

Comprehensive Review and Analysis of Impact and Challenges for Hotel Industries During COVID-19

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Abstract

Hotels in India's hospitality sector are expected to drop sharply during the first quarters of 2020, due in large part to the outbreak of the COVID-19 virus. The number of visitors and business travelers is drastically decreasing as a result of the temporary suspension of travel and the implementation of containment measures. There is a consensus amongst the owners of hospitality companies that the industry has poor business practices, is unable to pay employees' salaries and other obligations, generates low liquidity, is unable to repay loans and other debts, employs a bare minimum of personnel and lacks adequate financial support. The influence of COVID-19 on the hospitality industry and the profile of hospitality companies are vastly different. Negatively, significantly, and strongly linked to the performance of hospitality businesses is the effect of COVID-19 on the industry. That's why COVID-19 is having such a negative impact on the operations and growth of hospitality businesses and the rest of the industry as a whole, and they need help from banks and the government right away. For the next six to nine months, hospitality companies must renegotiate payments and dues with their business partners, and they must pay at least half of their employees' wages until normalcy returns. In addition, the hospitality business should delay major capital investments and reduce operational costs. In order to respond swiftly to market changes, hospitality companies must develop and implement efficient revenue generation and management strategies for pricing their products and services. Moreover, the government the hospitality industry should be given a one-year tax break and further financial aid.

Keywords: Hotel industries, tourism, management models, market changes, hospitality industry

INTRODUCTION

As a result of COVID-19, the world has been taken by surprise and has had a significant influence on both business and survival. Many firms have been forced to close as a result of government-imposed closures, therefore finding a method to securely restart has become a top issue. COVID-19 has prompted a flurry of analysis and decision-making among the hotel industry's leaders as they try to determine the best course of action going forward [1].

People Management

A company's most valuable asset is its workforce. Corona virus has had a very terrible time here, sadly. The COVID-related blog post *Managing People*.

In order to deal with the issues posed by the worldwide pandemic, 19 provide advice on how to effectively handle this important resource. We take care of difficulties like vital communication, whether you're reporting directly to your staff or via a virtual team. In these trying times, your employees need to know how important you are to them, and taking the initiative and keeping in touch with them will ensure that they do.

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Received Date: April 13, 2022
Accepted Date: April 20, 2022
Published Date: May 06, 2022

Citation: Gajraj Singh Shekhawat. Comprehensive Review and Analysis of Impact and Challenges for Hotel Industries During COVID-19. NOLEGEIN Journal of Human Resources Management & Development. 2022; 5(1): 1–4p

The Effect on Hotel Employees

The COVID-19 pandemic has the greatest effect on those working in the hospitality business. Many in the business have not only lost their employment, but they've also seen significant shifts in the way jobs should evolve as a result of these developments. COVID-19: The Impact of Hospitality Workers on the Industry Examines the Many.

Workers' Exposures During and After the Process When it comes to the hotel industry, India, Europe, and China have fared worse, according to the story. In the last six months, the United States has likewise experienced record cancellations and a severe commercial downturn [2].

All hoteliers have been affected by the global epidemic in one way or another. The impact of the corona virus on hotels and their employees around the world may be seen in how hoteliers are dealing with the situation. Some hotels have been forced to close permanently because of power outages that have lasted for a long period of time. Even a few hours of downtime can have a devastating effect on businesses that operate on a tight budget. Understanding and supporting your workers, keeping your rates from decreasing drastically, and showing that you understand how they feel by staying in touch until the next crisis provides Danger are some of the tips in this article for hoteliers completed [3].

Many people's lives are being jeopardized as a result of COVID-19's unrelenting march across the globe today. The global economy is feeling the effects of the many efforts being taken to combat the pandemic. The nomadic character of the hospitality workforce, as well as the halt in global travel, tourism, and restaurant services, are among the variables affecting the business in this article [4].

TRAVEL AND TOURISM'S IMPACT ON THE ECONOMY

With the unprecedented travel restrictions, the United Nations World Tourism Organization forecasts a 20% to 30% drop in international tourists in 2020, compared to 2017.

Additionally, they drew comparisons to the SARS outbreak of 2009, which resulted in just 0.4% of the global tourism market being affected. Approximately 10% of the worldwide GDP is generated by the hospitality business.

Initially, the disruptions were concentrated in Asia, but they have since expanded to supply systems around the globe. In the aviation, tourist, and hospitality industries, there is a real risk of revenue decreases, insolvencies, and job losses in specific sectors, regardless of the size of the organization. Small and medium-sized businesses will have a particularly tough time continuing operations.

There is a good chance that the hospitality business in India would be severely affected. Hotel companies in the United States are expected to see bad revenues in FY20 and worse in FY21. Corporate, MICE, and leisure travelers all cut back on travel in March as a result of widespread disruptions. For the time being, business in India's tier 2 and tier 3 hotel markets is shrinking slightly. Occupancy rates were only slightly lower in the early half of March, despite certain states being infected with the virus.

A profit decrease of between 11 and 29 percent has been predicted for the worldwide hotel business in 2020 by industry specialists in Europe. Since the virus has spread so quickly, emergency measures taken by the KHN, a trade group representing bars, cafes and hotels, are causing considerable harm. The KHN study indicated that hotel businesses fear they could suffer losses of 33% as a result of government emergency measures. Cancellations have increased by nearly half.

In China, occupancy has dropped by as much as 68 percent compared to this time last year. When it comes to dealing with the corona virus in China, they are the first to stabilize. According to the data, 87 percent of the population [5].

Hotel rooms are starting to fill up as the country's lodgings open for business.

Countries outside of the United States: As a result of the pandemic, hotels across the United States have seen an unprecedented number of cancellations (this accounts for 50 percent of all hotel jobs in America). 96 percent of the average occupancy in Italy and 67 percent of the average occupancy in the United Kingdom have decreased since last year.

AFFECT ON HOSPITALITY JOBS

The COVID-19 pandemic, according to the World Travel & Tourism Council, could lead to the loss of 50 million jobs in the travel and tourism industry worldwide. Asia is predicted to be the hardest affected by an Oxford economics study, and data suggests that the industry could take several months to recover from this setback.

Due to travel bans, border closures, and quarantine procedures, many workers can no longer reach their workplaces or carry out their activities, which have an impact on their salaries, particularly for those who are self-employed or operate in the informal and contract sectors. Investment, purchasing of goods, and the hiring of new employees are likely to be put on hold as a result. According to research, the impact on India's hospitality industry could result in the loss of employment for the vast majority of the country's workforce. The Indian tourism industry is bracing itself for widespread bankruptcies, business closures, and a spike in unemployed workers as a result of this pandemic [6].

As a whole, hotels and restaurants may become more efficient and leaner, requiring a balance between smart and competent employees. Because of this, a significant portion of the labour force is returning home in big numbers, which implies that the bulk of hotel front-of-house workers will be working in their home countries. In the beginning, temporary workers will be the first to be laid off, followed by permanent employees, as hospitality organizations may be forced to reduce costs. This could be the case lead to a big number of people switching industries in order to find a place with a faster income flow. This mass migration of skilled workers from all corners of the world might have devastating effects on the labor market, which may not recover unless companies and governments alike work to restore public trust. Businesses can save the workforce only if they take a sympathetic stance toward their employees [7].

OPPORTUNITIES

Up-skill

Employees in the hospitality industry should be given the opportunity to enhance their skill sets, as layoffs are projected at all major and medium hotel chains. Due to the popular asset-light strategy, where a significant number of operating units, distributed across countries, can be written off at once, hyper-local hotels may face the biggest number of layoffs. Thousands of hospitality workers will be drained from an industry that is already struggling. Those who are able to expand their knowledge base through the completion of specialised training courses stand to gain significantly [8].

Re-skill

If competent hospitality front-line workers can take advantage of 'Recognition of Prior Learning', this could speed up the process of retraining them for positions in hotels and other hospitality-related businesses where lean but skilled operation will be necessary.

Students and institutions could both benefit greatly from holding online classes to make up for missed time during this time period. There is a chance that institutions may reorganize and hold live sessions, which would ensure some cash flow and lessen the strain on the plans of their individual cohorts [9].

A one-to-many classroom teaching method or a simple self-learning technique is both viable options for delivering management systems' material. In order to assure the continuity of learning, there are a number of creative approaches that are currently available to us thanks to the current technology that we have at our disposal [10].

CONCLUSION

It has never happened before in history that firms in nearly 200 countries were stopped by a single reason. COVID-19's impact on the global commercial landscape will be fully realized only in time. Because the hotel industry's landscape is constantly shifting, we need to come up with new ideas to ensure our relevance. On the internet, there is a wealth of information about global hospitality trends that might inspire new ideas. It is, however, the market's embrace of these concepts that will lead to the end of the tunnel. Employers and governments that remain connected and concerned about their resources may choose to keep the bulk of their workforce, thus lowering the stress on their HR cycle and giving them a competitive advantage.

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