGING COMPANIES

## Women in Hotel Companies by Field or Specialty

In hotel companies, women hold at least half of managerial and executive positions in human resources, sales & marketing and revenue management.

Although they are a majority in legal and accounting programs at universities and have traditionally held a majority of staff positions in accounting, women are still not approaching par at the senior levels in law and accounting. This is partly due to slow attrition at the upper levels, but also suggests bias.

Women now are almost one to three at managerial levels in hotel company corporate operations. Anecdotally, women are becoming well-represented at the general manager level in select-service hotels. Movement toward diversity in full-service hotel management, where salaries are significantly higher, is slower.

Investment, development and construction functions in hotel companies are still strongly dominated by men.

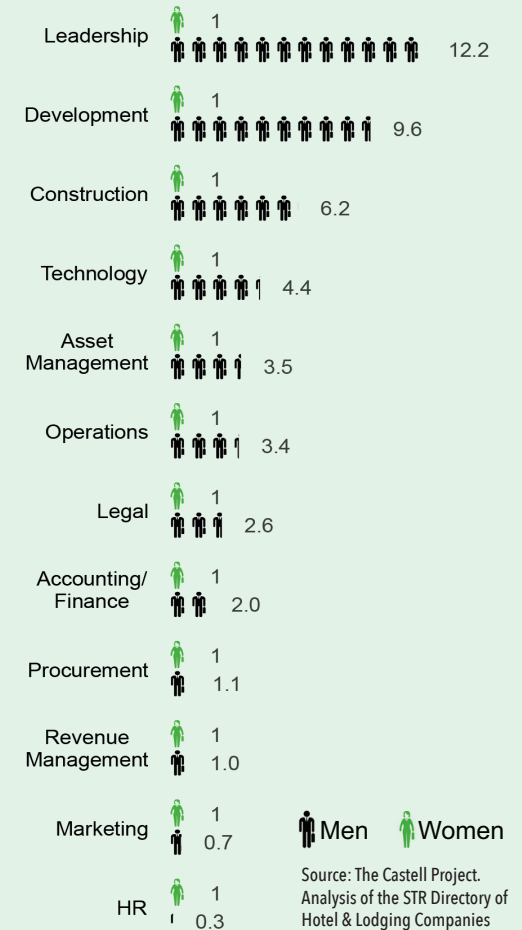
Leadership in this table includes board, CEO, president, founder, partner, principal, managing director, owner and chairman titles. Women hold 7.6 percent of leadership positions in hotel companies.

Members of the C-suite other than the CEO are shown by field in preceding tables.

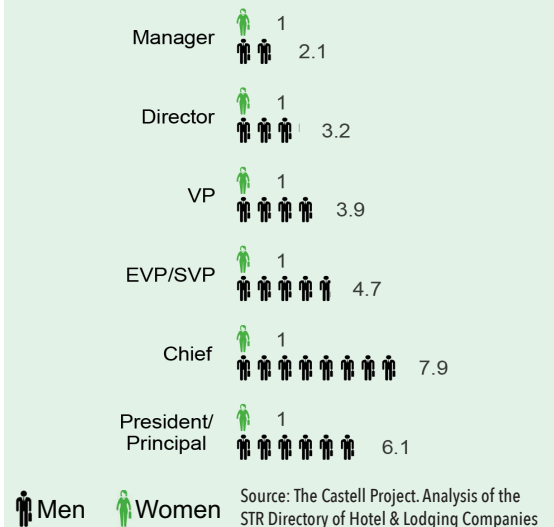
## Women in Hotel Company Operations

The STR Directory of Hotel & Lodging Companies is attuned to corporate offices of companies that own and operate hotels. In this data set, there is one woman president to six male presidents, one woman to five men promoted to the EVP/SVP level and one woman to two men promoted to the manager level. Although there are a few general managers listed, most roles in this chart are corporate or regional.

### ODDS FOR WOMEN AT HOTEL COMPANIES



### WOMEN IN HOTEL COMPANY CORPORATE OPERATIONS



## Women in Hotel Company Human Resources

This is the only chart in this report in which women outnumber men at all levels.

In Human Resources, at the manager level, there are 5.6 women to each man. At the chief level, there are 2 women to each man.

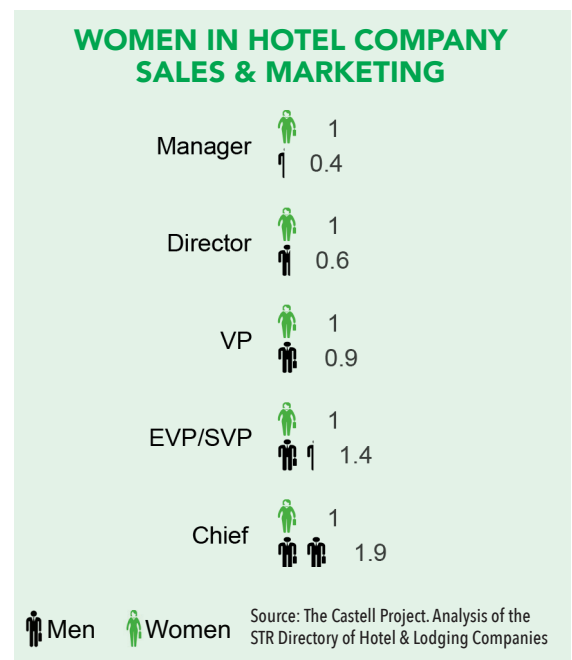
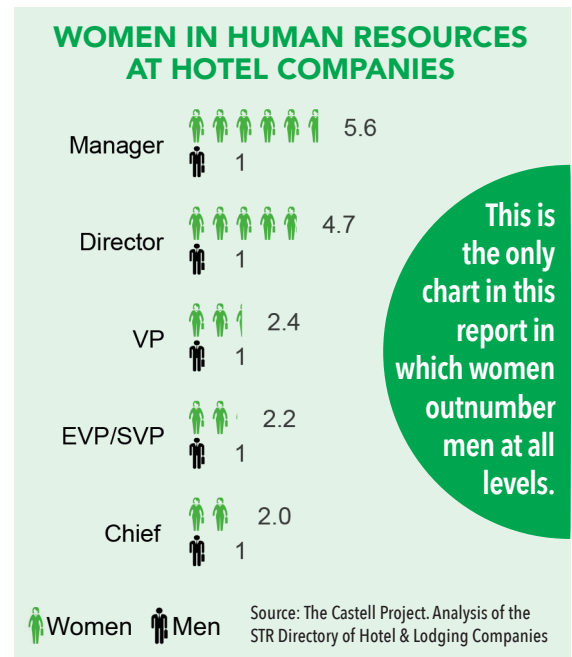
At the hotel investment conferences, in contrast, there are 2.3 men from human resource related fields to each woman. HR presence at the conferences is more often for executive search, while HR at the hotel companies is about talent attraction and development, compensation, benefits and compliance.

## Women in Hotel Company Sales and Marketing

Sales and marketing are fields where there are more women than men through the VP level. Starting with the EVP/SVP level, men outnumber women 1.4 to one.

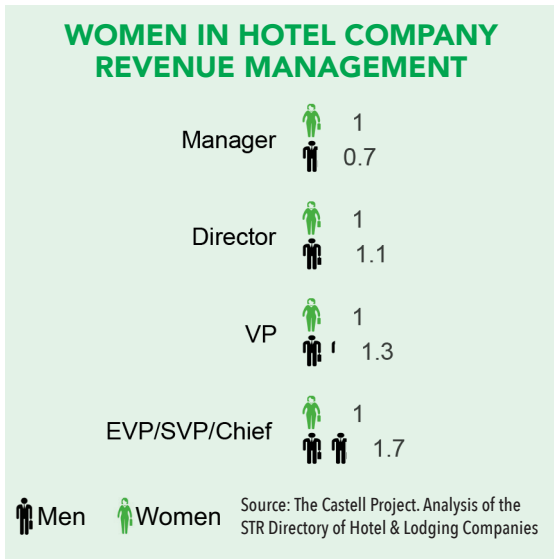
The movement of women in sales and marketing is interesting in relation to some underlying biases affecting opportunities for women in other areas.

Negotiation is a critical skill for sales professionals and women demonstrate their negotiating ability in the sales and marketing department. Like hotel sales, brokerage and finance are fields based on negotiation. However, women have not yet gained traction in these fields. To some, negotiation is incongruous with traits attributed to women. At least in part, this underlies the lack of women promoted in the fields of brokerage and finance. It is incongruous that women are accepted as negotiators in some fields while not being given the opportunity to leverage the same skills in other fields.<sup>6</sup>



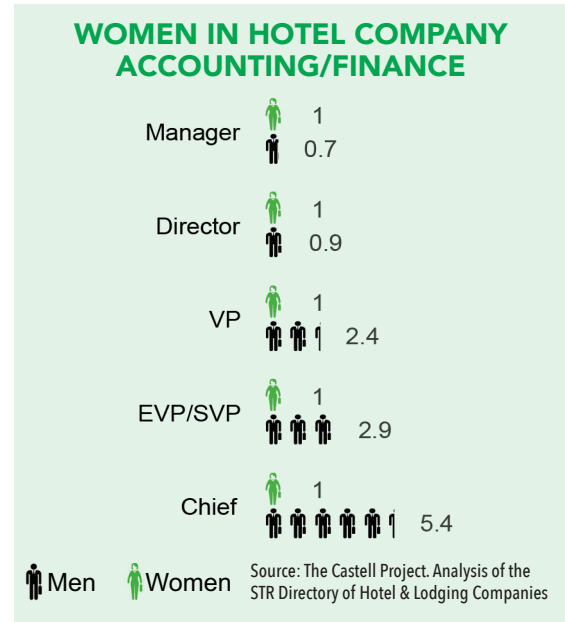
## Women in Hotel Company Revenue Management

Revenue management is a relatively new field. In large part, the function developed after women became a majority in the departments used to recruit revenue managers at colleges and universities. Women are a majority of managers, and there is one woman EVP/SVP/chief to 1.7 men in revenue management.



## Women in Hotel Company Accounting/Finance

Within hotel companies, the same people often handle accounting and finance. In this analysis, accounting from payables clerks to controller and chief accounting officer are grouped with the VP of finance and chief financial officer.

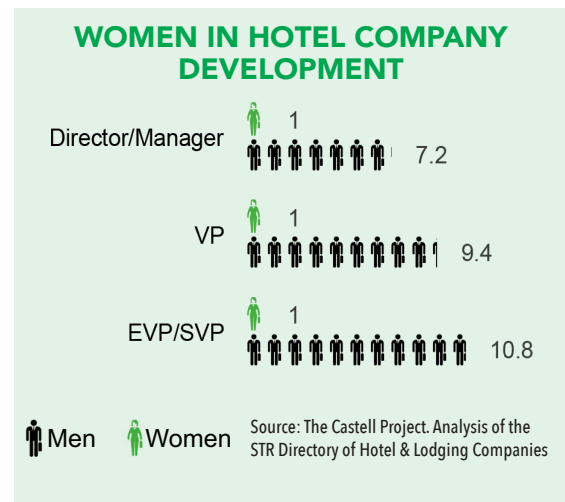


## Women in Hotel Company Development

Development in hotel companies has one women to 7.2 men at the director/manager level and fewer women above the manager level.

The data set has 38 male Chief Development Officers and 54 male Chief Investment Officers and no women at the chief level in these fields.

Construction in the STR Directory of Hotel & Lodging Companies dataset has a few women up to the EVP/SVP level. Overall, there are 6.2 men to each woman listed in construction in this data, or 86 percent men.



# WOMEN AT HOTEL INVESTMENT CONFERENCES: ANALYSIS OF CONFERENCE ROSTERS

## Women at Hotel Development Conferences by Field or Specialty

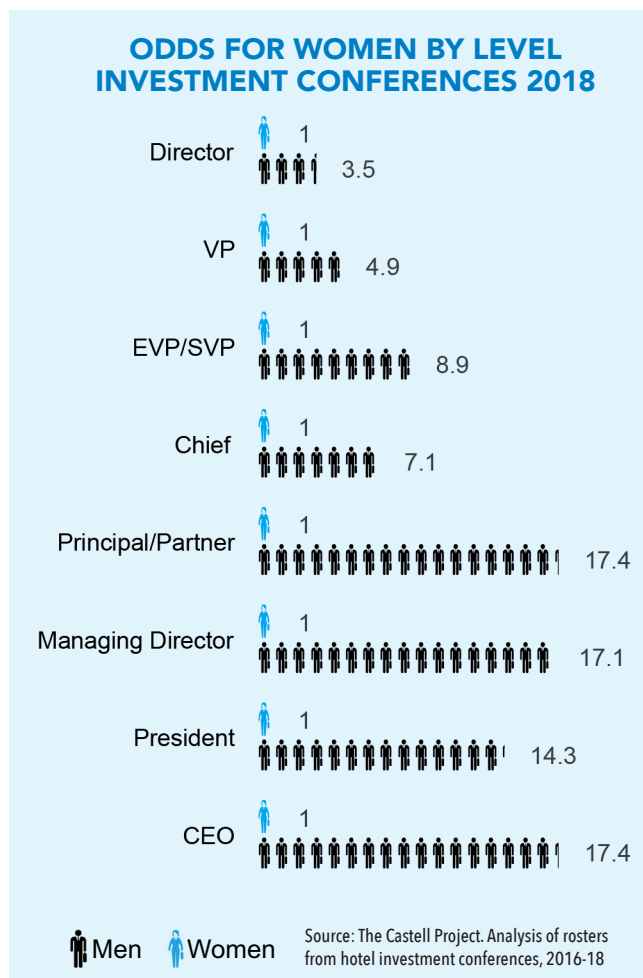
The skew toward men found in hotel company investment and development is reflected at investment conferences among the hotel company representatives, as well as their service providers in brokerage, lending and construction.



## Women in Hotel Companies at Hotel Investment Conferences by Level

Hotel companies may own, operate, and/or develop. Accordingly, this table includes management companies, REITs and other large and small owners, family and closely held hotel companies, and developers. The brands and their hotel operating groups are excluded from this table and shown separately.

Among companies that own, operate and/or develop hotels, which is the core of the hospitality industry, odds of a woman building a career that takes her above the level of VP appear remote.

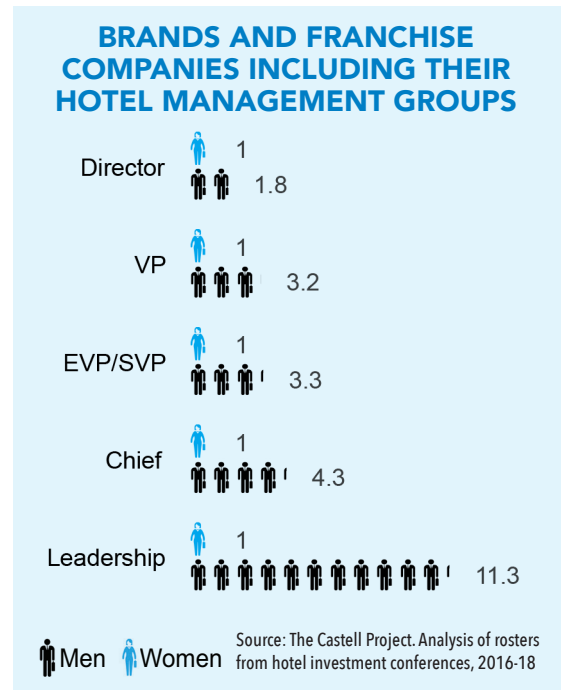


## Brands and Franchise Companies including their Hotel Management Groups at Hotel Investment Conferences

This table includes people attending the conferences who work for brands and franchise companies, including corporate groups that manage hotels. Companies include: Marriott, Hilton, IHG, Wyndham, Choice, Vantage, RLH, Red Roof, La Quinta, Hyatt, Best Western, Accor and other brand companies.

At the director level, there is one woman to slightly over two men, compared to one woman to over three men at the EVP/SVP level.

Successful hotel companies are investing time and energy into diversity. Those initiatives are long-term endeavors and require continued focus and support. Results are beginning to reach the upper levels of property management and are still emerging on the franchise and development side.

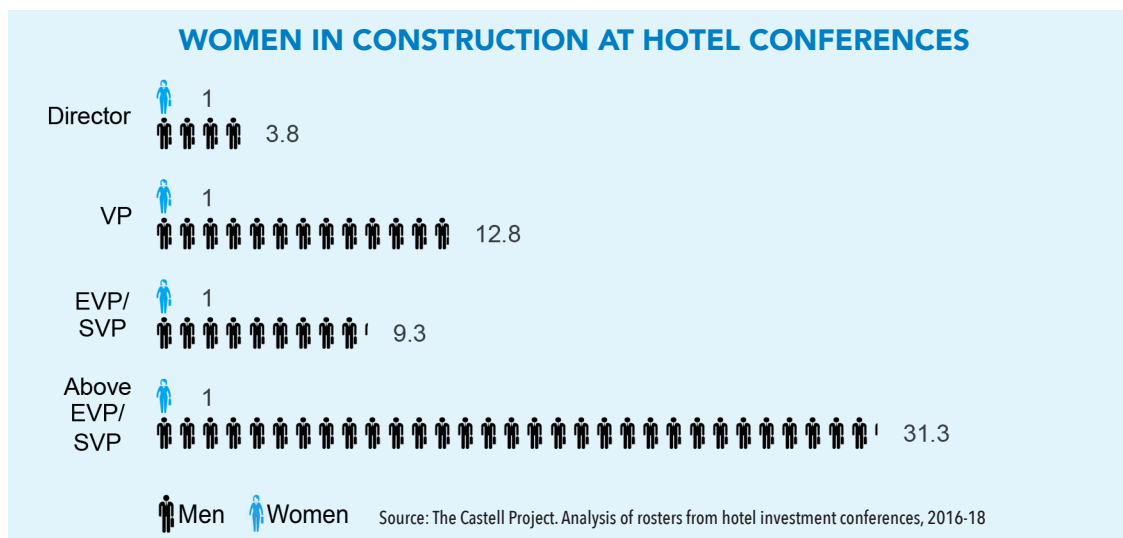


## Women in Construction at Hotel Investment Conferences

Construction statistics for women are similar across the two datasets. However, the construction sample at the hotel companies is in-house construction personnel while the hotel conference sample is weighted toward contractors and construction managers.

In both groups, the range of work requires more analysis and observation than muscle and physical labor. Innovative and successful firms in the construction sector are bringing women into construction management.

At the director level, there are just under four men to each woman in construction at the conferences. The numbers skew strongly at higher levels. Overall, there are 8.3 men to each woman in construction at the conferences compared to one woman to 6.2 men in the hotel company data.



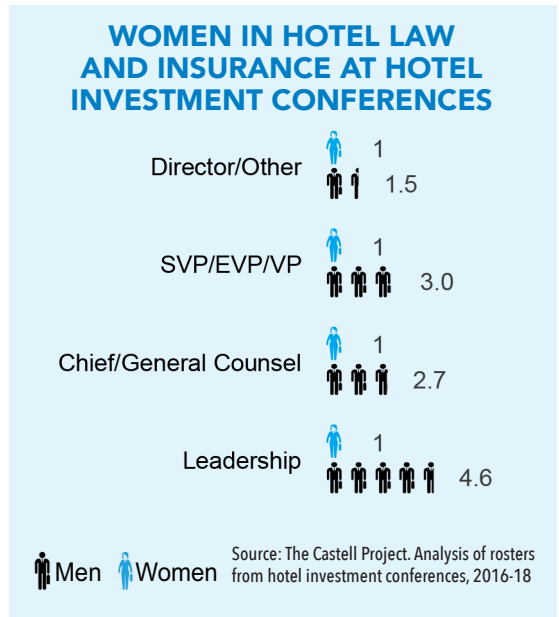
## Women in Law, Risk Management and Insurance at Hotel Investment Conferences

Women are close to half of people in law, risk management and insurance represented through the VP level. This is interesting because law is a time intensive, high-stress field, and one bias affecting women is the idea that they will not work in time intensive, stressful jobs.

Women are 28 percent of attendees identifying as attorney, law or counsel at hotel investment conferences. Most attorneys at the conferences are at the principal/partner level.

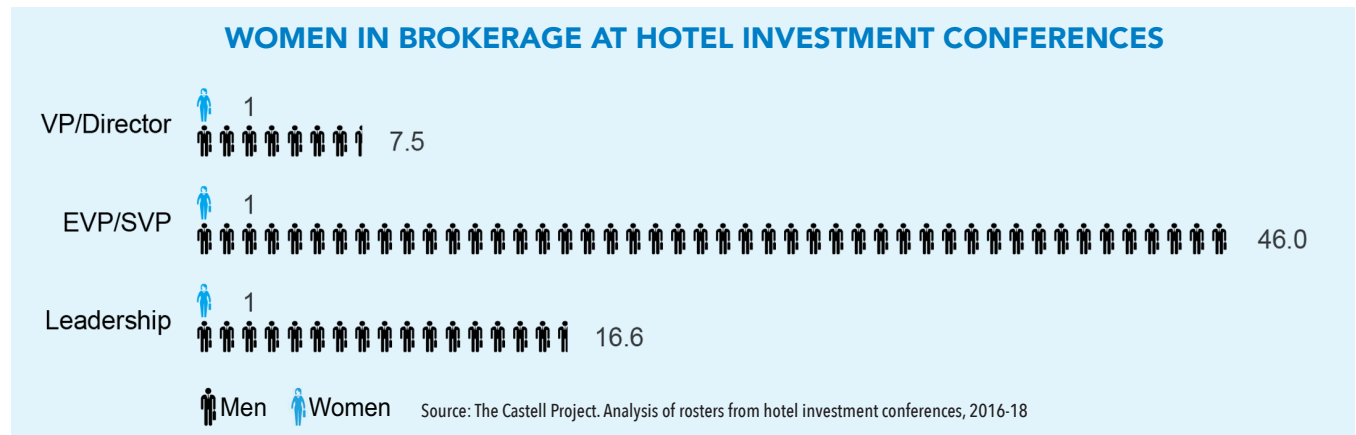
Among general counsels at the conferences, there are 2.7 men to each woman attorney. Representation drifts down to one woman to five men by the level of managing director.

For comparison, in the data from the STR Directory of Hotel & Lodging Companies, women are 28 percent of attorneys listed, or 1 women to 2.6 men. Most of those listed are general counsel.



## Women in Brokerage at Hotel Investment Conferences

Women are 6 percent of brokers at hotel investment conferences. In brokerage, there is 1 woman to 15 men. Brokerage at the EVP/SVP level has an unusually wide spread between career opportunities for men and women.

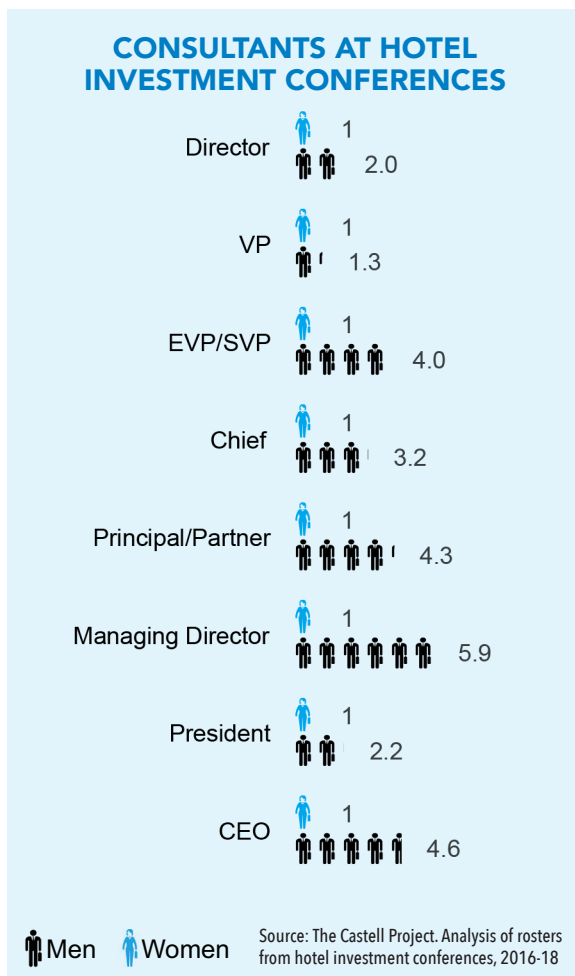


## Women in Consulting at Hotel Investment Conferences

Consultants at hotel investment conferences include a wide variety of specialties. Type of firm also ranges from large firms like CBRE to independent, individual consultants, and data companies including STR.

Women are 25 percent of consultants at the conferences or one woman to three men overall. But, at the director level, there are two men to each woman, while by the EVP/SVP level, the ratio is four men to one woman.

The exception is at the president level where there is one woman to two men. Consulting is a field where women, as well as men, leave other companies to establish their own practices and commonly take the title "president."

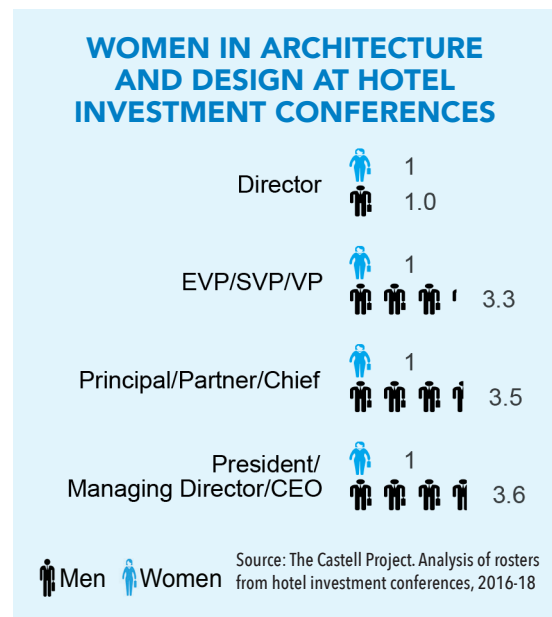


## Women in Architecture and Design at Hotel Investment Conferences

There are firms that do only architecture or only interior design, and firms that do both, represented at the investment conferences. Included in this chart are both architecture and design.

Combined statistics for architecture and design show even distribution between women and men at the director level and just over three men to one woman at higher levels.

Design tends to have a significantly higher proportion of women, while architecture has a higher proportion of men.





## Women in Asset Management at Hotel Investment Conferences

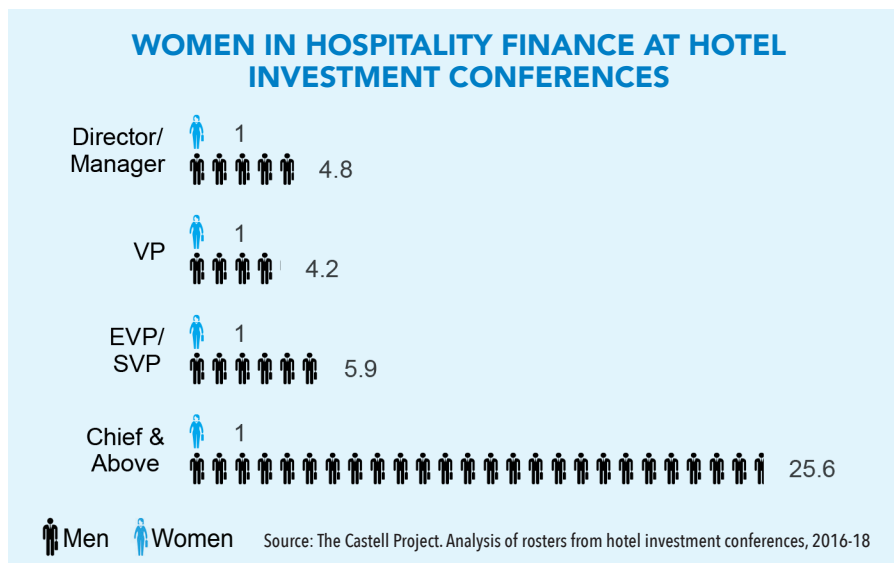
Women are 22 percent of the asset managers listed in the STR Directory of Hotel and Lodging Companies 2018. Most of the women listed are at the VP or EVP/SVP level, where there are 2.9 men to each woman. All work within hotel companies.

Women were 12 percent of the asset managers represented at the hotel investment conferences in 2018 or one to seven. Representation was down from 17 percent or one woman to five men in 2017. Asset managers at the hotel conferences include both those working for hotel companies and third-party asset managers.

## Women in Finance at Hotel Investment Conferences

Finance in the investment conference analysis includes bankers and other lenders, capital providers, mortgage brokers and financial advisors. Chiefs in this table include only chiefs working for companies that provide some form of hospitality finance.

At one women to 8.4 men, this field has not traditionally presented opportunities to women. Unlike hospitality law and accounting, which have been attracting women at the university level for many years, finance attracts fewer women starting at the university level.<sup>7</sup> This could be self-fulfilling as women may see few advancement opportunities demonstrated in finance when they choose majors.



# STATISTICAL SUMMARY

Statistical Summary: Women in Hospitality Industry Leadership											
	CEO	President	Principal Partner	Managing Director	Chief	EVP/SVP	VP	Director	Manager	Overall % Women	Total Sample
<b>STR Directory of Hotel &amp; Lodging Companies</b>											
Development						8%	10%	12%		9%	667
Leadership	5%	10%	6%	13%	16%					11%	2,680
Chiefs										16%	1,108
Operations		14%			11%	18%	21%	24%	32%	23%	1,842
Accounting and Finance					16%	26%	29%	54%	57%	33%	963
Revenue Management						38%	44%	48%	60%	49%	163
Sales and Marketing					35%	42%	53%	64%	72%	58%	667
HR					67%	69%	71%	83%	85%	76%	294
Overall by level	5%	11%	6%	13%	16%	24%	30%	48%	48%	37%	6,432
<b>Hotel Investment Conferences</b>											
Brokerage				6%		2%	12%			6%	311
Construction				3%		10%	7%	21%		8%	298
Finance				4%		15%	19%	17%		8%	659
Own, Operate, Develop Hotels	5%	7%	5%	6%	12%	10%	17%	22%		12%	2,728
Chiefs										14%	603
Brands and Franchise Companies				8%	19%	23%	24%	36%		25%	1,123
Consulting	18%	32%	15%	19%	24%	20%	43%	34%		25%	532
Law, Risk Management, Insurance			19%			39%		43%		28%	293
Architecture and Design		22%	22%			23%		50%		33%	387
Overall by level	9%	11%	8%	13%	14%	16%	24%	30%	35%	20%	7,810

**Notes: Hotel Investment Conference Rosters**

Law: principal includes leadership, EVP/SVP includes VP, director includes other titles

Architecture and design: president statistics include managing director, principal statistics include chief, EVP/SVP statistics include VP

Brokerage: managing director includes chief and above

Construction: managing director includes chief and above

Finance: managing director includes chief and above

Overall: includes conference attendees who are not in the fields presented in the report

**Notes: STR Directory of Hotel & Lodging Companies**

Development: director includes managers

Operations: President includes above chief

Sources: Castell Project, Inc., STR Directory of Hotel & Lodging Companies, investment conference rosters

## LEVELS: DEFINITIONS

Titles held by men and women are organized by level in this report using the following groups of titles.

**Associate:** Includes associates, analysts, consultants, assistants, property department managers and other similar titles. Because the sample is not sufficiently representative at these levels, associates are not reported separately in this report.

**Manager:** Includes general managers, consulting managers, national sales managers, portfolio managers, controllers, counsels, senior advisors, regional managers, regional directors and similar titles.

**Director:** Includes directors such as development directors, acquisitions directors, design directors, national sales directors, project directors, global directors, senior managers, franchise sales directors and similar titles.

**VP:** Includes vice presidents, brand managers, senior directors, heads of development and similar titles.

**EVP/SVP:** Includes executive and senior vice presidents, as well as executive directors, division presidents and some "head" titles.

**Chief:** Includes executives with "chief-officer" in their title. Some chiefs are also presidents or SVPs, for instance. CEOs are shown separately.

**Principal/Partner:** Includes principal, partner, member, shareholder, regional managing partner, vice chair and co-chair.

**Managing Director:** Includes managing directors, managing principals and senior managing directors. In the charts for the conference data, global presidents, global heads and group presidents are in this group.

**President:** Includes titles of president, owner and founder. Presidents with the additional title of CEO are listed under CEO. Those who also are chiefs are listed under their field as chiefs rather than at the president level.

**CEO:** Includes CEOs, as well as CEOs with additional titles such as CEO and chairman, president or managing director.

**Board:** Includes chairman and board director. Because the board sample is not large enough to be representative, these titles are not reported separately in this report.

**Leadership:** Includes board, CEO, president, founder, partner, principal, managing director, owner, chairman and similar titles

## REFERENCES

- 1 Gender Diversity Profitable? Evidence from a Global Survey (22,000 firms in 91 countries) Marcus Noland, Tyler Moran, and Barbara Kotschwar; Peterson Institute from International Economics, 2016
- 2 Women in the Workplace 2018 (since 2015, 462 companies employing more than 20 million people plus more than 64,000 employee surveys), LeanIn.Org and McKinsey & Company, 2018
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- 4 Financial Concerns of Women, BMO Wealth Institute, March 2015
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*Women in Lodging was established exclusively for female hospitality professionals who want to connect with top professionals nationwide and gain career momentum. The mission of AHLA's Women in Lodging Committee is to promote and develop women into senior executive roles in the industry.*