

# **BLACK REPRESENTATION IN HOSPITALITY INDUSTRY LEADERSHIP**



**2022**



**February 25, 2022**

Castell Project's third annual report benchmarking Black representation in hospitality industry leadership reflects an industry in the midst of employment change. Bureau of Labor Statistics reports indicate that Black employees in the hospitality industry disproportionately lost their jobs during the Pandemic.<sup>1</sup> Statistics also show disproportionately low Black representation in hospitality industry leadership.

According to Seramount's, Pledge to Progress report, "95 percent of corporate executives are committed to helping their company fight racism and injustice within the organization."<sup>5</sup> However, 33 percent of those feel forced to support these efforts and 79 percent said, "the attention and focus of DE&I is blown out of proportion."<sup>5</sup> Not surprisingly, one of six Black employees are doubtful that progress is going to be made and 16 percent say their company is "all talk."<sup>5</sup>

Immediately before the Pandemic, Korn Ferry asked, "why is black talent 'opting out' of corporate America?" Their research found that: "talented but frustrated Black executives are leaving big firms" and asked if companies will be forced to create better career paths for them.<sup>2</sup> The statistics in this report indicate that the hospitality industry has been slow to create better career paths.

According to the 2022 Edelman Trust Barometer, 57 percent worry about experiencing prejudice or racism, up six points in just one year since 2021. Trust in business in the United States is below the worldwide average and falling. However, trust in family-owned businesses, which fell during the Pandemic, is now recovering.<sup>4</sup> This is a good sign for the hospitality industry with its strong base of family businesses.

The costs of these trends have been high as Black talent took a fresh look at the hospitality industry during the past two years. But statistics suggest opportunities for companies that open opportunities to Black employees not just in word, but in deed.

We recognize the remarkable support of the many men and women working to advance Black representation in hospitality industry leadership. We welcome and appreciate your participation with Castell Project. Contact and more information may be found at [CastellProject.org](https://CastellProject.org).

Board of Directors  
Castell Project, Inc.



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## Purpose of Castell Project

Castell Project, Inc., a 501c3 non-profit, implements initiatives that enable companies and their employees to fully benefit from workforce participation. Castell Project initiatives include:

### **Castell Research**

Benchmarking statistics on diversity in hospitality industry leadership including this report [castellproject.org/castell-research](https://castellproject.org/castell-research)

### **Castell Leadership Development Programs**

Skill-building and support for women at two levels of leadership development; BUILD and ELEVATE had more attendees in 2021 than ever before and will be offered next in Fall 2022

[CastellProject.org/participants](https://CastellProject.org/participants)

### **The WSH List**

Connecting conference organizers with expert female speakers because women's presence on the podium lifts their careers and inspires others [castellproject.org/castell-podium](https://castellproject.org/castell-podium)

### **Castell Award**

Celebrating remarkable female talent in the industry [castellproject.org/castell-award](https://castellproject.org/castell-award)

### **Castell@College**

Presenting panels of women leaders to inform and inspire college students about the richness of careers in hospitality for women as well as men, including those with families

[castellproject.org/castell-college](https://castellproject.org/castell-college)

### **Fortuna's Table**

Providing curated information and expert mentors to guide women into hotel ownership [FortunasTable.org](https://FortunasTable.org)

### **Statement from the Castell Project Board**

We produce this statistical report to add clarity to discussions about Black representation in the hospitality industry. Discrimination and bias are real and can only be addressed when they are recognized and enumerated.

When we produced the first Black Representation in the Hospitality Industry report in 2020, we decided to advance diversity throughout the Castell Project. Now, we are meeting measurable commitments for the organization and each of its initiatives, to our great benefit. We are committed to programs that catalyze Black as well as female representation in hospitality industry leadership.



## Executive Summary

Black representation in leadership for the public face of the hospitality industry is not making the gains necessary to show opportunity to Black employees in most companies.

This third annual report is a snapshot as the nation seeks a new normal. In spite of industry statements of support, Black employees lost share of hospitality industry employment and remained under-represented in leadership over the past year.

- In 2021, only 11 percent of the 671 hotel company websites reviewed for this study showed Black executives on their websites (director through CEO). This is equivalent to 2020 and below 16 percent in 2019. The industry disproportionately let go of Black talent in the Pandemic including at executive levels in many companies.
- Black executives represented 2.0 percent of hospitality industry executives at the director through CEO level on company websites at the end of 2021 (111 of 5,569), up from 1.7 percent in late 2020 and 1.6 percent in late 2019. Incremental gains are concentrated in select companies.
- In 2019, Black employees were 18.8 percent of the hospitality industry (traveler accommodation) workforce. In 2021, their share dropped to 13.6 percent. In contrast, across all industries, Black representation stayed at 12.3 percent. Hospitality is still slightly overrepresented in this demographic, but lost share disproportionately. In addition, employment in traveler accommodations was smaller by 397,000 employees or 40.2 percent, compared to a 3.2 percent decline in overall employment. The hospitality industry has uniquely lost its place with Black talent.
- One in 7.3 industry employees<sup>1</sup> is Black, a loss of representation from one in 5.7 in 2020 and one in 5.3 in 2019. The industry continues to lose share of the Black workforce.
- In terms of the opportunity the industry shows to prospective Black employees, one in 7.3 Black employees compares to one of 35 vice presidents and one of 56 EVP/SVPs shown on hospitality company websites at year end 2021.
- Analyzing the odds by gender shows 80 other men for each Black man at the director to CEO levels.
- Because all women are poorly represented at these levels, there are fewer other women for each Black woman than the comparable figure for men. There are 25 other women for each Black woman shown at these levels.
- In 2021, 28 percent of Black hospitality industry executives worked in HR. Although they employ more people, other fields have been significantly less successful at engaging Black talent.



# Insight from Thought Leaders

Insights from Black thought leaders identify the opportunities and challenges the industry faces with Black representation.

## Tracy Prigmore

*Managing Partner, TLTSolutions, Founder, She Has a Deal, Co-Chair Fortuna's Table, Board Director Castell Project, Inc.*



One way to address issues with Black talent in hospitality is to accelerate diversity and inclusion on the investment side of the business by increasing the number of Blacks owning and developing hotels. Due to systemic racism in this country, Blacks historically have not had the opportunity to attain the wealth required to become owners. Without the financial profile of other races who have passed on wealth for generations, it will take several decades for Blacks to build the balance sheets needed to equitably attract capital and deal flow.

To achieve equity and increase the availability of capital for Blacks, there must be changes in policies, business practices and attitudes. When the industry as a whole addresses the spectrum of barriers to the flow of capital for Blacks to become owners and developers, the growth in Black-owned hotel businesses will immediately transform the industry.

## Andy Ingraham

*President Founder & CEO, NABHOOD*



There are many changes taking place in our industry; however, opportunities for people of color still lag behind. We have to make conscious decisions as an industry because of how important real diversity is to our human capital growth.

Hospitality is a people business which requires meaningful and sustained investment in human capital.



## Brian Barker

*Endowed Chair of Diversity Equity & Inclusion, Chaplin School of Hospitality & Tourism Management, Florida International University*

I remain cautiously optimistic regarding the state of Black career growth and advancement in the hospitality and tourism industry. I find optimism in the resilience of our people, the hospitality industry, and the growing body of ally support. Additionally, financial and academic resources are growing to address Diversity, Equity & Inclusion (DEI) through training and education. The Gen-Z generation will be the most diverse ever and they have a level of sophistication and resolve that I have not seen in past generations.

I remain cautious, however, as many hospitality executives seem inspired to automate away labor problems instead of investing in human capital. Hospitality is a people business which requires meaningful and sustained investment in human capital, including Black leadership. The industry is building an alliance of industry experts, Black academics, and industry associations to develop strategies for robust labor markets and diverse leadership development. The industry's failure to develop Black managers and executives is systemic. To attract the new generation of talent and to retain the talent in our companies, we must align as an industry and implement systemic solutions.

To attract the new generation of (Black) talent and to retain the talent in our companies, we must align as an industry and implement systemic solutions.

## Niveesha Hill



*MSMOB, Dual Property  
General Manager, Hilton Gar-  
den Inn and Homewood Suites, RAR Hospitality*

Black history in America is not all good and it relates to the treatment of Black Americans today. America and the workforce have come so far, but have further to go to reach true equality and inclusion.

The hospitality industry is a great equalizer where anyone has the opportunity to achieve merit-based promotions and great success. However, the hospitality industry has a reputation of staff being treated poorly by guests and taken advantage of by leadership.

Poor treatment of Black Americans has created sensitivities for many to a point where they are unwilling to subject themselves or apply for roles where they may be subjected to mistreatment. Faced with the resulting labor shortages, the industry needs to change. We combat this by being working-managers and showing that present leadership is rooted in developing others into leaders. Working-managers can ease moments of guest conflict and can protect staff from being mistreated by stepping up and stepping in, creating a buffer. Additionally, we can train staff in service recovery and conflict resolution to minimize mistreatment and diffuse hostile situations.

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## Greg DeShields



*Executive Director Tourism  
Diversity Matters*

Difficult COVID-19 staffing business decisions had an unexpected consequence - breaking trust. How is trust damaged? Trust is impaired when partners break their promises or violate essential expectations.

Many of those dedicated hard-working employees separated from their longtime employment were placed in a completely unexpected situation that was not of their doing. Many were vulnerable during economic and health emergencies and unemployed with limited options.

The world stopped for months and it was possible to consider options. Perhaps there were more appropriate employment opportunities outside of their prior careers, providing better promises and meeting essential expectations, creating new trust.

We need to rethink working in the hospitality industry and rebuild trust. This requires hiring diverse talent into higher levels of management, acting upon the importance of having leaders who reflect the demographics of our customers, and creating an inclusive workplace to attract and retain people of color.

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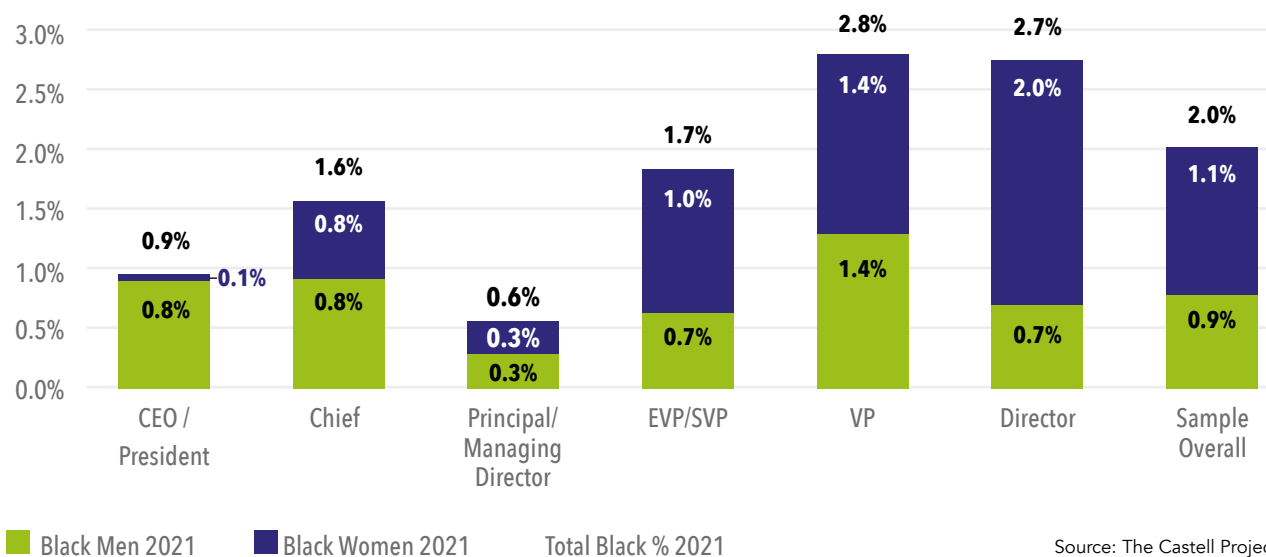
Black women have stronger representation than Black men at the Director level but are less likely to advance than Black men.

## Share of Black Leaders by Gender

As shown in the following graphs, representation of Black leaders is extremely low in the hospitality industry, falling from 2.7 percent at the director level to 1.6 percent at the Chief (C-Suite) level. These statistics refer to mid-management directors working in corporate offices and shown on websites, not members of the board of directors and not property-level personnel.

Black women have stronger representation than Black men at the Director level but are less likely to advance than Black men. Black women lose share from 2.0 percent of directors to 0.8 percent of chiefs while Black men gain from 0.7 percent of directors to 0.8 percent of chiefs.

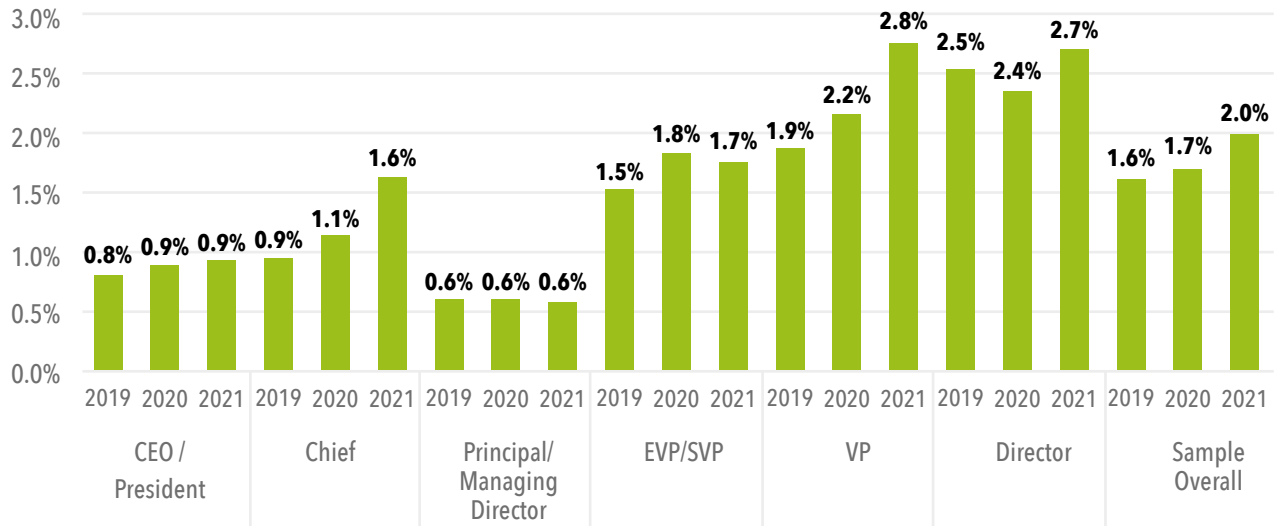
### Black Men & Women Percent of Hospitality Company Leadership



Source: The Castell Project

With a commitment to improving diversity in hospitality industry leadership, Black representation has increased marginally over the past three years. The numbers are so small in terms of Black representation that the addition or subtraction of just a few Black people affects these statistics.

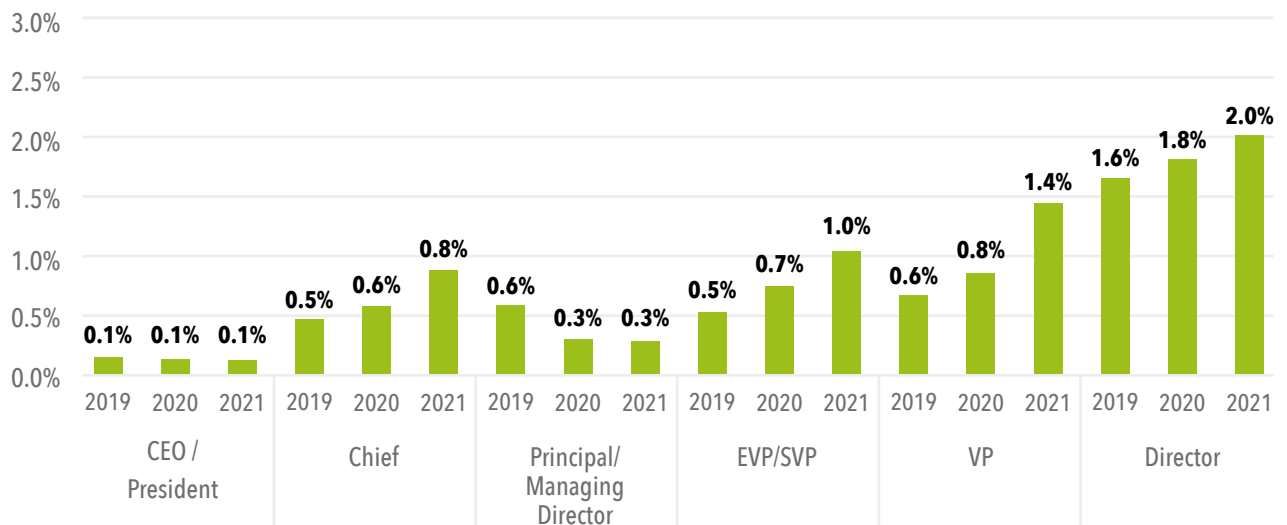
## Trends in Black Representation as a Percent of Hospitality Company Leadership by Level



Source: The Castell Project

Both Black men and Black women made marginal gains in most of these leadership positions from year end 2019 to year end 2021.

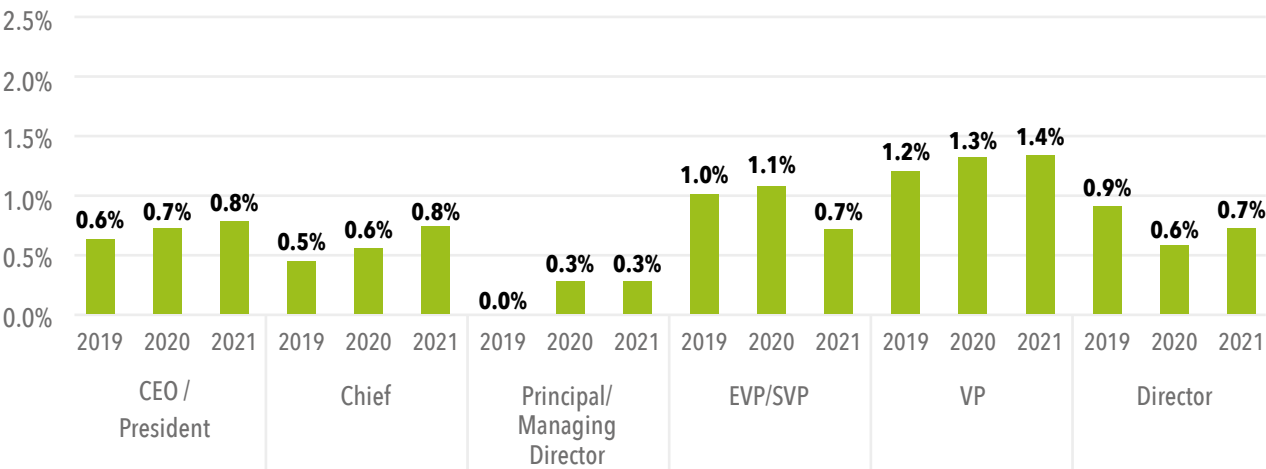
## Black Women Percent of Hospitality Company Leadership



Source: The Castell Project



# Black Men Percent of Hospitality Company Leadership



Source: The Castell Project



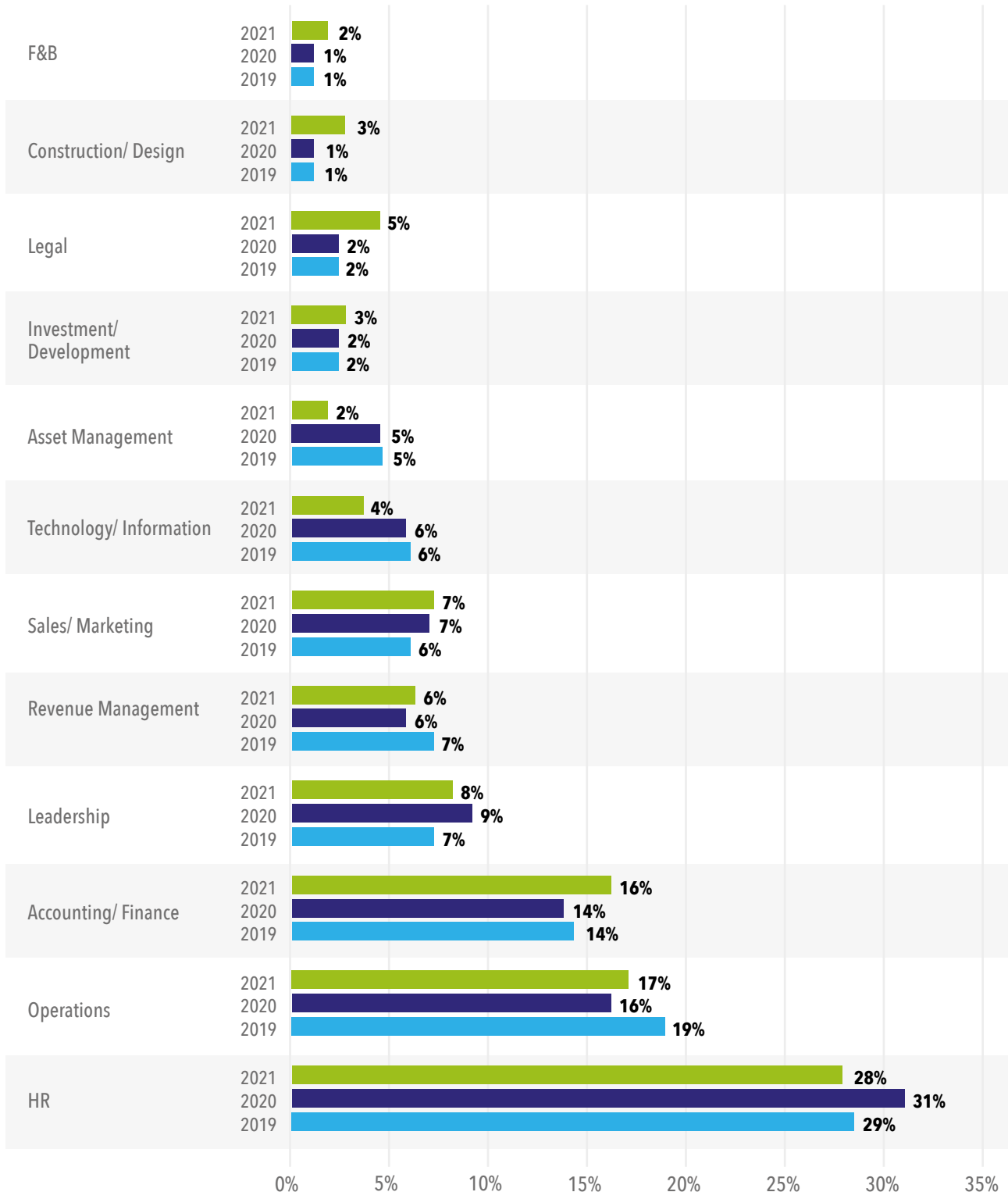
Black employees are significantly less likely to find opportunity in food and beverage, construction/design or investment/development.



## Distribution of Black Leaders by Field

Black representation in leadership is heavily weighted toward human resources. HR employs 28 percent of Black employees at the director to CEO levels. Black employees are significantly less likely to find opportunity in food and beverage, construction/design or investment/development. This table shows how Black leaders are distributed by field.

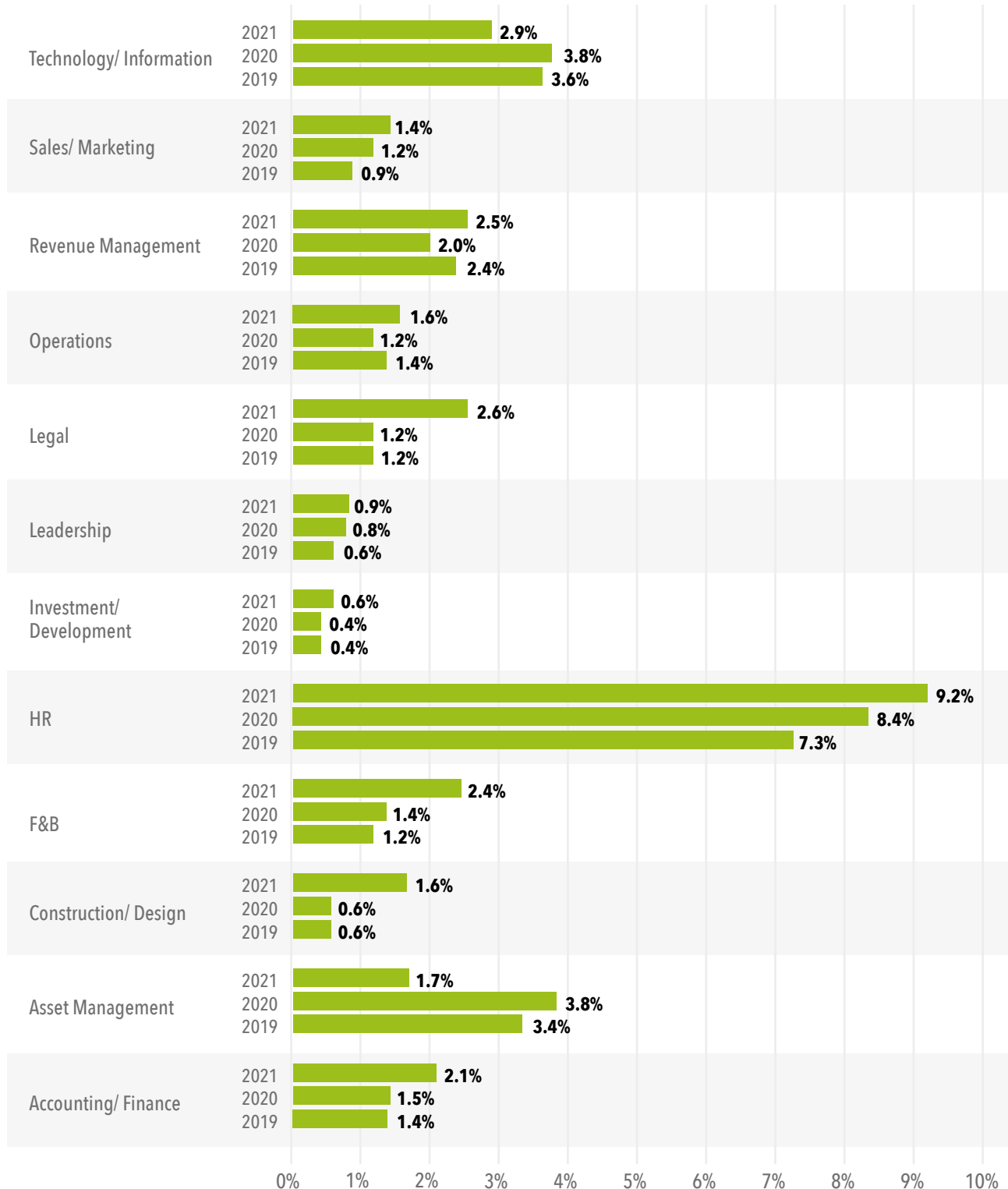
### Distribution of Black Executives by Field



Source: The Castell Project

This table shows the share of each field held by Black people. Nine percent of HR executives are Black, which is substantially closer to pro rata representation than any other field in hospitality. Black representation in the US population is 13.4 percent and 13.6 percent in hospitality industry employment.

## Share of Director to CEO Positions Held by Black Employees by Field



Source: The Castell Project



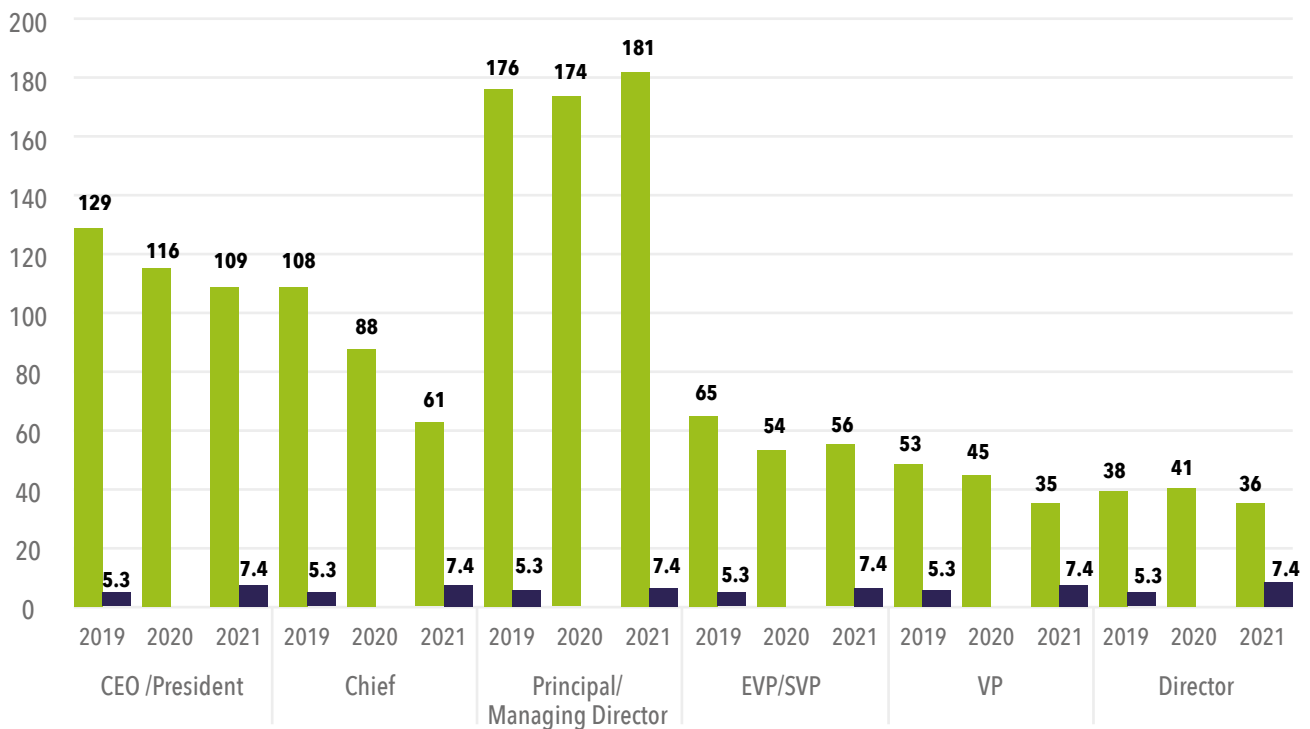
## Odds of Reaching Leadership

Without bias or disadvantage, Black employees could be expected to be represented in leadership at a rate proportionate to their share of the hospitality labor force. In 2019, the pro rata share was 1 Black employee of every 5.3 total employed (18.8 percent<sup>1</sup>). That figure is now 1 Black of every 7.4 total employees (13.6 percent<sup>1</sup>) due to the disproportionate share of jobs lost by Black employees in travel accommodations.

The following charts compare representation of Black executives to their proportionate share of one Black to 5.3 total traveler accommodation employees in 2019 and one Black to 7.4 total traveler accommodation employees in 2021. The bars show the number of other executives per each Black executive, ranging from 35 to one at the VP level compared with 109 to one at the CEO/President level.

Black representation diminishes at higher levels. Relative to other employees at these levels, odds of advancement are not improving for Black executives. However, the number of Black leaders in these roles is so small that a shift of one to three can drive the changes reflected in this chart.

### Other Executives for Each Black Executive Compared to Pro Rata Share



■ Other Executives for Each Black Executive ■ Pro Rata Share

Source: The Castell Project



Analyzing the odds by gender shows 80 other men for each Black man at the director to CEO levels. Because all women are poorly represented at these levels, there are fewer other women for each Black woman than the comparable figure for men. There are 25 other women for each Black woman shown at these levels.

## Black Representation by Title and Gender

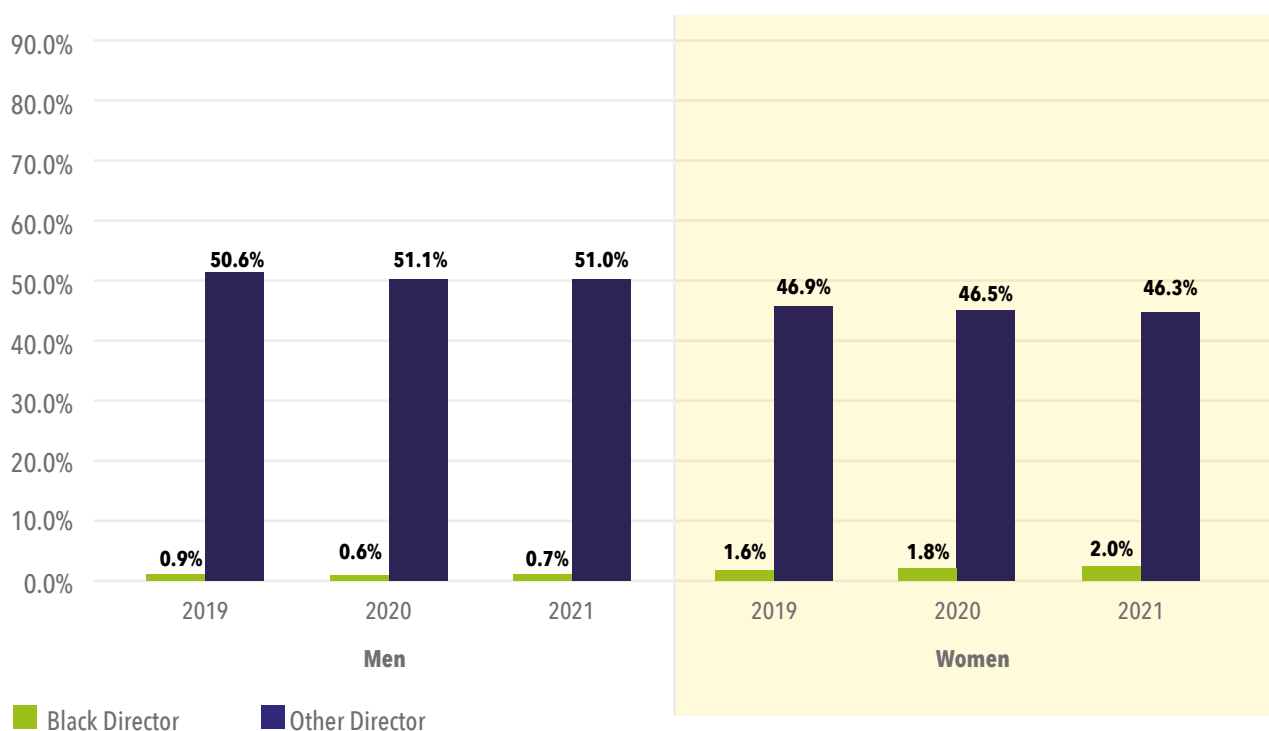
These charts show the distribution of jobs between Black men, Black women, other men and other women. Charts are presented for the director, VP and EVP/SVP levels. At the staff level, women outnumber men in the hospitality industry. By the director level, women are less well-represented than men. Black representation is weak and Black men are even less represented than Black women. At each higher level, with its correspondingly higher compensation, women's representation diminishes.

Black women in particular lose ground both as a share of all vice presidents and relative to Black men. This intersectionality, the combined impact of race and gender, is more pronounced for Black women at each higher level.



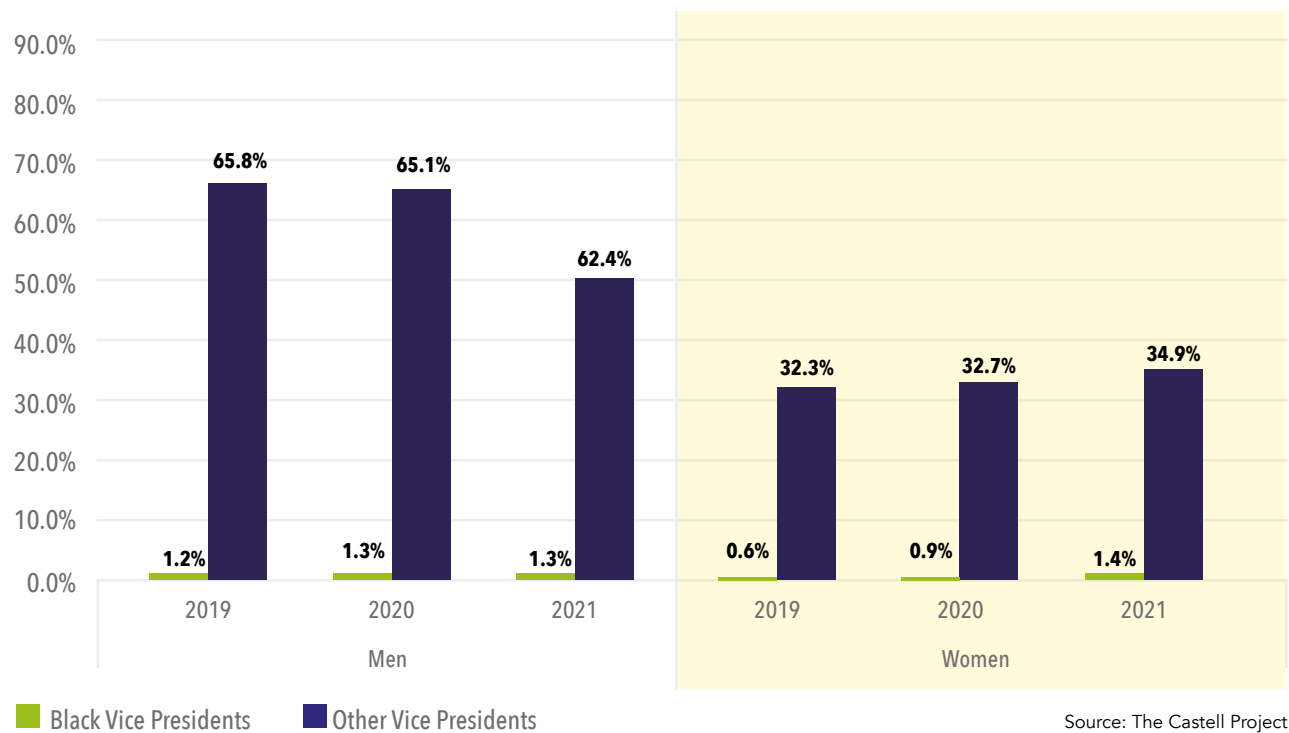
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### Directors by Race and Gender

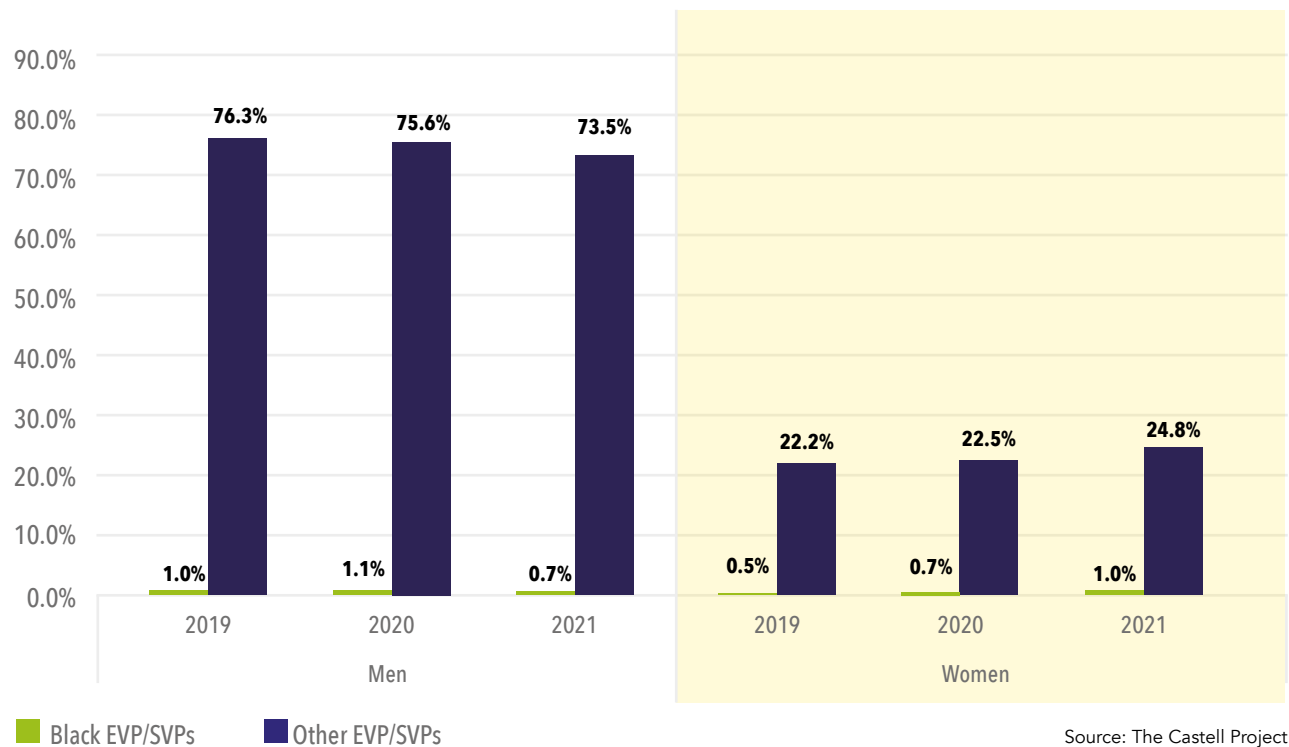


Source: The Castell Project

Vice Presidents by Race and Gender



EVP/SVPs by Race and Gender





## Operating Environment

Statistics summarizing the overall operating environment for Black employees in the hospitality industry are shown in the following table.

### Hotel Company Dataset

	2019	2020	2021
Traveler Accommodation Employees: Percent Black	18.8%	17.5%	13.6%
Traveler Accommodation: Number of Other for Each Black Employee	5.3	5.7	7.4
Total US Employed: Percent Black	12.3%		12.3%
Hospitality Industry Director to CEO Level: Percent Black	1.6%	1.7%	2.0%
Black Share of US Population: US Census	13.4%	13.4%	13.4%

Sources: US Bureau of Labor Statistics, US Census, Castell Project



## Methodology and Sample

**Methodology:** These statistics show the public face of hospitality industry leadership. Analysts captured information from the websites of hotel companies listed in the *STR Directory of Hotel & Lodging Companies*. Most entries were reviewed twice, once in the company website and then compared to the LinkedIn profile. Identification of race and gender was made by visual inspection and self-identification could vary.

**Titles:** Definitions for groups of titles used for this analysis follow. The dataset reflects only director through CEO levels.

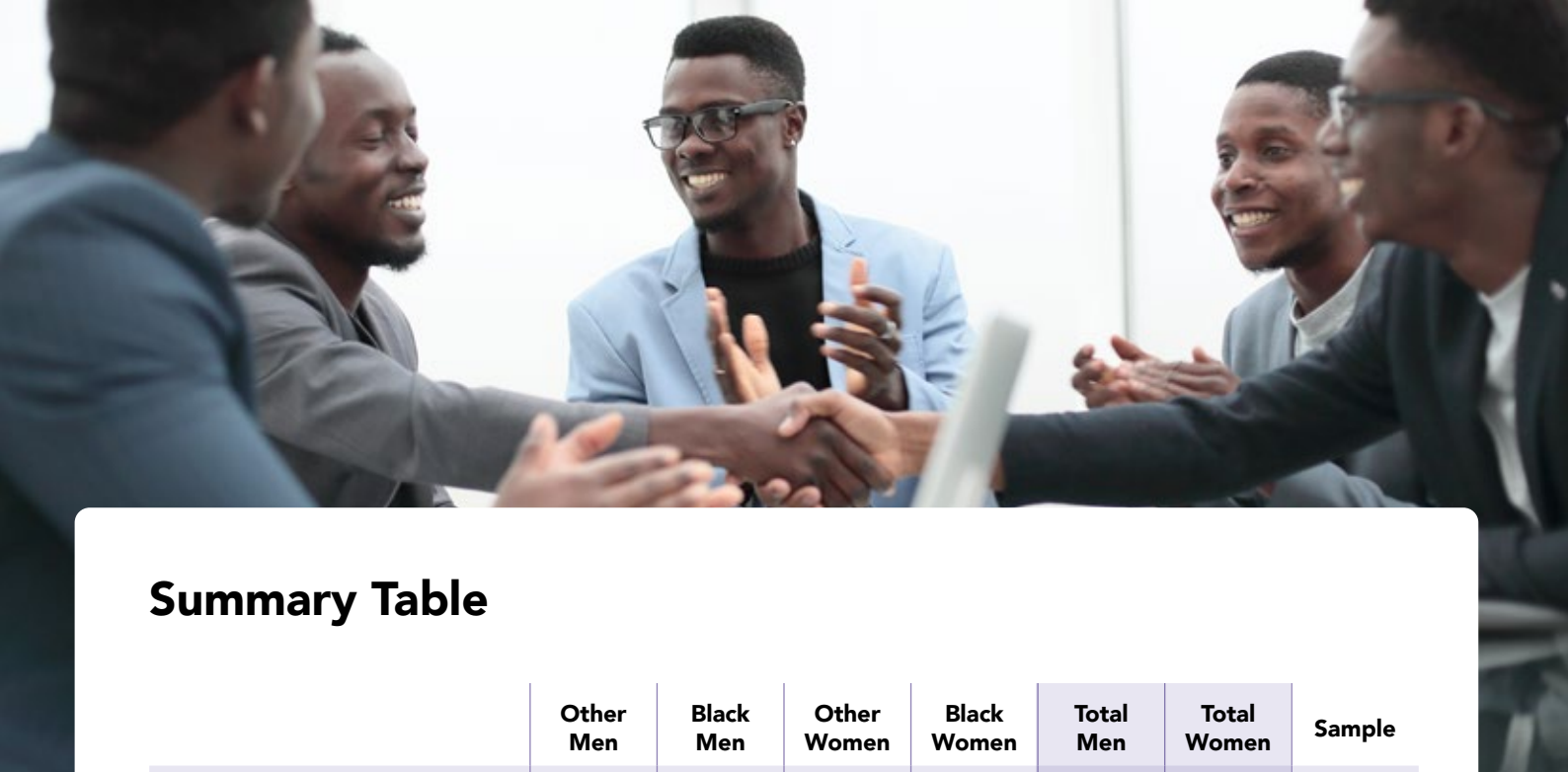
**Sample:** This report presents statistics about a large sample of hospitality industry executives that companies show on their corporate websites. Data includes hotel companies based in the US and Canada listed in the *STR Directory of Hotel & Lodging Companies*. The companies have a minimum of 5 hotels or 700 rooms. The dataset in-

cludes 671 companies with 5,569 people for 2021. The data set has 5,171 people for 2020 and 5,248 for 2019. Statistics shown 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.

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 the same reason, CEO / Presidents are over-represented in the overall averages in this report by the nature of positions shown on corporate websites.





## Summary Table

	Other Men	Black Men	Other Women	Black Women	Total Men	Total Women	Sample
<b>CEO / President</b>							
2019	92.7%	0.6%	6.5%	0.1%	<b>93.3%</b>	<b>6.7%</b>	779
2020	92.4%	0.7%	6.7%	0.1%	<b>93.2%</b>	<b>6.8%</b>	820
2021	92.1%	0.8%	7.0%	0.1%	<b>92.8%</b>	<b>7.2%</b>	881
<b>Chief</b>							
2019	76.3%	0.5%	22.8%	0.5%	<b>76.7%</b>	<b>23.3%</b>	873
2020	74.9%	0.6%	24.0%	0.6%	<b>75.4%</b>	<b>24.6%</b>	892
2021	74.8%	0.8%	23.6%	0.8%	<b>75.6%</b>	<b>24.4%</b>	933
<b>Principal / Managing Director</b>							
2019	88.1%	0.0%	11.3%	0.6%	<b>88.1%</b>	<b>11.9%</b>	353
2020	87.7%	0.3%	11.7%	0.3%	<b>88.0%</b>	<b>12.0%</b>	349
2021	86.5%	0.3%	12.9%	0.3%	<b>86.8%</b>	<b>13.2%</b>	364
<b>EVP/SVP</b>							
2019	76.3%	1.0%	22.2%	0.5%	<b>77.3%</b>	<b>22.7%</b>	594
2020	75.6%	1.1%	22.5%	0.7%	<b>76.7%</b>	<b>23.3%</b>	550
2021	73.4%	0.7%	24.8%	1.0%	<b>74.2%</b>	<b>25.8%</b>	689
<b>VP</b>							
2019	65.8%	1.2%	32.3%	0.6%	<b>67.0%</b>	<b>33.0%</b>	1235
2020	65.1%	1.3%	32.7%	0.8%	<b>66.4%</b>	<b>33.6%</b>	1204
2021	62.3%	1.4%	34.9%	1.4%	<b>63.6%</b>	<b>36.4%</b>	1337
<b>Director</b>							
2019	50.6%	0.9%	46.9%	1.6%	<b>51.5%</b>	<b>48.5%</b>	1414
2020	51.1%	0.6%	46.5%	1.8%	<b>51.7%</b>	<b>48.3%</b>	1356
2021	51.0%	0.7%	46.3%	2.0%	<b>51.7%</b>	<b>48.3%</b>	1365

## Levels: Definitions

Titles are organized by level and grouped in this report as follows:

### Director

People with the title of director, corporate director, senior director, etc. in all fields. However, hotel level directors (director of sales, etc.) and area directors (regional director of operations, for example) are excluded from this dataset. Regional vice presidents are classified as directors in this dataset.

### VP

Vice presidents in all fields. Vice presidents who also are C-suite chiefs are classified as chiefs. Those who also carry a partner or principal title are classified as partner/principal.

### EVP/SVP

Executive and senior vice presidents in all fields. Those who also carry a “chief” C-suite title are classified as chiefs.

### Chief (C-suite)

Executives with “chief-officer” in their title – CFO, COO, CMO, CLO, etc. General counsels are classified as CLOs. Some chiefs also are presidents or SVPs, for instance. Dual titles including chief and director, VP or EVP/SVP are categorized by their chief role. Dual titles including president or CEO are classified as president or CEO and also shown in the distribution of chiefs.

### Principal/Partner

Principal, partner, member, shareholder.

### Managing Director

Managing directors, managing principals and senior managing directors as well as “head” titles.

### President

President, owner and founder. Presidents with the additional title of CEO are listed under CEO. Those who are also chiefs are included in the leadership statistics as presidents and are also included in the C-suite detail.

### CEO

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

### Board

Chairman and board director. We do not present board representation in this report. However, our report on *Diversity of Hospitality Industry Public Boards 2021* is available at [www.CastellProject.org](http://www.CastellProject.org).





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