

# today's hotelier

January 2022 | todayshotelier.com

The Official Publication of AAHOA

**LABOR ISSUE**

## Starting Over

WINNING OVER WORKERS AND REBUILDING TEAMS, PIECE BY PIECE

MCR Hotels, Chairman & CEO

**TYLER MORSE**

“Human beings are social creatures. They like drinking together, visiting family, and seeing the world. We’ll be waiting for them because you can’t travel on Zoom.”

**PLUS A 2022 OUTLOOK**

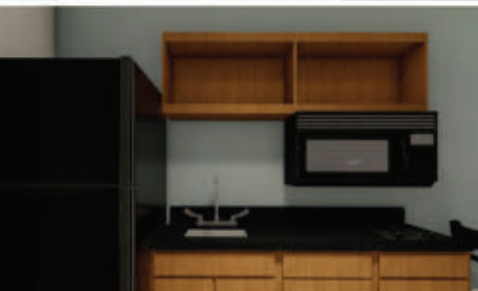
AAHOA leaders' reflections & predictions





A brand new way to extended stay®

Our new prototype is all about  
function, style and  
crushing the competition.



**HISTORICALLY HIGH  
OCCUPANCIES**

**80%\***

*Combining modern room aesthetics  
with cost-effective development  
to set new standards  
for improved operational efficiency.*

**OUT-PERFORMED THE  
COMPETITIVE SET REVENUE  
PER AVAILABLE ROOM**

**124.1%\***

*All backed by Red Roof, known for Genuine Relationships. Real Results.®*

To get in on a new way to extended stay Contact Matthew Hostetler, Chief Development Officer,  
mhostetler@redroof.com, 713.576.7426 / redrooffranchising.com



now includes



THE Red COLLECTION®



\*Average Occupancy and Revenue per Available Room Index based performance for all Affiliate-Owned Hotels open and operating for at least one year and for all of January 1, 2020 through December 31, 2020 with any temporary closures being less than 90 days, 51 hotels. STR RevPAR Index. This is not an offer. No offer or sale of franchise will be made except by a Franchise Disclosure Document first filed and registered with the applicable authorities. For New York: An offering can only be made by a prospectus filed first with the Department of Law for the State of New York. Such filing does not constitute approval by the Department of Law. For Minnesota #F- 9524. HomeTowne Studios by Red Roof, 7815 Walton Pkwy New Albany, Ohio 43054. © 2021 HomeTowne Studios by Red Roof

*A sincere*  
**Thank you**  
**TO OUR ADVERTISERS**

YOUR GENEROUS SUPPORT MAKES  
TODAY'S HOTELIER POSSIBLE





## WE HANDLE PAYMENT PROCESSING SO YOU CAN FOCUS ON YOUR GUESTS

For more than 20 years, we've specialized in helping you process payments without hidden fees,<sup>1</sup> teaser rates or long-term contracts.<sup>2</sup> AAHOA members receive preferred rates, a dedicated lodging support team, and experience seamless integration into existing property management systems.

### TRUST. SIMPLICITY. SECURITY.

Find out why more than 10,000 AAHOA members choose Chase as their payment processor. Call **1-800-727-1872** or email [lodging\\_team@chase.com](mailto:lodging_team@chase.com) today to learn more.



<sup>1</sup> All applicable fees are listed on the Schedule A.

<sup>2</sup> Certain restrictions may apply. Not all businesses may qualify for month-to-month or no long-term contract, such as businesses who: require processing capabilities in multiple currencies, process over \$5 million in annual credit/debit card sales or have certain software or connectivity requirements. Qualifying businesses may terminate their contract at any time by providing 30 days' written notice. Businesses who receive a promotional consideration from Chase may be required to repay all or a pro-rated portion of the value of such promotional consideration if the contract is terminated within the first 24 months. Businesses who do not qualify for the no long-term contract may be subject to additional terms and conditions, including a defined initial term and early termination fees. Talk to a Chase Representative for more details. Businesses are required to complete an application and agree to terms and conditions at the time of enrollment.

All businesses are subject to credit approval. Merchant services are provided by Paymentech LLC ("Chase"), a subsidiary of JPMorgan Chase Bank, N.A. ©2021 JPMorgan Chase & Co. All rights reserved.

# contents

January 2022 | todayshotelier.com

## 16

### Starting over

Amid a national labor shortage and a gradual upturn in travel, hoteliers weigh strategies for winning over workers and rebuilding their teams, piece by piece

by NICK FORTUNA

## 24

### With open arms

How one AAHOA Member is giving back to the community and looking out for those less fortunate

by MARIA GAMEZ

## 28

### New year. Old lessons

Looking at the future while keeping an eye on the past with several members of the AAHOA Board of Directors

by HEATHER CARNES

## departments

- 8 5 THINGS TO KNOW ABOUT AAHOA THIS MONTH
- 9 LETTER FROM THE CHAIR
- 10 LETTER FROM THE PRESIDENT & CEO
- 11 GOVERNMENT AFFAIRS
- 44 AAHOA MEMBERS IN ACTION
- 46 AAHOA CLUB BLUE, PLATINUM & SILVER PARTNERS
- 48 CLASSIFIEDS
- 49 ADVERTISERS INDEX

## columns

- THE C-SUITE  
You can't clean rooms on Zoom ..... **12**  
by TYLER MORSE
- PERSPECTIVES  
By data be driven: What the numbers say about the hospitality industry and the economy at large ..... **34**  
by CARTER DAVIS
- BEST PRACTICES  
Coming clean: Attracting travelers with cleanliness ..... **38**  
by KRIS KIELSA
- INSURANCE  
Under pressure: The impacts of inflation on major property-damage claims ..... **40**  
by LUIS R. ESTEVES, DAVID E. MOORE, and JAMES MONTALBANO
- FINANCE  
All eyes on 2022: What's the outlook for the hotel industry this year, and will we return to normal? ..... **42**  
by RUSHI SHAH

Today's Hotelier (ISSN 24174062), volume 22, issue 1, is published monthly by Naylor Association Solutions, for AAHOA, 1100 Abernathy Road, Suite 725, Atlanta, GA 30328. Periodicals postage paid at Gainesville, Florida, and at additional mailing offices. Postmaster: Send address changes to Today's Hotelier, 11350 McCormick Rd #1000, Hunt Valley, MD 21031.

# 2021-2022 AAHOA BOARD OF DIRECTORS

## AAHOA OFFICERS

**Vinay Patel**  
Chair

**Nishant (Neal) Patel, CHO**  
Vice Chairman

**Bharat Patel, CHO, CHIA**  
Treasurer

**Miraj S. Patel,**  
**MBA, CHO, CHIA**  
Secretary

**Ken Greene**  
President & CEO

## DIRECTORS

**Biran Patel**  
Past Chair

**Sanjay M. Patel**  
Alabama Regional Director

**Chintu (Danny) Patel**  
Arkansas Regional Director

**Hitesh Patel**  
Central Midwest  
Regional Director

**Rahul Patel**  
Florida Regional Director

**Vik Zaver**  
Georgia Regional Director

**Naresh (ND) Bhakta**  
Greater Los Angeles Area  
Regional Director

**Vimal Patel**  
Gulf Regional Director

**Mahendra (MZ) Patel**  
Mid Atlantic Regional Director

**Harikrishna (HK) Patel**  
Mid South Regional Director

**Akshat Patel**  
North Carolina  
Regional Director

**Bhavesh N. Patel**  
North Central Regional Director

**Kamalesh (KP) Patel**  
North Pacific  
Regional Director

**Dhiren Masters**  
North Texas Regional Director

**Sunil (Sunny) Patel, CHO, CHIA**  
Northeast Regional Director

**Hiten Patel, CHO**  
Northwest Regional Director

**Fenil Desai**  
South Carolina  
Regional Director

**Kiran (Kevin) Patel**  
South Central Texas  
Regional Director

**Mike Riverside, CHO, CHA**  
South Pacific Regional Director

**Ailesh Mulji**  
Southeast Texas  
Regional Director

**Dharmesh Ahir**  
Southwest Regional Director

**Mehul (Mike) Patel**  
Upper Midwest  
Regional Director

**Sandip Patel**  
Washington DC Area  
Regional Director

**Prashant Patel**  
Director at Large

**Lina Patel, CHO**  
Female Director  
Eastern Division

**Tejal N. Patel, CHIA, CHO**  
Female Director  
Western Division

**Bhavik Patel**  
Young Professional Director  
Eastern Division

**Miraj S. Patel, MBA,**  
**CHO, CHIA**  
Young Professional Director  
Western Division

**Faheem Khan**  
Industry Partner



FIND THE LATEST AT  
[WWW.TODAYSHOTELIER.COM](http://WWW.TODAYSHOTELIER.COM)

## CONNECT

EMAIL:  
[todayshotelier@naylor.com](mailto:todayshotelier@naylor.com)

FACEBOOK:  
[facebook.com/AAHOAofficial](https://facebook.com/AAHOAofficial)

INSTAGRAM: [AAHOAofficial](https://www.instagram.com/AAHOAofficial)

LINKEDIN: [AAHOA](https://www.linkedin.com/company/AAHOA)

TWITTER: [@TodaysHotelier](https://twitter.com/TodaysHotelier)

YOUTUBE: [youtube.com/AAHOA](https://youtube.com/AAHOA)

**Today's Hotelier**  
is the official monthly  
publication of AAHOA

1100 Abernathy Road, Suite 725  
Atlanta, GA 30328  
P: (404) 816-5759  
[info@aahoa.com](mailto:info@aahoa.com)  
[www.aahoa.com](http://www.aahoa.com)

### AAHOA STAFF CONTRIBUTORS

**Lisa Brown**, Content Coordinator, Copywriter & Copy Editor  
**Heather Carnes**, VP, Marketing & Communications  
**Ken Greene**, President & CEO  
**Sean Grossnickle**, Government Affairs Manager  
**Dean Heyl**, VP, Government Affairs  
**Kati Siconolfi**, Director, State & Local Government Affairs  
**Melissa Stern**, Director, Corporate Communications  
**Robert Stuckey**, VP, Business Development

**Today's Hotelier**  
is published by  
**NAYLOR**  
ASSOCIATION SOLUTIONS

1430 Spring Hill Road, Sixth Floor  
McLean, VA 22102  
T: (800) 369-6220  
[www.naylor.com](http://www.naylor.com)  
[todayshotelier@naylor.com](mailto:todayshotelier@naylor.com)

### NAYLOR STAFF CONTRIBUTORS

**Carter Davis**, Managing Editor  
**Heather Greyling**, Account Manager  
**Alawind Creative Direction**, Design/Layout  
**Adam Ligenfelter**, Project Manager  
**Hope Swindler**, Project Coordinator

**Chris Zabel**, Advertising Director  
**Shane Holt and Norma Walchuk**,  
Advertising Associates



Opinions expressed are those of the contributors  
and do not necessarily reflect the policy of  
AAHOA or Today's Hotelier magazine. Publication  
of an article or advertisement does not imply  
approval or endorsement by AAHOA.

©2022 AAHOA, all rights reserved. The contents of this  
publication may not be reproduced in whole or in part  
without the prior written consent of the publisher.

PUBLISHED DECEMBER 2021/AAHOM0122/8789

THE ROAD  
TO RECOVERY  
RUNS THROUGH AAHOA

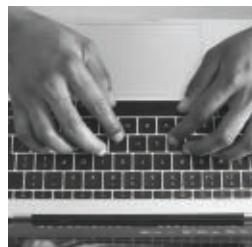
## AMERICA'S LEADING ORGANIZATION FOR HOTEL OWNERS

Nearly 20,000 hotel owners rely on AAHOA for the critical information they need to navigate the current landscape and protect their investments. It's during unpredictable times that the power of an association really shines through – letting every one of our members realize that because of AAHOA, they never have to go it alone.



### **ADVOCACY**

AAHOA advocates on behalf of hoteliers at the federal, state, and local levels, and represents the voice of franchisees with their brands. Thanks to AAHOA's efforts, billions of dollars of aid were allocated to state and local governments in the American Rescue Plan.



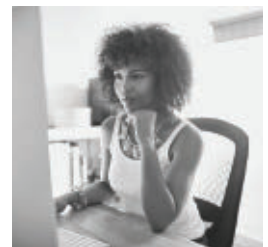
### **EDUCATION**

AAHOA provides the resources hoteliers need to stay ahead regardless of where they are in their career. This includes certificate programs, hundreds of on-demand educational webcasts, and many other professional development programs.



### **EVENTS**

You can't find more events for hoteliers anywhere else – AAHOA hosts events across the country to bring hoteliers and vendor partners together to learn from one another and grow their professional networks.



### **RESOURCES**

With exclusive discounts from AAHOA's Vendor Partners, industry resources, exclusive partnerships, and more, AAHOA is able to provide the critical information and resources hoteliers need to protect your investments.

# 5 Things To Know About AAHOA This Month

1

**HAPPY NEW YEAR FROM AAHOA!**

As was its predecessor, 2021 was a year like no other, and the industry is finally beginning to round a corner. Though the challenges are still far from over, we look to 2022 with renewed hope and faith for the future. AAHOA wishes all of you a Happy New Year and assures you we're here with you and for you every step of the way.



2

**NATIONAL SLAVERY & HUMAN TRAFFICKING PREVENTION MONTH**

**JANUARY IS NATIONAL HUMAN TRAFFICKING AWARENESS MONTH.**

As such, it's imperative you and your staff complete Human Trafficking Awareness Training as soon as possible, if you haven't already done so. It takes only 30 minutes of FREE online training for you and your staff. Does your state or municipality require training? Don't delay, train now. Learn more at [AAHOA.com/HTAT](http://AAHOA.com/HTAT).

**APPLY TO SERVE ON THE AAHOA 2022-2023 BOARD OF DIRECTORS.**

Serving on the AAHOA Board of Directors provides a rewarding opportunity to help drive the strategic direction of a national association dedicated to advancing and protecting the interests of hotel owners. The nomination period runs through February 14, and there are nine open positions. Learn more at [AAHOA.com/2022candidates](http://AAHOA.com/2022candidates).



5

**NEW YEAR, NEW YOU, NEW CHO!**

Have you taken advantage of our redesigned AAHOA Certificate in Hotel Ownership® yet? Offered exclusively through the AAHOA HOTEL OWNERS ACADEMY™, our CHO certificate program has been recreated to meet the demands of today's hotelier, with all-new modules, industry-leading content designed specifically for hotel owners, and a completely customizable all-digital platform. Earn yours today! [AAHOA.com/CHO](http://AAHOA.com/CHO).

**SAVE THE DATE FOR AAHOACON22.**

The AAHOA 2022 Convention & Trade Show is set for April 12-15 in Baltimore, MD, and be sure to register early to lock in Early Bird pricing. AAHOA looks forward to coming together at the hospitality industry's largest gathering of hotel owners for a week of timely education, inspiration, networking, and a spectacular Trade Show. [AAHOA.com/Convention](http://AAHOA.com/Convention).



ALEXMSTUDIO/SHUTTERSTOCK.COM, TUKTUK DESIGN/SHUTTERSTOCK.COM



VINAY PATEL  
AAHOA CHAIR (2021-2022)

## Where have all the workers gone?

“  
It’s time to look to the next generation and invest in them as we figure out what changes need to occur to keep our industry thriving and, most importantly, moving forward.”

**I**N MANY SECTORS, THE PANDEMIC HAS CAUSED A SHORTAGE OF MATERIALS AND qualified workers across the country, and the hospitality industry is no exception.

As a result, many AAHOA Members across the United States, and hoteliers in general, continue to deal with workforce shortages. As the economy continues to recover and we turn a page on a new year, hoteliers are eager to welcome guests back to their businesses, create new jobs, and reinvest in their communities.

The data is clear; employers are desperate to fill their vacancies. Unfortunately, it has become increasingly difficult to recruit and retain employees in the hospitality industry.

It’s a shame, as the hospitality industry provides opportunities not only for jobs but lifelong careers. At a recent AAHOA event, many CEOs and other hospitality leaders talked about how they got their start in the industry. They all started in entry-level jobs and worked their way to the top.

AAHOA recently conducted an online survey of AAHOA Members to assess the current labor market and employment situation in the hospitality industry. The results showed that more than 95% of respondents reported job openings at their properties.

When asked how many positions they are hiring for, 69% of respondents reported one to eight open positions, and 10% of respondents are hiring 16 to 30 positions. To attract new hires, 96% of respondents have raised wages, with 66% of respondents increasing pay by as much as 11% to 33%.

Hiring, training, and retaining employees are the biggest challenges to hoteliers rebuilding their businesses and their workforce. When asked to identify the position(s) most difficult to hire and retain, 74% of respondents selected housekeeping. The highest percentage of respondents – 76% – have struggled to return a significant proportion of their workforce (10%-50%).

While this is a big challenge, the industry is now facing its biggest challenge to date, transforming the way things have traditionally been done. Although this is true, there is one thing that hasn’t changed and never will: People who serve in the hospitality industry have a passion and an appetite to serve others.

It’s time to look to the next generation and invest in them as we figure out what changes need to occur to keep our industry thriving and, most importantly, moving forward. Our job as industry leaders is to ensure the generation coming after us has the same motivation and drive as the CEOs and executives who once started out like them.

As we continue down the road to recovery, AAHOA is firmly committed to working alongside lawmakers to address this developing challenge through community engagement and sound public policies.

If these numbers tell us anything, they’re a reminder that we could all be a bit more patient and a little more compassionate for the people who are showing up. ■



**KEN GREENE**  
AAHOA  
PRESIDENT & CEO

“  
You might have  
to start at the  
bottom, but  
those with  
dreams and  
a strong work  
ethic can rise to  
the top.”

## Looking back... to the future

**R**ECENTLY, WHILE TALKING ABOUT HIS RETIREMENT FROM BEST WESTERN, DAVID Kong, honorary AAHOA Lifetime Member, talked about how he came to this country as an immigrant with nothing. He said he didn't have any friends, connections, or money. He was a student but had to get a job as a dishwasher and busboy to make ends meet. Fast forward to 2021: He was the industry's longest-running CEO for one of the largest hotel companies in the world.

For many, the pandemic has left them with what feels like nothing. Some have lost their homes, some have lost their family members to COVID-19, and some have lost their jobs. In the hospitality field, many of those who were laid off left the field in droves, exploring other industries. But if David Kong's story can teach us anything, it's that if you have nothing, you also have nothing to lose. But there is one thing you do have: opportunity.

Across the country, AAHOA Members and the hospitality industry at large continue to deal with workforce shortages. Hoteliers who had no choice but to cut staff at the onset of the pandemic now have no choice but to fill those vacancies to stay afloat.

Unfortunately, recruiting and retaining employees continues to be a challenge. But Kong's story sends a clear message about the hospitality industry: You might have to start at the bottom, but those with dreams and a strong work ethic can rise to the top.

This isn't the first time the industry has suffered, and it won't be the last. But no matter what happens, AAHOA's advocacy efforts remain a top priority. My hope is that the leaders of AAHOA today leave a lasting impression on the leaders of tomorrow, just like David Kong.

During this pandemic, many hoteliers feel like he did years ago: starting fresh, and in desperate need of a dishwasher, busboy, or any hospitality-related job. But there is good news. If we can remain patient, those new hires might not only be successful but could be our next CEOs.

Keep that in mind when searching for the next generation of our industry's leaders. Those with a true sense of hospitality and a passion for helping others need only a place to start. And AAHOA Members can provide that path to success and prosperity.

We are Team AAHOA, and we have so much more to accomplish together. ■

# A seismic situation

## Employment in 2022

by SEAN GROSSNICKLE

**P**RIOR TO THE ONSET OF THE COVID-19 pandemic, employment was relatively high and unemployment rates were relatively low. Once the pandemic erupted, however, the unemployment rate skyrocketed to levels that compared to the Great Depression, impacting the labor markets in every state and economic sector. The hospitality industry, acutely affected by the pandemic, exhibited some of the highest unemployment rates throughout 2021. The leisure and hospitality sectors remain central contributors to the heightened unemployment rates as full recovery isn't expected until 2024.

The decreases in the unemployment rate month over month over the course of the past year also can be attributed to job gains in the leisure and hospitality sectors. In October 2021, these sectors led the payroll gains, adding 164,000 jobs. These sectors are gradually recovering in terms of employment level, yet uncertainty remains high.

Every month, the Bureau of Labor Statistics releases the Employment

Situation report, which provides calculated estimates of Americans employed and unemployed across domestic economic sectors. The BLS has reported positive improvements in the employment situation, and as of October 2021, the unemployment rate remains barely more than a percentage point higher than it was in February 2020, and the number of employed persons remains approximately 5 million lower during the same period. The labor force participation rate has been relatively stagnant following the expiration of pandemic unemployment benefits in early September. This rate has remained close to current levels since the summer of 2020.

The demand for in-person hospitality services, such as lodging, food, and entertainment, is significantly dampened by public health concerns and travel restrictions. The arrival of the Omicron COVID-19

variant likely will disrupt job gains in these industries as it did amid the Delta variant surge in August 2021. The pace of hiring in 2022 is susceptible to surges in COVID-19 and risk-aversion to the new variants as public health experts and politicians formulate appropriate responses.

AAHOA is committed to reporting the latest trends, resources, and projections for the U.S. labor market. Subscribe to the AAHOA Daily Digest and visit the Advocacy News page on AAHOA's website to stay up to date on the latest news from Washington, D.C., and state capitals across the country. ■

# You can't clean rooms on

# ZOOM

**T**HE PANDEMIC TAUGHT people a great deal, particularly that many of them don't have to go into the office. But it certainly feels as if this new notion

has been vastly overblown. For almost two years, we have heard a great deal in the media about how more Americans are working from home than ever before. Granted, more than 31 million American workers are employed in an office-based setting, which means their jobs could translate to a work-from-home scenario. However, that places more than 124 million of the nation's estimated 156 million

PHOTOS COURTESY OF MCR HOTELS



# Looking at the importance of labor to an in-person industry with Tyler Morse, Chairman & CEO, MCR Hotels

by TYLER MORSE

The TWA logo is mounted on the roof of a building. The letters are large, red, and three-dimensional, with white outlines. The building has a curved facade and large glass windows.

**Tyler Morse**  
Chairman & CEO  
MCR Hotels



In the hotel industry, we are in the people business, and you can't clean rooms on Zoom. Without a changing of course, America may learn the hard way that working from home isn't the wave of the future for the majority of workers."

total workers on jobsite-type settings. This means an overwhelming majority of them are providing face-to-face customer service, cleaning hotel rooms, providing delivery services, plumbing clogged sinks, or teaching the next generation.

In the hotel industry, we are in the people business, and you can't clean rooms on Zoom. Without a changing of course, America may learn the hard way that working from home isn't the wave of the future for the majority of workers. And when employees do work from home, productivity can decrease as many people simply aren't as efficient and some may take advantage. I've been on Zoom calls where a participant is sitting poolside in a chaise lounge.

#### **GET IT DONE**

At MCR, we own and operate 125 hotels across 84 cities and 34 states. When fully staffed, our workforce totals about 4,000 team members at Hiltons, Marriotts, and independent hotels. As of this writing, we have 700 open jobs, down from a recent high of 1,300. The labor market has likely never been more difficult and the labor pool never smaller. When hotels closed in the pandemic's peak, workers in management and line-staff positions got burned. Some didn't get paid for nearly two years, so they left the industry.

You can draw a line: Largely, people aged 45 and older have remained in the business, as

they don't want to work for Amazon, while many people aged 45 and younger have moved on. Recently, a candidate with 20 years of front desk experience accepted a role as front desk director at one of our New York City hotels. The day before he was due to start, he called to say he'd accepted a finance position at a local Wells Fargo branch.

#### **THE IMMIGRATION SOLUTION**

As I see it, there's an easy solution to this problem by way of immigration reform. Call your Congressional representative and speak out for immigrants and asylum seekers who could add great value to our economy. If every hotelier advocated for immigration reform, we could make a difference.

I went to the University of California, Berkeley, where 41% of undergraduates are the first in their families to go to college. Most of these students are second-generation Americans. Their parents came to the U.S. for the American Dream! With that in mind, we should be opening our doors to those willing to work, especially when the labor market is so challenging. It's in our collective interest to admit immigrants who want to work, raise a family, and pay taxes in America.

We need team members to service the growing numbers of population. In 1915, the United States population was 100 million. In 1962, it grew to 187 million. By 2003, it was

290 million. Today, it's 334 million. And those citizens are traveling. In 2003, only 20% of Americans had a passport. But in 2019, 42% had passports and that number is rising at stratospheric rates. People love traveling. Traveling is like breathing and it's more fun, too.

#### **WELCOME WEARY TRAVELERS**

So, what are we doing at MCR to attract talent? Like all companies, we're reviewing our benefits packages and work-life balance to stay competitive. We are looking for talent everywhere and getting creative to onboard people who want to build a career in hospitality.

We're also strategically investing in technology that expands our labor pool. In September 2020, we purchased a cloud-based property management system, which integrates with more than 1,100 other software packages. It has been easy to use and has a modern interface that allows us to hire people and train them in 48 hours. We no longer need to find general managers and front-desk agents with experience in older, outdated systems. Thus, our labor pool has expanded by 80%. That's game changing in a high-turnover industry like ours. Prior to this acquisition, when we built the 512-room TWA Hotel at JFK Airport, we bought 65 different software packages and had to stitch them all together. But, half of them didn't talk to each other, so it was a nightmare. As a hotel owner and real estate

developer, I don't want to see how the soup is made. I just want a nice, warm bowl I can serve to weary travelers.

### **ALL ABOARD**

Despite the labor and demand challenges we've faced, MCR has kept its hotels open since the start of the pandemic, and we've made a huge effort to keep people employed. Senior team members have been cooking food, cleaning rooms, and checking in guests. We're proud of our retention rate, which is higher than our competitors, and we're proud of our team for pitching in wherever needed during a dark period for travel.

And we're fully aboard the travel train, which is speeding in a positive direction. In the past 18 months, we've purchased 41 hotels – from the

725-room Lexington Hotel, Autograph Collection, in New York City to the 102-room Killington Mountain Lodge in Vermont – and we're building a handful of others. Our team of 15 acquisitions specialists is out there every day taking people to steak dinners looking for transactions. By the look of Times Square on a recent fall

weekend, the public is starting to join us at the table.

Human beings are social creatures. They like drinking together, visiting family, and seeing the world. We'll be waiting for them, because you can't travel on Zoom. ■

**Tyler Morse**  
Chairman & CEO  
MCR Hotels





# Starting over

Amid a national labor shortage and a gradual upturn in travel, hoteliers weigh strategies for winning over workers and rebuilding their teams, piece by piece

by NICK FORTUNA

**I**T'S BEEN CALLED THE Great Resignation and the Big Quit, and it's slamming the brakes on businesses across the country just as they were beginning to regain their stride. A record 4.27 million Americans, or 2.9% of the workforce, voluntarily left their jobs in August 2021, the Bureau of Labor Statistics reported on October 12, marking the fifth consecutive month of elevated quit rates.

The numbers for the hospitality industry are even more alarming. In August 2021, 892,000 workers in the food-service and accommodation industries voluntarily left their jobs, more than any other business sector. The hospitality industry's 6.4% quit rate for the month was the highest since the BLS began keeping track in 2000.

COVID-19 has led to a marked shift in labor-market dynamics, with workers holding the upper hand for the first time in decades. As leisure travel rebounds to pre-pandemic levels, many hotels are struggling to maintain their high levels of customer service and are missing out on revenue opportunities, resulting in a slower recovery for the industry.

With the labor crunch showing no signs of abating, hoteliers are reassessing their approach to hiring and retaining workers. It's a big conversation split into two parts here.

First, we'll examine why workers have been reticent to return to the hospitality industry, and what hoteliers can do to win them back. Then, we'll outline how hoteliers can provide career-development opportunities for their top performers, the ones no business can afford to lose.

# BREAK BREAK it down

Why have some workers soured on the hospitality industry?

**L**ONG BEFORE DR. Mehmet Erdem was an associate professor at UNLV's William F. Harrah College of Hospitality, he was a hotel worker making \$3.75 an hour. Now, some of his students are making \$21 an hour as housekeepers and front-desk workers at Las Vegas hotels, with the opportunity to earn more by upselling guests.

Hotels are even offering sign-on bonuses of \$1,500 to \$3,000 to new hires who stay for six months or a year, Erdem said. Still, hotels in Sin City are facing a major manpower shortage.

"That tells me that the problem is not as simple as needing to pay employees more,"

Erdem said. "The issue is the overall employee experience. Just like we study the guest experience and map out their journey, hotels need to look at the employee experience. When you do that, you can identify areas of friction."

Research published by Joblist in July revealed the depth of the problem facing the hospitality industry. In a survey of 12,909 jobseekers, 38% of former hospitality workers said they weren't even considering a hospitality job for their next position. In addition, more than half of the former hospitality workers surveyed said that no pay increase or incentive could lure them back to their old job.

Workers offered a number of reasons why hospitality jobs don't appeal to them,

including a desire to work in a different setting like an office, low pay, a lack of benefits, inflexible schedules, wanting to work from home, and the risk of contracting COVID-19. Moreover, some hospitality workers have been put in the unenviable position of checking guests' vaccine cards or asking them to wear masks, which risks drawing the ire of some customers.

#### **FIND THE WHY**

Chris Adams, founder and chief executive of the Ellis Adams Group, a Los Angeles-based hospitality consultancy, said the pandemic served as a "wake-up call" for many hospitality workers. After years of working weekends and holidays, hospitality employees

who had been laid off suddenly had more time to spend with their families.

As vaccines became available, former hospitality workers even got to visit friends on weekends, and they realized what they had been missing, Adams said.

"People started to ask themselves, 'What am I doing? Where did my life go? Why do I put myself through this?'" Adams said. "In the past 18 months, people figured out that there's more to life than what they were doing, and it's kind of a thankless job that didn't make sense for their life anymore."

Hotels that offer a higher rate of pay for weekend and holiday shifts or implement a rotation so that workers get



“

Workers offered a number of reasons why hospitality jobs don't appeal to them, including a desire to work in a different setting like an office, low pay, a lack of benefits, inflexible schedules, wanting to work from home, and the risk of contracting COVID-19.”

some weekends and holidays off will have an advantage over their competitors, Adams said.

When COVID-19 essentially shut down the hospitality industry, hoteliers had no choice but to lay off employees. But hospitality workers who had given years of service to their employers suddenly felt abandoned during a time of great uncertainty, Adams said. Many harbor resentment toward their employers or the industry and are unlikely to return.

As a result, many former hospitality workers have taken

advantage of opportunities at rapidly growing e-commerce companies like Amazon, which often provide better job security, competitive pay, benefits packages, and meaningful perks such as free college tuition.

Adams said publicly traded companies, hedge funds, and real estate groups have made many hospitality workers feel like expense items on a spreadsheet instead of valued

employees. Prior to the pandemic, these ownership groups had sought to streamline operations and reduce headcounts, putting a strain on those employees who remained, he said. Many hospitality workers are suffering from burnout as a consequence.

“We already had a very streamlined labor model that made it difficult to achieve

the results we're looking for in terms of the financial performance and guest satisfaction,” Adams said. “Lean is not even a good word to describe it. Most hotels are working with labor models that are nothing like they were 15 years ago, and at the same time, customers are asking for a higher level of service.”

#### **MONEY ON THE TABLE**

Due to inadequate staffing, some hotels are removing tables from their restaurants so guests waiting to be seated

# Starting over



Companies can view workers' profiles, which detail their relevant experience, so they know what they're getting, and workers can swipe left or right to choose the shifts and venues that appeal to them."

don't get frustrated at the sight of available tables, Adams said.

"You're trying to keep your guest satisfaction as high as possible, but you're also losing money when you're forced to do that, so it's a Catch-22," he said.

Similarly, some hotels are leaving large blocks of rooms unsold despite strong consumer demand simply because they don't have enough housekeeping staff and other workers, according to Lynn Minges, president and CEO of the North Carolina Restaurant & Lodging Association. She said North

Carolina's hospitality industry employed 36,200 workers in September, down from 47,600 prior to the pandemic.

North Carolina has seen a sharp uptick in leisure travel in recent months, and short-staffed hotels are having a hard time keeping up, she said.

"I think we're all grappling with what we're going to do to attract workers back to the industry and how we're going to fill those many jobs that remain unfilled," she said. "I do think that going forward, our industry acknowledges that we have to offer competitive wages, a robust benefits program, and flexibility to accommodate workers who have child care and family obligations."

Minges said one hotelier in the state has begun offering valet parking as a free service to employees.

"I thought that was intriguing because it was something they could do fairly easily," she said. "It's innovative, and it's a simple way to let the employee know, 'You're a VIP in our book.'"

## PERKS

At UNLV, Erdem said, researchers are studying how long it takes hospitality workers in Las Vegas to commute to work, find parking, and walk to the hotel entrance. After analyzing the data, researchers hope to make

policy recommendations, such as a partnership between the city and hotels to create a shuttle service for workers or a reimbursement program for hospitality workers who use public transportation.

Researchers also are looking into whether it's feasible for hospitality companies to provide day care options for workers, Erdem said.

"The industry needs to take a multifaceted approach to addressing this issue," he added.

Sumir Meghani, CEO and co-founder of San Francisco-based Instawork, said offering workers flexible scheduling is one key to becoming an employer of choice.

Instawork's mobile app pairs employers such as hotels, bars, and restaurants with workers seeking shift work. Companies can view workers' profiles, which detail their relevant experience, so they know what they're getting, and workers can swipe left or right to choose the shifts and venues that appeal to them.

Meghani said more than a million workers have signed up, though the company hasn't disclosed how many have accepted shifts. He said demand for workers is so strong that about 100,000 employees would be needed to fill all the shifts advertised by employers through the app.

The company now operates in 25 markets and recently raised \$60 million in financing to fuel its rapid expansion.

Meghani said the ability to choose only the shifts that work for them is a principal reason why workers are using the Instawork app instead of signing on with hospitality companies full time. Many workers are taking care of children or elderly family members and need a work schedule that doesn't conflict with those obligations, he said.

"Our users are speaking with their swipes, and these workers are basically saying that they want flexibility," he said. "They want to be able to pick a schedule that makes sense for them and their family. Businesses of all sizes need to adapt to the needs and desires of the workforce as they go back to work."



# Build it BACK

Career development is a cornerstone of worker retention

**A** S A PROFESSOR AT THE UNIVERSITY OF Central Florida's Rosen College of Hospitality Management, Dr. Fevzi Okumus, knows that hoteliers face a dilemma when it comes to career development. Without sufficient manpower to properly serve guests, hotel workers spend most of their shifts putting out fires, leaving little time for training and skills development, he said.

Nevertheless, to win the battle for talented workers, hotels must juggle both priorities and convince young job seekers that there's room for career growth in the hospitality industry.

"If a hotel company can't make time for career development, eventually it will lose its employees, so they need to think short term and long term," Okumus said.

Managers should take the time to learn about each employee's life and their career goals, he said. Some workers will be content to clock in, clock out, and return to their lives. But when skilled

# Starting over



CRAZYSTUDIO/SHUTTERSTOCK.COM

“Some workers will be content to clock in, clock out, and return to their lives. But when skilled employees express ambition, they should have ready access to a mentor who can help them outline a career path.”

employees express ambition, they should have ready access to a mentor who can help them outline a career path.

### A SOLID FOUNDATION

Simply establishing a mentorship program isn't enough, according to Dr. Mehmet Erdem, associate professor of hospitality at UNLV. Hotel companies should make it clear that mentoring is a company priority by including it as a metric in performance reviews. Managers and executives

should be scored according to the number of workers they're mentoring, the retention of those workers, and their career progress, he said.

"You must have a systematic way of engaging every employee, and you need buy-in from management," Erdem said. "If you want a leadership position, show me how many leaders you are preparing yourself. You incentivize the program from top to bottom in your organization and you do it in a systematic way so it can be observed, it's measurable, and you can tie it to performance goals."

Okumus said some hotel companies are doing an excellent job nurturing employees by cross-training them, broadening their skill sets, and providing access to educational opportunities. He said industry groups such as AAHOA and the American Hotel & Lodging Association offer good training and certificate programs. Some hotels even offer free tuition to community colleges and universities, which often will work with hospitality companies to tailor training programs to their needs, he said.

Each employee's career plan should include a list of skills and achievements needed to advance to the next step and a

**HOTELS & MOTELS BUY DIRECT AND SAVE 25% ON ALL YOUR SUPPLIES**

<p><b>BATH TOWELS   BED SHEETS   MATTRESS PADS   PILLOWS   BLANKETS   SHAMPOO   BAR SOAP   CAN LINERS</b></p>	<p><b>PREMIUM QUALITY TOWELS</b>                  Wash Cloths 12x12 .....\$2.60 dozen                  Hand Towels 16x27 .....\$7.25 dozen                  Bath Mats 20x30 .....\$16.95 dozen                  Bath Towels 24x48 .....\$20.95 dozen                  Bath Towels 24x50 .....\$24.95 dozen</p>	<p><b>SHAMPOO/CONDITIONER</b>                  300 per case .....\$40.95</p>	<p><b>AIR CONDITIONER/HEAT</b>                  Call for Special Pricing</p>
<p><b>BED SHEETS: NO IRON PERCALE QUALITY</b>                  T-180 T-200                  Full Flat ..... \$76.95 dz .....\$84.95 dz <b>CALL FOR PRICING</b>                  Queen Flat ..... \$84.95 dz .....\$93.95 dz <b>FITTED SHEETS</b>                  King Flat ..... \$94.95 dz .....\$98.95 dz <b>AND T250</b>                  Pillow Cases .... \$13.95 dz .....\$15.95 dz <b>BED SHEETING</b></p>	<p><b>TOILET TISSUE</b>                  500 2 ply 96 rolls ..\$32.95</p>	<p><b>PTAC 42in</b>    <b>26in Thru Wall</b>  </p>	<p><b>ICE CUBE DISPENSER</b>                  All Sizes in Stock                  Medium &amp; Large  </p>
<p><b>BAR SOAP</b>                  #3/4 1,000 per case .....\$40.95                  #1oz 500 per case .....\$41.95</p>	<p><b>PLASTIC CUPS</b>                  Individually Wrapped                  1,000 pack .....\$27.95 cs</p>	<p><b>HOSPITALITY LG TELEVISIONS</b>  </p>	

Call Today for Free Catalog | FREE Shipping Available | 2 Shipping Locations Atlanta GA & Clifton NJ



1360 Clifton Ave Suite 252, Clifton, NJ 07012  
**PH: (201) 735-2116 | (800) 735-8163 | Info@americasupplyinc.com**

financial incentive for getting there, Okumus said.

“Instead of having a mindset where employees are required to finish these training programs, you want to provide an incentive for finishing those programs, so it’s a different culture around training,” he said. “You want to build a transparent process where it’s easy to understand how they get from Point A to Point B, there are milestones, and there’s a reasonable timeline.”

Dr. Diann Newman, vice dean of the Chaplin School of Hospitality & Tourism Management at Florida International University, echoed the importance of tying skills acquisition to higher pay.

“You want to give them specific skills and then pay them for those additional skills,” she said. “You’re giving them training, and helping them stay current and innovative, which helps the company grow and helps to retain the talent that you currently have. If you tell people that if they establish certain competencies in needed areas, they’ll be paid for those skills, that’s a big motivating factor.”

### FROM THE GROUND UP

Employees who have climbed the ladder are the best advertisements for a hotel’s career-development program, Okumus said. Accordingly, they should be showcased in employee newsletters and publications to illustrate to young workers that the path to growth is real and not just corporate rhetoric.

“There are many great stories about employees starting out as doormen or front-desk workers and becoming hotel

managers, but those stories aren’t widely publicized,” Okumus said. “That’s something the hotel industry needs to do a better job of showing.”

Lynn Minges, president and CEO of the North Carolina Restaurant & Lodging Association, said career development can start before a new hire’s first day.

The labor shortage is leading businesses to cast a wider net and hire job seekers who might not have been pursued before, including people getting out of prison, struggling with homelessness, or dealing with addiction recovery. Americans with disabilities are another population that traditionally has been under-recruited by businesses, including hospitality.

“We’re going to have to reach out to some non-traditional workers, and I think the hospitality industry lends itself very well to those kinds of individuals who are seeking an opportunity and a second chance at life,” she said.

Minges said the charities and nonprofits that serve these populations often provide job-readiness training, and hotels can partner with these groups to address the workforce needs of the hospitality industry.

“There’s a lot of work we can do with those potential new employees before they ever show up for work in restaurants and hotels,” she said. “We’re going to have to broaden our reach and work with nonprofits, high schools, and community colleges to offer programming to people who may be exploring new career pathways and for whom the hospitality industry may be a good fit.”

### PURPOSE DRIVEN

Okumus, of UCF’s hospitality school, said younger workers are more “purpose-oriented” than prior generations, which is forcing employers to focus on workplace culture. These workers want to feel like they’re part of a team and that their employer is making a positive impact on the community.

Today’s young workers place great emphasis on sustainability, so hotels that take steps to reduce their environmental impact are likely to become preferred employers. Young workers care about the charities and political groups their employers donate to, and they want opportunities to support the causes they care about, Okumus said.

Allowing employees to do volunteer work for local charities several hours a month while getting paid by the company is one way hotels can show that they’re not all about the bottom line.

To appeal to younger workers, hospitality companies will need to apply a personal touch that goes beyond career advancement, he said. They’ll need to show that they care about workers on an

individual level by getting to know them and understanding what drives them outside of work.

“Generations Y and Z want to be promoted fast, and they want to know when it will happen and how to get there, but they also want to have flexibility in their work schedules and they want work/life balance,” Okumus said. “They care about their friends and colleagues more than the company, and even more than their own family members in some cases, so we need to consider all of those issues when we talk about turnover and career development.”

Chris Adams, founder and CEO of the Ellis Adams Group, said career-development opportunities are part of a broader strategy to make hotel workers feel valued.

“It’s not necessarily about the dollars as much as, ‘Do I work for somebody who actually cares about me? Do I work for someone who’s looking out for my future? Are they investing in their people?’” Adams said. “Culture is so important, now more than ever.” ■



FORMERLY  
HOTEL VANITIES  
INTERNATIONAL

**VANITIES**  
INTERNATIONAL

SINCE 1999,  
GLOBAL LEADER  
IN HOSPITALITY  
PRODUCTS

Vanity Tops & Bases  
Shower Surrounds & Pans  
Granite & Quartz  
Domestic & Import Options

Visit our website to download our Catalog  
[vanitiesinternational.com](http://vanitiesinternational.com)

**888-457-7465**  
sales@VanitiesInt.com



# With Open Arms

How one  
AAHOA  
Member is  
giving back to  
the community  
and looking out  
for those less  
fortunate

by MARIA GAMEZ

**WHEN TRAGEDY** struck the Patel family a decade ago, the San Diego community unexpectedly gained a sense of hope through one man's legacy. Beloved father and dedicated community member Navinbhai Patel was well-known for being a catalyst behind successful charitable projects. And before his passing in 2011, he left behind a final project, Charity for Hope, that would go on to help many communities in need.

It wasn't until after he passed that his family and friends discovered he was in the process of creating the nonprofit. Patel's son-in-law and AAHOA Member Vipul Dayal took it upon himself to continue the project and establish Charity for Hope. The nonprofit continues to honor Navinbhai Patel's memory by supporting various communities through providing financial aid, food supplies, medicines, medical equipment, and more.

Charity for Hope is a multipurpose nonprofit whose goal is to support communities by aiding existing nonprofit charitable organizations. Its mission is to assist those in need, providing a service for several nonprofits by collecting, sending, and distributing financial aid. The organization and its devoted team members work together to build homes, and support orphanages, hospitals, and disaster-relief foundations, while providing educational funds for the less advantaged.

The organization also sends food, supplies, clothes, books, medicines, and medical equipment to assist the ill and economically deprived. Various organizations have received donations, including the Leukemia & Lymphoma Society, Rady's Children Hospital, Asian American Sports Club of San Diego, Big Brother & Big Sisters of San Diego, Leuva Patidar Samaj of USA, and Eye Camp in India. As the organization grows rapidly, its passion for service continues to spread internationally.

## FOLLOWING FOOTSTEPS

Dayal dedicated his time and worked tirelessly to honor his father-in-law's legacy. After years of extensive participation and leadership in various nonprofits, Dayal decided to make a life-changing decision and follow his calling to complete his father-in-law's final project; he completed Charity for Hope in 2011.

“This organization is very, very close to my heart,” Dayal said. “Being able to continue my father-in-law’s vision and legacy has been extremely humbling and such a wonderful experience for myself and our team at Charity for Hope.”

Dayal continues his work as the Charity for Hope executive director, where he oversees the charity’s day-to-day operations, including, but not limited to, marketing, sales, financials, and compliance. With Dayal’s expertise and leadership skills, the organization can fulfill its purpose of changing communities and its members’ lives for the better.

In addition to Charity for Hope’s donations to underprivileged communities, they also are launching a virtual training program designed to provide tools and resources for aspiring community leaders,

the Prafulaben and Navinbhai Leadership Program, with Dayal leading the leadership program. He has always encouraged others to lead a life of leadership and will push young leaders to their highest potential.

#### CORE COMPETENCIES

The program integrates three core training modules: engagement, motivation, and accountability. The three-month program introduces a variety of coaching outcomes, strategies, techniques, and more to help empower attendees as a change agent and leader.

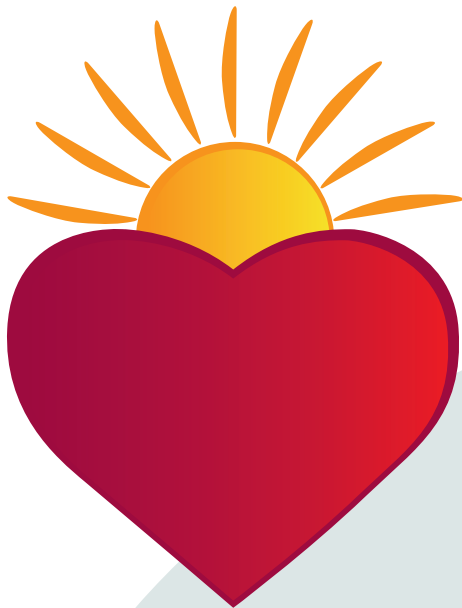
Along with local professional leadership coach Jeff Klubeck, Dayal will meet with program students via Zoom to hold a discussion panel and a Q&A to aid the future leaders of our communities. They also will commit time throughout the program for one-on-one role play and leadership exercises each month.

Dayal strongly encourages young people to begin taking leadership roles early on and enroll in this program. “I have gone through the training and I know it works,” Dayal said. “I look forward to

seeing the impact this program has on our future leaders and I’m very grateful to be able to provide this opportunity.” When the attendees decide to enroll in the program, they will be benefiting not only themselves, but the proceeds from the program will benefit Charity for Hope and its mission of aiding existing nonprofit charitable organizations.

Charity for Hope carries the legacy of a man who was dedicated to making a difference in many lives. “If my father-in-law could see the organization today, I would hope that he would be proud of all the things Charity for Hope has done to make a difference in people’s lives,” Dayal said. “We are carrying out his mission and evolving leaders within our industry and our community to become the best they possibly could be.”

The organization works with many nonprofit organizations to distribute aid and supplies to economically deprived regions. Its team members are pushing to build a future with strong community leaders and guiding young adults to become leaders like Navinbhai Patel. ■



# CHARITY for HOPE

## Meet Charity for Hope’s Leader

**Vipul Dayal** serves as the executive director of Charity for Hope, and he’s also the president of VNR Management, Inc., a hospitality development and management company that currently operates family-owned hotel businesses.

After years of extensive participation and leadership in various nonprofits, he introduced Charity for Hope, a multipurpose nonprofit organization. After the passing

of his father-in-law, Navinbhai Patel, the Dayal family was informed that Patel had already begun the process of establishing Charity for Hope’s 501(c) (3) status. Instead of terminating the nonprofit’s development, Vipul decided to lead and complete the project by taking it upon himself to carry out the organization’s mission in the 10 years since its establishment.

[www.charityforhope.com](http://www.charityforhope.com)



today's  
**hotelier**

magazine won a **2021 PLATINUM MarCom Award** which honors excellence in marketing and communication while recognizing the creativity, hard work, and generosity of industry professionals.



today's  
**hotelier**



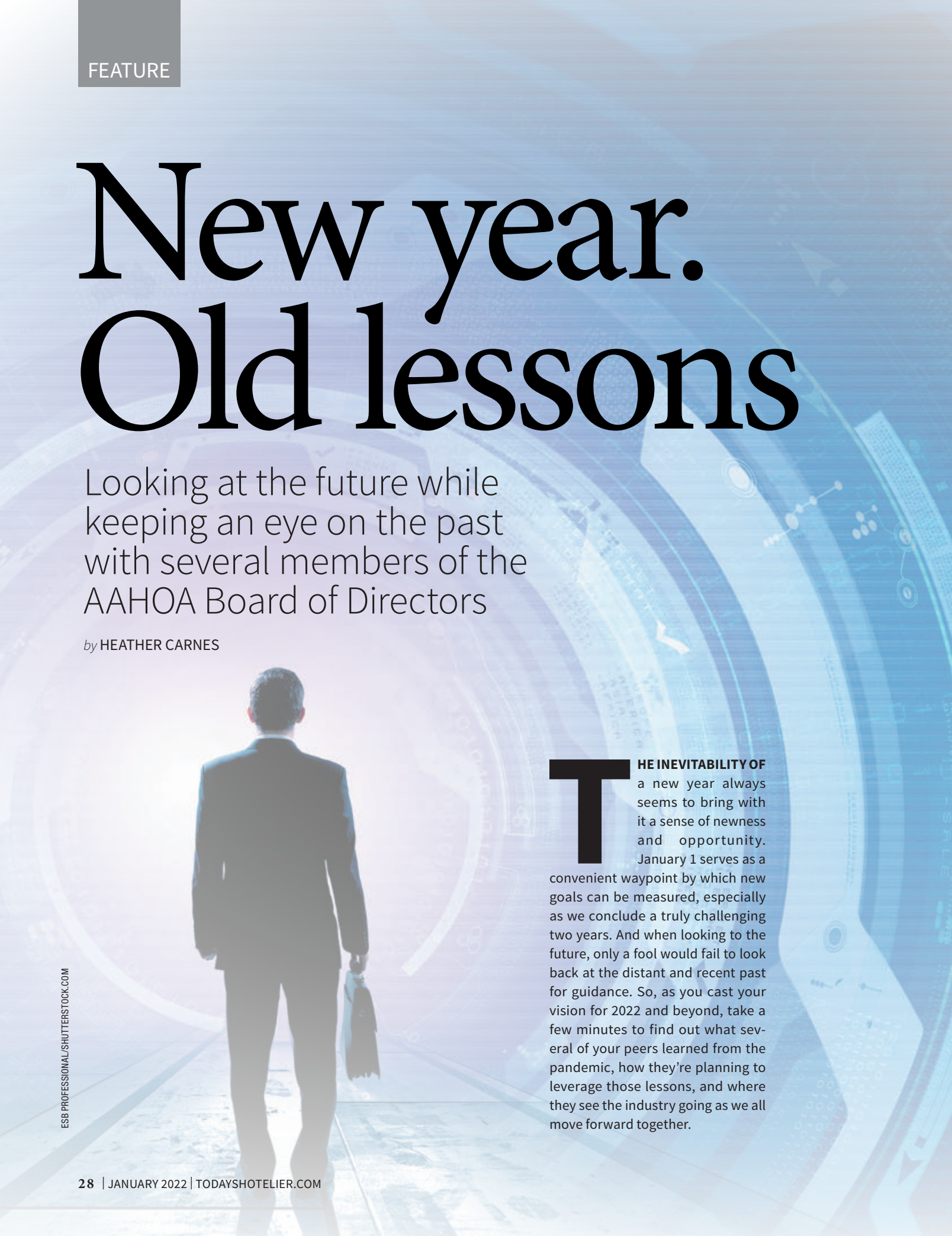
Today's Hotelier is AAHOA's flagship publication. Published monthly, Today's Hotelier offers in-depth coverage and insights on the hotel industry and related topics.

LEARN MORE AND SUBSCRIBE FOR FREE AT [todayshotelier.com](https://todayshotelier.com)

# New year. Old lessons

Looking at the future while keeping an eye on the past with several members of the AAHOA Board of Directors

by HEATHER CARNES



**T**HE INEVITABILITY OF a new year always seems to bring with it a sense of newness and opportunity. January 1 serves as a convenient waypoint by which new goals can be measured, especially as we conclude a truly challenging two years. And when looking to the future, only a fool would fail to look back at the distant and recent past for guidance. So, as you cast your vision for 2022 and beyond, take a few minutes to find out what several of your peers learned from the pandemic, how they're planning to leverage those lessons, and where they see the industry going as we all move forward together.



Bharat Patel, CHO, CHIA  
Treasurer

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

During the pandemic, I was reminded that hotel owners may have influence but we don't have control. That's true of relationships with brands, with government, and certainly of our karma with the universe around us.

I also learned that the most important problems are the ones we can prevent. So, as I move forward in 2022, my management style will be guided by avoidance. What can I do to avoid situations that are dangerous or decisions that are desperate for my business?

**AS A HOTELIER, WHAT ARE YOU MOST LOOKING FORWARD TO IN 2022?**

I want hotel owners to find the "up" side of "down." We've done so much for so long with so little that we probably feel like we're capable of doing anything with nothing. Instead, I want us to finally have more – more answers, more solutions, more resources, and especially more profits.

The pandemic showed us that trouble never sends a warning. But as owners, we responded by being fast on our feet and even faster in our thinking. We became very innovative problem solvers. Now, I'm ready for our industry to enjoy the rebound, because the pandemic sure hurt.

**THE INDUSTRY HAS EVOLVED SO MUCH. MOVING FORWARD, WHAT'S ONE THING YOU WON'T DO AS IT RELATES TO HOTEL OWNERSHIP, OPERATIONS, ETC.?**

In a perfect world, there would only be perfect options and each of us would always make perfect decisions. But in the real world, we have to evaluate the facts at any given time and make hard choices and the best decisions possible.

So, I won't ever say "never." Instead of what I won't do, I prefer to focus on what I WILL do at my hotels. I will hire, train, and retain the best possible employees. I will maintain the property in a way that achieves high guest satisfaction and retains optimum market value. I will minimize costs so I can maximize revenue. And I will certainly maintain adequate cash reserves for emergencies.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

To paraphrase Albert Einstein, "If you can't explain something to a 6-year-old, you don't understand it yourself." That's great advice for hotel owners in the coming months. Whatever target audience we want to communicate with, we should make our message simple and clear. In every situation, we will be much more successful if we are guided by this simple, yet profound, advice.



Prashant Patel  
Director at Large

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

The period of 2020-2021 was a very unexpected time for us all. As a small business owner and AAHOA Board Member, I've realized the important role organizations such as AAHOA played in advocacy and education efforts. Without such tools and

resources, many of our members would not have been able to take advantage of the government programs like SBA EIDL, PPP, and statewide grants. Through the help of educational resources provided through AAHOA and AHLA, I feel more confident and prepared to continue to provide a safe and sanitized environment to our guests and staff moving forward.

**THE INDUSTRY HAS EVOLVED SO MUCH. MOVING FORWARD, WHAT'S ONE THING YOU WON'T DO AS IT RELATES TO HOTEL OWNERSHIP, OPERATIONS, ETC.?**

From the stance of providing a clean and sanitized environment for our guests and staff, by minimizing some of the amenities and services, it has

allowed our staff to concentrate more on the cleanliness aspect of the stay. Moving forward, I do not see us extending amenities to our guests. To continue building loyalty with our guests, it's important we continue to concentrate on providing a clean stay for our guests with exceptional customer service.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

We will have to rely more on automation. Front desk virtual assistance and online check-in is gaining traction, but I'm looking forward to seeing how automation will change the operations in the back of the house.

Lina Patel, CHO  
Female Director Eastern Division



**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

I appreciate our employees even more than ever. Throughout the pandemic, our team continued to work diligently, in many cases multi-tasking. We have realized that our employees are the most valuable piece of the pie.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

Find creative ways to retain employees. Today's workforce is looking for quality of life, quality of workplace, quality of job, and quality of environment and opportunities.



Sandip Patel  
Washington DC Area  
Regional Director

“

To grow as an industry, hotel owners must focus on external activities, like building our relationships with brands and with government.”

Sandip Patel

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

The pandemic took all of us in unexpected directions and to unimagined lows that we could never have anticipated. However, the response of owners was impressive. We showed tremendous ingenuity, flexibility, and quickness in finding ways to keep our guests and team members safe.

We also proved how essential it is to have a plan because that's the guideline from which you can adapt and adjust as things go wrong. Our obsession as hotel owners must be to always prepare, prepare, and then prepare some more.

**AS A HOTELIER, WHAT ARE YOU MOST LOOKING FORWARD TO IN 2022?**

A return to satisfactory return on investment. Period and exclamation point. During the pandemic, we learned how to operate with little-to-no income, so now we should use those lessons to keep costs low while we try to maximize revenue. And the three biggest ways for each owner to reduce hotel expenses is through changes in brand fees, government taxes, and how we build and then manage our budget.

**THE INDUSTRY HAS EVOLVED SO MUCH. MOVING FORWARD, WHAT'S ONE THING YOU WON'T DO AS IT RELATES TO HOTEL OWNERSHIP, OPERATIONS, ETC.?**

I heard a great expression recently: There are no shortcuts to any place worth going. So, I don't intend to cut corners because that's the quickest way to go in circles.

As an owner, I intend to focus on the basics of good business at my properties. Like more carefully managing my people and my finances. Like thinking more creatively outside the box for new sources of revenue, perhaps with expanded marketing to different target audiences or with enhanced services such as F&B.

And as an AAHOA Member, I don't intend to give up our fight for the interests of owners, especially with brands and with government, the two groups that have the biggest impact on our investment and our bottom line.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

AAHOA Members don't dream small, and we want to grow and succeed on two levels – as an industry and as individual owners.

To grow as an industry, hotel owners must focus on external activities, like building our relationships with brands and with government. By strengthening our voice with these two groups, we can influence and improve the marketplace in which we do business.

To grow as owners, members must focus on internal AAHOA activities, like taking education classes, attending conferences, and serving on committees or in elected positions.

So, my advice to hotel owners for 2022 is simple: Let's harness our collective drive and determination through AAHOA. If we do that, we'll create the positive change that improves our industry and enables our personal success.



Mike Riverside, CHO, CHA,  
South Pacific Regional Director

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

The biggest lesson I learned reaffirmed the importance of being involved in all levels of social and professional life, from engagement with fellow hoteliers and the travel and tourism industries to all levels of government. Engagement ensures our voices are heard and we have a voice in shaping the many aspects of life that impact our health and well-being. As a lifelong hotelier, I will continue to be a visible and vocal advocate for our members' and all stakeholders' interests.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

Hoteliers need to invest in the automation of hotel services to continue to be successful in 2022 and beyond. Automating check-in services to room cleaning with new technologies will improve operational efficiencies and enhance the guest experience.

Vik Zaver  
Georgia Regional Director

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

The biggest lesson I learned as a hotelier was to be as diversified as possible. Yes, it's great to have other asset types or get into stocks, bonds, NFTs, crypto, etc., but even something as simple as having different hotels in different markets that cater to different clientele is diversifying the portfolio.

**THE INDUSTRY HAS EVOLVED SO MUCH. MOVING FORWARD, WHAT'S THE ONE THING THAT YOU WILL NOT DO AS IT RELATES TO HOTEL OWNERSHIP, OPERATIONS, ETC.?**

As the industry continues to evolve, the one that I won't do is succumb to the historic employee burnout. We will adapt and learn other ways to succeed without having to rely on any single facet.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

Hoteliers will have to learn what fits their model to set themselves up for success. If you know your strong suit isn't operations, then let a management company handle that for you. There is no shame in knowing yourself and giving up small things for the bigger picture.





Sunil (Sunny) Patel, CHO, CHIA  
Northeast Regional Director

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

You need to be flexible and adjust your goals and expectations. I'll look for ways to better position my property to be able to absorb any future downturns.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

Let's take the down period during the pandemic and use it as a reset to look into better ways of doing things in the future to better prepare for any future downturns.

“

Let's take the down period during the pandemic and use it as a reset to look into better ways of doing things in the future to better prepare for any future downturns.”

Sunil (Sunny) Patel

Sanjay M. Patel  
Alabama Regional Director

**WHAT'S THE BIGGEST LESSON YOU LEARNED IN 2020-2021 (DURING THE PANDEMIC), AND HOW WILL THAT AFFECT YOU AS A HOTELIER IN 2022?**

We went through possibly the worst time that not only the hotel industry but the world economy has ever seen. Through this, we as a nation and as a resilient hotel industry showed our true colors and fought through. Some battled through financial trouble, and some struggled with construction delays, while many dealt with employment woes. We had plenty to learn during the pandemic, but the most important thing I learned was to be resilient.

**DIFFICULTIES ALWAYS BRING OPPORTUNITIES FOR GROWTH. WHAT CAN HOTELIERS DO TO GROW AND SUCCEED IN 2022 AND BEYOND?**

Different situations require thinking outside of the box, and one thing that is more evident than anything else is staying ahead with technology-related solutions. ■



# By data be driven

The raw numbers say a lot about employment, labor, wages, hiring, and workforce attrition in the hospitality industry and in the economy at large

by CARTER DAVIS

**A**S NEIL DEGRASSE TYSON ONCE SAID, “[SCIENCE IS] true whether or not you believe in it.” So, too, is the raw data that’s being tracked by the U.S. Bureau of Labor Statistics with regard to employment, the economy at large, and the hospitality industry specifically. The data being compiled is right there in black and white, unrelenting and immovable. And in a time of particularly polarizing personal politics, contentious clashes across the country, and mass-media misinformation, it should be reassuring to know there are more ways than ever for the average hotelier to obtain unfiltered industry data. To be sure, the AAHOA-commissioned Oxford Economics Study contains a wealth of association-specific data that speaks to the power of AAHOA Members. But having a check of the industry’s pulse, not to mention a closer parsing of the of the overall economy, is vital when making future plans and implementing existing strategies.

The rabbit hole of data goes deeper each year, especially with the proliferation of data-tracking services. So, before you start digging on your own, here are several key metrics that help paint a picture of where the economy, along with hotels, has been for the past five years, and the insight may help predict where it’s headed. Grab a snack, get comfortable, and let’s dig in.

# Workforce statistics

This section provides information relating to employment and unemployment in leisure and hospitality. While most data are obtained from employer or establishment surveys, information on industry unemployment comes from a national survey of households. The following tables present an overview of the industry, including the number of jobs, the unemployment rate of those previously employed in the industry, job openings and labor turnover, union membership and representation, gross job gains and losses, and projections of occupational employment change. This section includes employees in the following sectors: arts, entertainment, recreation, accommodation, and food services.

## UNEMPLOYMENT RATE YEAR

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	7.9	7.0	6.3	5.9	6.3	6.1	4.9	5.2	5.0	5.8	6.6	6.2
<b>2018</b>	6.8	6.8	5.8	5.2	4.9	5.7	5.2	5.8	5.4	5.4	5.3	6.0
<b>2019</b>	6.4	5.8	5.8	4.5	<b>5.0</b>	4.9	5.3	5.0	4.8	5.3	4.9	5.0
<b>2020</b>	5.9	5.7	8.1	39.3	<b>35.9</b>	28.9	25.0	21.3	19.0	16.3	15.0	16.7
<b>2021</b>	15.9	13.5	13.0	10.8	10.1	10.9	9.0	9.1	7.7	7.5		

## JOB OPENINGS YEAR

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	667	890	799	1,028	887	848	922	929	747	783	808	709
<b>2018</b>	860	912	977	1,149	1,022	1,067	1,087	1,033	1,043	973	948	907
<b>2019</b>	1,062	985	1,065	<b>1,207</b>	1,079	956	1,028	982	991	951	902	749
<b>2020</b>	862	936	684	<b>528</b>	792	936	912	834	830	862	806	569
<b>2021</b>	655	956	1,241	1,646	1,626	1,775	2,026	1,736	1,578*			

## HIRES

Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2018</b>	835	845	1,034	1,250	1,395	1,333	1,217	1,118	1,031	1,063	893	784
<b>2019</b>	948	866	1,084	1,354	1,346	1,409	1,258	1,210	1,136	1,075	899	879
<b>2020</b>	933	872	660	<b>557</b>	<b>2,233</b>	2,433	1,498	1,115	1,091	1,144	892	524
<b>2021</b>	760	983	1,145	1,628	1,671	1,766	1,642	1,287	1,160*			

In May 2019, the unemployment rate was at **5%**. In May 2020, unemployment rate jumped to **35.9%**

\* Preliminary data

Source: U.S. Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov))

Data retrieved: 12/2/2021

# Earnings and hours

This section presents data on employee earnings and weekly hours. The latest industry averages of hourly earnings and weekly hours, as well as weekly earnings by union membership status, are shown. This section also contains information on the average cost of benefits paid by employers, as well as recent rates of change in wages and total compensation. This section includes employees in the following sectors: arts, entertainment, recreation, accommodation, and food services.

## AVERAGE HOURLY EARNINGS (IN DOLLARS)

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	15.22	15.29	15.35	15.39	15.49	15.46	15.48	15.54	15.62	15.59	15.64	15.70
<b>2018</b>	15.75	15.74	15.82	15.87	15.88	15.94	16.00	16.06	16.10	16.16	16.21	16.28
<b>2019</b>	16.30	16.38	16.39	16.44	16.51	16.55	16.59	16.62	16.68	16.71	16.77	16.79
<b>2020</b>	16.85	16.90	16.89	18.00	17.44	17.02	16.92	17.06	17.10	17.12	17.09	17.15
<b>2021</b>	17.24	17.38	17.60	17.85	18.06	18.42	18.58	18.79	18.86*	19.04*		

## AVERAGE WEEKLY HOURS

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	26.0	25.9	26.0	26.1	26.0	26.1	26.1	26.0	26.0	26.1	26.1	26.1
<b>2018</b>	26.0	26.1	26.1	26.1	26.1	26.1	26.1	26.1	26.0	26.1	25.9	26.0
<b>2019</b>	26.1	26.0	26.1	25.9	25.8	25.9	25.8	25.8	25.9	25.9	25.9	25.8
<b>2020</b>	25.9	25.8	24.1	24.2	25.9	25.7	25.5	25.8	26.1	26.0	25.7	25.2
<b>2021</b>	25.8	25.3	26.2	26.7	26.5	26.5	26.5	26.2	26.2*	26.2*		

Among all workers  
in the United States,  
unemployment increased  
**236%** between  
**March and April 2020**

\* Preliminary data

Source: U.S. Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov))

Data retrieved: 12/2/2021

In April 2020, the unemployment rate in the United States reached **14.8%** the highest rate observed since data collection began in 1948.

## United States monthly data

This section provides information relating to employment, hourly earnings, and the consumer price index across the whole of the American workforce.

### UNEMPLOYMENT RATE

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	4.7	4.6	4.4	4.5	4.4	4.3	4.3	4.4	4.2	4.1	4.2	4.1
<b>2018</b>	4.0	4.1	4.0	4.0	3.8	4.0	3.8	3.8	3.7	3.8	3.8	3.9
<b>2019</b>	4.0	3.8	3.8	3.7	3.7	3.6	3.6	3.7	3.5	3.6	3.6	3.6
<b>2020</b>	3.5	3.5	<b>4.4</b>	<b>14.8</b>	13.3	11.1	10.2	8.4	7.8	6.9	6.7	6.7
<b>2021</b>	6.3	6.2	6.0	6.1	5.8	5.9	5.4	5.2	4.8	4.6		

### AVERAGE HOURLY EARNINGS (IN DOLLARS)

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	26.02	26.08	26.10	26.18	26.22	26.27	26.36	26.38	26.50	26.48	26.54	26.64
<b>2018</b>	26.72	26.75	26.83	26.91	26.99	27.04	27.12	27.22	27.31	27.36	27.43	27.55
<b>2019</b>	27.59	27.68	27.76	27.80	27.88	27.96	28.04	28.16	28.15	28.24	28.33	28.36
<b>2020</b>	28.43	28.51	28.74	30.07	29.74	29.35	29.37	29.47	29.50	29.52	29.61	29.91
<b>2021</b>	29.92	30.00	29.97	30.17	30.31	30.44	30.55	30.67	30.85*	30.96*		

### CONSUMER PRICE INDEX

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>2017</b>	243.620	243.872	243.766	244.274	244.069	244.218	244.280	245.205	246.551	246.657	247.378	247.736
<b>2018</b>	248.721	249.300	249.517	250.275	250.786	251.152	251.345	251.735	252.183	252.899	252.822	252.493
<b>2019</b>	252.441	252.969	254.147	255.326	255.371	255.423	255.925	256.118	256.532	257.387	257.989	258.203
<b>2020</b>	258.687	258.824	257.989	256.192	255.942	257.282	258.604	259.511	260.149	260.462	260.927	261.560
<b>2021</b>	262.231	263.161	264.793	266.832	268.551	270.981	272.265	273.012	274.138	276.724		

\* Preliminary data

Source: U.S. Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov))

Data retrieved: 12/2/2021

# Coming Clean

Attracting travelers with cleanliness

by KRIS KIELSA

**A**FTER CLOSE TO two years of lockdowns and restrictions that put a halt to travel around the globe, people are looking to make up for lost time, thus introducing the term “revenge travel.” Sap Concur recently found that 68% of global business travelers say they’re pushing to travel again for work, and because remote work is the new norm, business travel has a new look.

Many workers now have greater flexibility and prefer to work remotely, sometimes resulting in longer hotel stays. However, whether guests stay on official business or just “work from the pool,” expectations regarding health and cleanliness protocols have changed since the pandemic, and hotels must adjust to meet them.

Deloitte found that of the travelers choosing to stay in a hotel, 89% cited enhanced

cleaning measures as a reason for choosing this type of lodging, and 95% said they’ll still want to see as much cleaning and sanitation measures post-pandemic.

Cleanliness has traditionally been judged on the perception of clean – visual and olfactory cues that signal the space is taken care of, such as fresh scents, and the absence of stains and dirt. While impressions are important, looks can be deceiving. To help keep guests healthy, hotels must make a shift from cleaning for appearance to cleaning for confidence. Here are four tips for hotels to transform their cleaning methods:

## 1

### SCIENCE AND INNOVATION

Using science-based products and practices that have been effective and dependable, along with data-backed evaluation, gives guests the comfort and peace of mind they are looking for when traveling. Because germs pose a risk to the health and safety of guests, it’s important to use disinfectants proven effective against a broad set of expected and emerging pathogens from influenza to COVID-19. Hotels might also want to consider investing in innovative cleaning equipment that’s optimized for each area on their properties. Some innovations, like electrostatic sprayers, are more effective and efficient in large spaces than traditional cleaning methods, while this and other ergonomic tools can help reduce physical exertion and speed up cleaning times.



## 2

### STAFF TRAINING

An estimated 1 in 3 frontline workers say lack of training is their biggest challenge. Implementing a training program that is informed using CDC guidelines for hotel employees and personnel on COVID-19 protocols and facility cleanliness helps ensure hotel staff understand the most updated and rigorous cleaning methods. To engage trainees, explain the reason why something is done. This is critical for engaging adult learners. Then, make sure your methods are engaging. For example, try using video-based training, on-site demonstrations, and visual guides to show employees exactly what the cleaning protocols will look like.

In addition, cross-training workers from different teams on basic cleaning protocols drives efficiency in operations. Training should include education on the CDC guidelines on hotels, how to use cleaning products and disinfectants safely and properly, and which high-point touch areas need extra attention. Simplifying and standardizing training will encourage employee compliance.

## 3

### COMMUNICATE YOUR PROTOCOLS

An Ernst & Young survey found that 7 in 10 consumers say they're more aware of hygiene and sanitation in the businesses they frequent. While it's important to implement enhanced cleaning practices, it's critical to make sure guests are aware of what protocols are in place. Signage in shared spaces such as the lobby and dining areas show guests and staff that their safety is top of mind. This also avoids any confusion guests may have about what rules the hotel has such as mask-wearing and physical distancing.

““

To help keep guests healthy, hotels must make a shift from cleaning for appearance to cleaning for confidence.”

## 4

### THIRD-PARTY VALIDATION

Given that customers expect more from businesses – with 2 out of 3 reporting that they want businesses to prove their commitment to health and safety through an independent audit – and the complexity surrounding cleaning protocols, hotels may turn to third-party programs to verify their protocols in addition to increasing consumer confidence. These programs bring in experts on topics such as infection prevention, public health, and food safety to conduct an audit to evaluate current cleaning protocols and identify areas that need improvement, making sure its informed using industry best practices. These programs help hotels identify proper products to use, train employees, and ensure correct implementation of protocols.

Because we know the cleanliness of a hotel is deeper than just shiny surfaces or a fresh scent, combining science-based solutions, training, third-party validation, and communication can help deliver a higher level of cleanliness and help employees and guests feel more confident in their choices. ■

*Kris Kielsa is Executive Vice President and General Manager, Institutional North America for Ecolab Inc., an AAHOA Club Blue Member. Ecolab is a global leader in water, hygiene, and infection prevention technologies and services that protect people and vital resources.*



# Under

## The impacts of inflation on major property-damage claims

by LUIS R. ESTEVES, DAVID E. MOORE, and JAMES MONTALBANO

**T**HE TIME IT TAKES TO SETTLE a significant property-damage claim can vary. For example, obtaining substantial payment on a residen-

tial claim has generally taken about two to three months. However, the next step in a property-damage claim – the actual rebuilding – can

take six months to a year depending on many factors, including material and labor availability, which the entire nation is struggling with now. Adding to the mix are inflation and the current challenges in the permitting process. All these factors have increased that time frame exponentially.

### INFLATION'S EFFECT

Because of inflation, the costs of building materials, machinery, and labor wages increase annually. Therefore, in a normal situation, a policyholder might purchase extended replacement cost coverage as a cushion to cover higher rates brought on by inflation should damage occur.

Another source of protection is the “inflation guard” endorsement offered in many policies.

Due to trade tariffs, the COVID-19 pandemic, political upheavals, and natural disasters experienced in 2020, construction costs have skyrocketed. As a result, rapidly changing rates cause a pricing delta in damage claims. That means there is a large deviation in the price calculated in the insurance carrier’s initial damage scope and the updated damage scope caused by the pricing change.

In this current market, repricing the damage estimate is always in order. Repricing refers to using a more-recent pricing guide such as a Xactimate price list to cover the cost. An increase in the scope causes the recoverable depreciation to increase as well. It also allows the insured to consider and present to the carrier any change orders due to material price increases.

Most claimants are oblivious to how they can present these price increases to the insurance company and wait until the end of the job to make supplemental claims.

### REPRICING DENIALS

The insured could get denied an updated damage scope if the insurer feels that the changes in marketing conditions do not warrant repricing. Repricing at the start and middle of the construction process avoids conflict down the line.

It should be standard practice for every professional adjuster to reprice estimates every three months to account for inflation and price increases. Doing so will yield better results for the client.



# SURE



## PERMITTING PROCESS CHALLENGES

Obtaining a construction permit can be a time-consuming and challenging process, even during the best of times. In addition, since permitting is under a government entity, many agencies are experiencing delays in processing permits due to the shutdowns the COVID-19 pandemic caused.

The insurance company will not include policy exclusions in an updated damage scope. For example, in the case of an asbestos exclusion, a city may require an inspection and report before moving forward with a building permit. Waiting for the inspection report will add to the time it takes to settle your claim. This delay also will require more time for ALE payments from the carrier, which must be requested and negotiated upfront. This situation is one most insured individuals don't anticipate until their insurance company advises them that their rental allowance has expired.

## PUBLIC ADJUSTING FIRMS

Inflation ultimately impacts everything, including your property damage claim. So, whether you're dealing with the devastation from a fire, hailstorm roof damage, or claims from a hurricane or winter storm, public adjusters can help. The process may be long and complex, but don't sell your claim short.

A reputable public adjusting firm can expertly guide you through the entire recovery claims process, leaving nothing undone so you can receive the maximum amount for your settlement. Service should include repricing your original



Inflation ultimately impacts everything, including your property damage claim.”

estimates to allow for inflation and other challenges. In addition, they help you understand the terms and conditions of your policy, including coverage limitations, valuation methods, and your duties and responsibilities for filing a claim. ■

*Luis R. Esteves is the Principal and Executive General Adjuster for Jansen/Adjusters International. Luis handles between \$500 million and \$1 billion in losses annually and has more than 20 years of experience with adjusting complex claims.*

*David E. Moore is a Principal and Chief Operating Officer, managing multi-million-dollar losses annually for commercial, multi-family, and homeowner policyholder clients.*

*James Montalbano is a licensed Public Adjuster, specializing in representing the policyholder in settlement of large policy claims from \$200K to \$4M+. For more info visit [jansenai.com](http://jansenai.com).*

# All eyes on 2022

What's the outlook for the hotel industry this year, and will we return to normal?

by RUSHI SHAH

**A**S WE SIGN OFF ON WHAT WAS A frictional year for commercial real estate markets with COVID-19 still in the background, we expect 2022 to bring more hope, optimism, and normalization. Inflation pressures (or lack thereof), labor shortages, supply chain disruptions, increasing construction costs restricting new supply of real estate, and growth caused by government stimulus will all continue to be critical issues that will shape the industry for months to come. Let's discuss six drivers that will contribute to commercial real estate valuations and investing in 2022.



## INFLATION

As most of the COVID-related stimulus subsidies, transitory inflation also will decrease. We will see some permanent inflations, however, which likely will give rise to higher construction costs, higher labor costs, and potentially higher longer term interest rates. If managed effectively, these conditions can translate into rising commercial real estate prices. According to pundit forecasts, commercial real estate prices may revert back to 2019 levels by mid-2023.



## 2

### OPERATIONS

How hotel owners grapple with operational efficiencies also will be a key driver for success. The extended-stay model likely will emerge as a clear winner. This renewed pressure on cost structures also will force real estate owners to leverage technology and innovative business models that help them retain more of the revenue generated without having to sacrifice service.

## 3

### INTEREST RATES

The Federal Reserve's planned tapering of quantitative easing likely will push long-term interest rates higher. This creates a window of opportunity for commercial real estate owners who plan to hold their assets and want to refinance for longer terms or at a lower rate, or are looking to recapitalize and take out some equity.

## 4

### SUPPLY-DEMAND IMBALANCE

The ongoing goods and services shortage could translate into less new supply of hotel and commercial real estate assets in the market, unless there is a shift in demand generators creating new demand. Corporate travel may take longer to resume, while both domestic and international leisure travel is expected to see a healthy recovery. This shift could make select-service and extended-stay segments more lucrative options. Apartments also will continue to enjoy robust growth in valuation and increased demand. Newly developed asset classes, such as single-family rentals, also will see further acceptance in the marketplace.

## 5

### CAPITAL MARKETS

2021 had a record CMBS issuance and volume is expected to go even higher in 2022. There also will be increased appetite for transitional assets from debt funds and CRE-CLO bridge lenders. Life insurance companies also will turn to booking new commercial real estate loans to grow their business. Overall availability of capital won't be an issue in 2022, but committees and capital markets desks will continue to focus on increased costs in construction and operations, and underwrite to more conservative cashflow projections.

One of the main concerns for capital markets desks nationwide will be the ongoing need to put capital expenditures back into hotel assets as markets recover from the aftermath of the pandemic and brands reinstate stricter compliance with franchise standards.

For example, we just closed a Hampton Inn by Hilton in a tertiary market. The flag won't expire for 10 years, but the non-recourse lender required a structure that will accumulate enough dollars in the loan reserves to fund a minimum \$15K-per-key PIP by the time the franchise rolls. Structures like this are good news for the industry, as they result in prudent loans, and ensure longevity and sustainability of the market recovery.

## 6

### GROWTH BY GOVERNMENT STIMULUS

We also are seeing a renewed focus on government stimulus and the impact it could have on the bottom lines of commercial real estate owners. If the stimulus passes, it likely will increase demand for travel- and construction-related activity. This definitely will help the hotel sector and other commercial real estate asset classes, and serve as a shot in the arm for an already heated economy. Overall, the stimulus will be good news for market and asset values. ■



*Rushi Shah is Principal and CEO of the commercial mortgage and real estate investment banking firm and AAHOA Allied Member Mag Mile Capital. As a*

*leader in hospitality financing, Shah specializes in structuring and placing high leverage, nonrecourse bridge and permanent debt with cash out for full- and limited-service hotels nationwide. Since joining the firm's predecessor, Aries Capital, in 2015, Shah has structured and closed hundreds of millions in financing for all property types. Shah has held previous positions at Northern Trust and has an MBA from the University of Chicago's Booth School of Business.*

# AAHOA MEMBERS IN ACTION



North Carolina Regional Director Akshat Patel and Female Director Eastern Division Lina Patel welcomed a packed house to the AAHOA North Carolina Women Hoteliers Town Hall Meeting in Greensboro.



Dewan Clayborn, President & CEO of The League City Regional Chamber of Commerce, congratulates Female Director Western Division Tejal N. Patel on her election to the AAHOA Board of Directors.



AAHOA Member Nick Patel (far right) was named Hotelier of the Year by the Virginia Restaurant, Lodging & Travel Association.



AAHOA Chair Vinay Patel was on hand at the Northeast Regional Conference & Trade Show in Syracuse, NY.



Vice Chairman Nishant (Neal) Patel is all smiles with Sharif Khan (left) and his mentor, Nash Patel.



Female Director Eastern Division Lina Patel (seated, third from left) and Regional Director Sanjay M. Patel (seated, third from right) had a great turnout for the Alabama Region Women Hoteliers Town Hall in Birmingham.



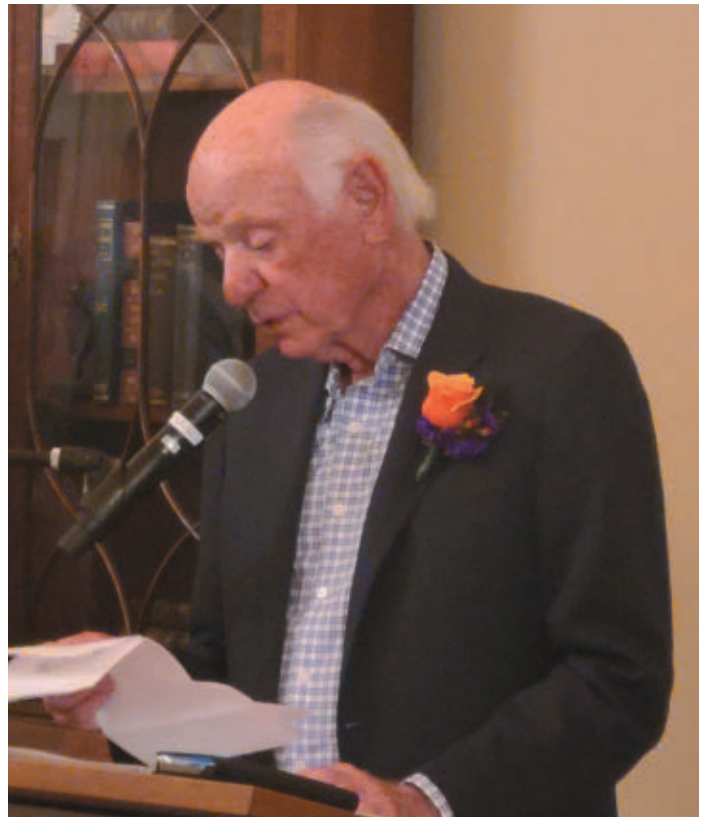
The AAHOA Officers and Industry Partner Faheem Khan were in Miami for an AAHOA Town Hall held in conjunction with the NABHOOD conference.



Female Director Eastern Division Lina Patel and a strong contingent of women hoteliers came out in support of Regional Director Harikrishna (HK) Patel at the Mid South Regional Conference & Trade Show in Louisville, KY.



AAHOA Member Prakash Saraf has been recognized on the Points of Light Inspiration Honor Roll as part of The George H.W. Bush Points of Light Awards. The Points of Light Inspiration Honor Roll was created to celebrate acts of service, kindness, and civic engagement by individuals who create change in communities around the world. Congratulations, Prakash! AAHOA is proud to call you a member!



Industry legend Mike Leven was inducted into the Kennesaw State University - Michael J. Coles College of Business Hall of Fame. His endless contributions to the hospitality industry and to the future of the industry through his KSU endowment and the AAHOA scholarship will live on forever.



All five AAHOA Officers were on hand to support Regional Director Ailesh Mulji at the Southeast Texas Regional Conference & Trade Show in Houston.



Secretary Miraj S. Patel gives an update at the North Texas Regional Conference & Trade Show in Irving, hosted by Regional Director Dhiren Masters (second from right).

# AAHOA CLUB BLUE, PLATINUM & SILVER INDUSTRY PARTNERS

The following companies provide generous ongoing support to AAHOA and its members. A heartfelt and sincere thank you is extended to every one of our Industry Partners for their contributions to AAHOA and the industry at large. When searching for a provider, consider doing business with the Industry Partners.



## AAHOA CLUB BLUE MEMBERS



Always Designing  
for People™

**ADP, Inc.**  
Thomas Bell: (973) 510-0196



Everywhere It Matters.™

**Ecolab, Inc.**  
Michael Pfister: (317) 250-5189



**Home Box Office**  
Michelle Mahoney: (347) 610-108



**AutoClerk, Inc.**  
Mohammed Hansia:  
(925) 284-1005



**Gauthier Murphy & Houghtaling**  
John W. Houghtaling, Il: (504) 456-8600



**Lowe's ProServices**  
Earl Madison : (404) 640-8657



**Avendra**  
Mara Radis: (301) 825-0311



**Hcareers**  
Shawn Grenier: (360) 312-7402



**WorldClaim**  
Russell Heath: (518) 456-8523



**Chase**  
Faheem Khan: (800) 727-1872



**Leyton**  
Vivek Arora: (781) 985-2784



**Zonetail**  
Mark Holmes:  
(416) 583-3773 x228



## AAHOA PLATINUM MEMBERS



**Amana PTAC**  
Byron Cortez: (800) 647-2982



**Focus Brands**  
Rani Bhatt: (404) 978-4829



**Hotels & Resorts**  
**IHG Hotels & Resorts**  
Karen Rogow: (770) 604-5379



**Radisson Hotel Group**  
Phil Hugh: (800) 336-3301



**Best Western Hotels & Resorts**  
Michelle Zajac: (800) 847-2429



**G6 Hospitality Franchising, LLC**  
Mike McGeehan: (972) 360-9000



**International WELL Building Institute**  
Peter Scialla: (212) 464-8907



**Red Roof Inn**  
Matt Hostetler: (713) 576-7426



**Champion PTAC, LLC**  
Chris Gorman: (754) 224-9498



**GE Appliances**  
Amy Kaiser: (502) 452-3073



**Marriott International**  
Christie Patterson:  
(301) 380-3200



**Sonesta & RLH Corporation**  
Jordan Langlois: (509) 777-6330



**Choice Hotels International**  
Tim Shuy: (301) 592-5000



**Guest Supply - A Sysco Company**  
Justin Haggart: (732) 868-2331



**Merchaneer**  
Bob Ekman: (630) 240-4747



Geoff Rowson: (770) 876-9239



**Curve Hospitality**  
Sargent Khan: (713) 819-7296



**Hilton**  
Bill Fortier: (703) 883-1000



**Onity, Inc.**  
Mark Lewitt: (800) 248-6189



**TV Asia**  
Pradeep Hegde:  
(732) 650-1100 x26



**Extended Stay America**  
Linda Trexler: (980) 345-1600



**Ideas**  
Emily Walsh: (952) 698 4317



**OYO Rooms & Technology, LLC**  
Stephen Jarrett: (423) 426-3148



**Wyndham Hotels & Resorts**  
Kevin Brickner: (973) 753-7158



**Access Point Financial**  
Rhonda Loerzel: (404) 382-9592



**AccuLock, Inc.**  
Dan Brown: (866) 222-8562



**Alvi Satellites**  
Prashant Ajmera: (678) 466-7868



**American Express**  
Merchant Services: (800) 528-5200



**AmeriTech Distribution**  
Himesh Jeram: (877) 777-9769



**Apollo Designs**  
S. K. Patel: (336) 880-7549



**Atlas Concorde**  
Michael Sautner: (615) 661-7200



**BeneChoice**  
Petrina Skiles: (717) 490-6313



**Brand Standard Furnishings**  
Ansley Sanderson: (404) 697-8578



**Canary Technologies**  
Bryan Michalis: (877) 739-1545



**Cloudbeds**  
Gina Mckee: (316) 619-2644



**Coast to Coast Computer Products, Inc.**  
Kyle Kurtz: (800) 231-4553



**Cobblestone Hotels, LLC**  
Brian Wogernese: (920) 230-2622



**Cox Business**  
Alea Riley: (404) 269-3057



**DIRECTV, Inc.**  
Jeff Fox: (310) 560-0323



**DISH Business**  
Tyler Floyd: (303) 723-1854



**Docyt Inc.**  
Sid Saxena: (844) 663-6298



**Ferguson**  
Brian Winterble: (954) 597-3163



**Foliot Furniture**  
Mahesh Parekh: (702) 278-7380



**FortisPay**  
Nirav Shah: (855) 465-9999



**Friedrich Air Conditioning Company**  
Dave McDonald: (210) 546-0500



**GitGo**  
Amy Infante: (312) 636-7384



**Graniti Vicentia Group**  
Megha Raja: (713) 869-0800



**Groups360**  
Tim Floors: (615) 972-5519



**HD Supply Facilities Maintenance**  
Stratton Michaels: (800) 431-3000



**Hospitality1**  
Dhar Patel: (714) 473-9813



**Hotel Effectiveness**  
Del Ross: (470) 424-0146



**HotelFurniture.com**  
Ashleigh Baker: (800) 750-1174



**Hyatt Hotels Corporation**  
Jim Tierney: (617) 803-4489



**INFINITI HR**  
Daniel Mormino: (623) 455-6234



**Jacaruso Enterprises**  
Melanie Calcagno: (210) 415-0522



**Macrotech**  
Dipak Patel: (650) 376-2163



**Marcus & Millichap**  
Brian Hosey: (202) 536-3750



**Margaritaville Hotels & Resorts**  
Rick Cunningham: (407) 930-7228



**Mass Mutual**  
Ana Lucia Divins: (800) 835-8612



**Matrix Hospitality Furniture, Inc.**  
Dilpreet Deol: (647) 847-1299



**Matrix Telecom**  
Ashu S. Upa: (800) 283-0539



**MSI Surfaces**  
Anil Palasamudram: (713) 570-7000



**MVM Technology, LLC**  
Michele Blanton: (800) 596-5080



**My Place Hotels of America**  
Terry Kline: (605) 229-8684



**myDigitalOffice**  
Matt Curry: (270) 993-1197



**National Hot Water**  
Randy Meyer: (888) 444-4435



**National Solutions**  
Keith Hudgins: (800) 222-1028



**NextGen Hospitality Consultants**  
Sean Patel: (210) 478-2734



**NewGen Advisory**  
Dinesh Rama: (602) 648-2700



**O'Connor & Associates**  
Andrew Choy: (713) 375-4224



**P&G Professional**  
Rohan Varty: (609) 933-2925



**PMC Commercial Trust**  
Kristi Lewis-Hodge: (972) 349-3200



**PPDS**  
Scott Adams: (678) 908-9294



**Prem Sales**  
Deepak Panchmia: (806) 745-6651



**Relay, Inc.**  
Barbara Sharnak: (732) 718-4214



**Rheem Manufacturing**  
Dave Hanley: (817) 680-4117



**Rinnai**  
Dipesh Parekh: (800) 621-9419



**RoomOne Solutions**  
Nathan Faircloth: (865) 302-3531



**Royal Basket Trucks**  
Cindy Lapidakis: (608) 358-1302



**Shaw**  
Sean Finn: (404) 556-4110



**Showtime Networks, Inc.**  
Doug Markott: (770) 698-6937



**Simmons Hospitality Bedding**  
Andrea Hochwarter: (770) 353-0122



**Sonu Satellite**  
Neil Doshi: (877) 999-7668



**Spectrum Enterprise Solutions**  
Stephanie Pitts: (212) 379-5826



**State Bank of Texas**  
Melissa Butler: (469) 200-8245



**Universal Financial Consultants**  
Vincent Munno: (727) 669-0109



**USA Digital, Inc.**  
Aaron Gomez: (909) 200-5445



**VSR Network Technologies**  
Karann Randall: (530) 889-1500



**Wizehire**  
Madison Mask: (817) 914-7623



**World Cinema, Inc.**  
Ella Ahmed: (713) 266-2686

PRODUCTS FOR SALE

# ROYAL TEXTILE INC.

*Hospitality Drapery & Bedding Specialists*

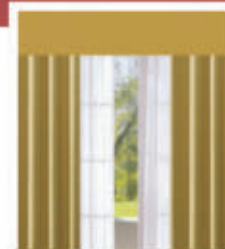
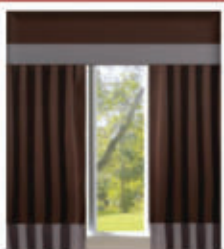
**(248) 588-8600**

We manufacture:

Drapes, sheers, and black-outs as well as top treatments.  
Bedding goods such as duvets, coverlets, bed scarves, and bed skirts.

**Let us provide your guests with comfort and style.**

Factory Direct Drapes



**Multi Color Drapes:**  
(up to 5' x 5' window)

**Solid Color Drapes:**  
Available in many colors  
(up to 5'x5' window)

Drape only .....	<b>\$89.00</b>	Drape Only.....	<b>\$79.00</b>
Drape with Valance .....	<b>\$139.00</b>	Drape with Valance .....	<b>\$129.00</b>
Drape with Valance & Sheer .....	<b>\$189.00</b>	Drape with Valance & Sheer .....	<b>\$179.00</b>

**Always Buy Direct from Manufacturer and Save**

contact: [Eddie@royaltextileinc.com](mailto:Eddie@royaltextileinc.com) | [www.royaltextileinc.com](http://www.royaltextileinc.com) | F: (248) 588-8606

# BATHTUBS RESTORED

*Don't Let Amateurs and "Fly-By-Nights" Ruin Your Bathtubs!*

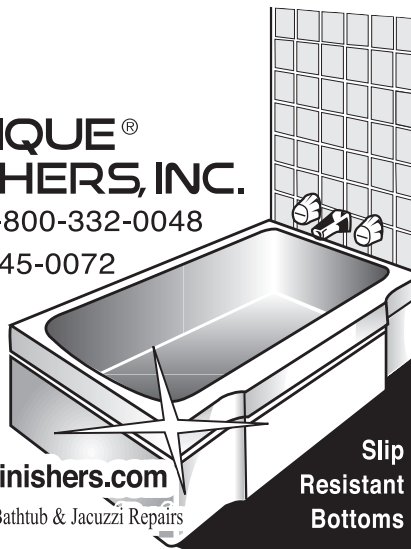
*Unique Refinishers is the nation's oldest and largest bathtub repair, reglazing and restoration company. You can be assured of the highest quality workmanship and materials. Coast to Coast.*



**UNIQUE<sup>®</sup>  
REFINISHERS, INC.**

Nationwide 1-800-332-0048

Atlanta 770-945-0072



[www.uniquerfinishers.com](http://www.uniquerfinishers.com)

We specialize in fiberglass Bathtub & Jacuzzi Repairs

**Slip  
Resistant  
Bottoms**



**5 Years  
Warranty  
Easy  
Financing**

**5000+ HOTELS-MOTELS WORLD-WIDE TRUST**

**MATRIX COMMUNICATION & SECURITY  
SOLUTIONS FOR EFFICIENT FUNCTIONING**

- Hospitality IP Phone System
- Time-Attendance and Access Control
- HD IP Security-Camera System



**MATRIX**  
TELECOM | SECURITY

Call: 1-(800)-283-0539  
Fax: (888) 717-7472  
[sales@matrixhotelpbx.com](mailto:sales@matrixhotelpbx.com)  
[www.matrixhotelpbx.com](http://www.matrixhotelpbx.com)

## ADVERTISERS INDEX

America Supply Inc ..... 22  
[www.americasupplyinc.com](http://www.americasupplyinc.com)

Chase Merchant Services .....4  
[merchants.chasepaymentech.com](http://merchants.chasepaymentech.com)

Global Safe Corporation ..... 49  
[www.hotelsafes.com](http://www.hotelsafes.com)

IHG - InterContinental Hotels Group ..... Outside Back Cover  
[www.development.ihg.com](http://www.development.ihg.com)

Matrix Telecom ..... 48  
[www.matrixhotelpbx.com](http://www.matrixhotelpbx.com)

Patel & Associates..... 49  
[www.patellaw.net](http://www.patellaw.net)

Red Roof Inn ..... Inside Front Cover  
[www.redrooffranchising.com](http://www.redrooffranchising.com)

Royal Textile, Inc..... 48  
[www.royaltextileinc.com](http://www.royaltextileinc.com)

Saltzman Law Group, LLC..... 49  
[www.saltzmanlawgroup.com](http://www.saltzmanlawgroup.com)

Unique Refinishers ..... 48  
[www.uniquerefinishers.com](http://www.uniquerefinishers.com)

Vanities International..... 23  
[www.vanitiesinternational.com](http://www.vanitiesinternational.com)

**GLOBAL SAFE**  
 21 YEARS  
**Hotel Safes from \$99**

**7 Year Warranty**

**Our Safes are in Every Major Hotel Brand in the U.S.A.**  
*Custom Colors Available*

**OUR SAFES HAVE BEEN INSTALLED IN THESE HOTELS.**

HILTON DAYTONA BEACH, FL	HYATT MCCORMICK PLACE CHICAGO, IL	MARRIOTT BUFFALO, NY
HILTON EAST BRUNSWICK, NJ	HYATT RESORT & SPA GUAM	MARRIOTT LOS ANGELES, CA
HILTON HARTFORD, CT	HYATT ROSEMONT, IL	MARRIOTT RIVERSIDE, CA
HILTON TORONTO, ON	HYATT VINEYARD CREEK, CA	MARRIOTT NORTH CHARLESTON, SC

**800-545-4947**  
 GlobalSafe Corporation [WWW.HOTELSAFES.COM](http://WWW.HOTELSAFES.COM)

**FRANCHISE LITIGATION**

**Legal assistance in reviewing/ negotiating franchise agreements and liquidated damages settlements.**

Mahesh I. Patel  
 Patel & Associates, Attorneys at Law  
 Phone: 972-643-1813  
 Fax: 972-231-0104  
 Email: [mpatel@patellaw.net](mailto:mpatel@patellaw.net)

**SLG**  
 Saltzman Law Group

**A law firm focusing in all matters hospitality and franchise.**

**Contact us for a free consultation.**

Richard Saltzman, Esq.

☎ 973.214.6031  
 ✉ [rs@saltzmanlg.com](mailto:rs@saltzmanlg.com)  
 in @SaltzmanLawGroup

- Liquidated Damage Settlements
- Dispute Resolution
- Franchise Agreement Negotiation

[www.saltzmanlawgroup.com](http://www.saltzmanlawgroup.com)



# Stay Engaged with AAHOA!

Read the latest association news and industry articles through *Today's Hotelier* website.

[todayshotelier.com](http://todayshotelier.com)

*Today's Hotelier* website is an effective way for you to stay informed with AAHOA throughout the year. Don't miss out on any industry news and updates by viewing archive features and articles at your leisure.

**NAYLOR**   
ASSOCIATION SOLUTIONS

**AAHOA**  
ASIAN AMERICAN HOTEL OWNERS ASSOCIATION

# Don't Miss a Single Offer from AAHOA's Top Industry Partners!

## Are you receiving AAHOA's weekly Vendor Digest?

If not, you're missing out on tremendous savings from AAHOA Club Blue, Platinum, and Silver Industry Partners.

Exclusive to AAHOA Members, the Vendor Digest contains offers, deals, and discounts from as many as 15 participants. Opting in is easy and takes only a few seconds in MyAAHOA. Or contact [info@aahoa.com](mailto:info@aahoa.com) and the AAHOA Team can add you to the list.



## Here's how you can gain access to our Vendor Offers...

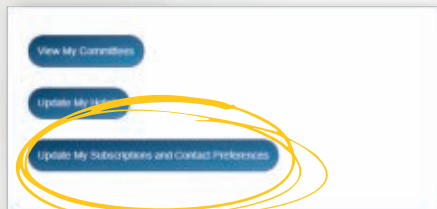
### STEP 1:

Click "My Profile."



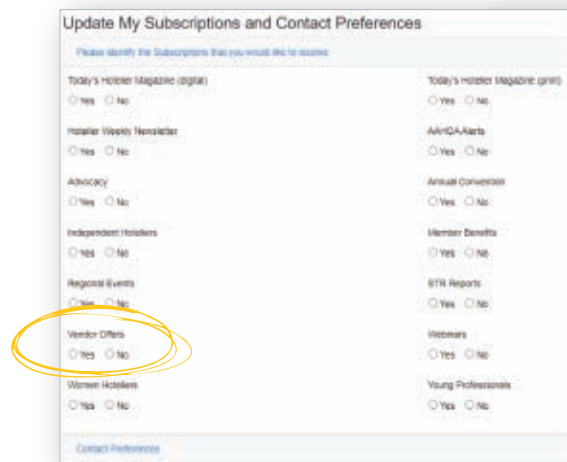
### STEP 2:

Click "Update My Subscription and Contact Preferences."



### STEP 3:

Under "Vendor Offers," click "Yes."



Get weekly savings delivered right to your inbox with just three clicks of a mouse.



# OPT IN TODAY!

# IHG<sup>®</sup>

## HOTELS & RESORTS



Hotel Indigo<sup>®</sup> Lower East Side New York



avid<sup>™</sup> hotels Oklahoma City - Quail Springs



Candlewood Suites<sup>®</sup> Springfield

With a strong portfolio of brands, an expansive global footprint, and an impactful loyalty program, IHG<sup>®</sup> Hotels & Resorts is committed to the success of our stakeholders and our purpose to provide

**True Hospitality for Good.**

DEVELOPMENT.IHG.COM

IHG<sup>®</sup> HOTELS & RESORTS



REGENT



KIMPTON  
HOTELS & RESTAURANTS

HOTEL  
INDIGO

VOCO



CROWNE PLAZA



ATWELL  
SUITES



CANDLEWOOD  
SUITES

IHG<sup>®</sup> REWARDS