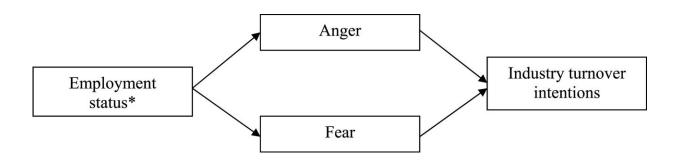


Study finds anger over COVID-19 layoffs keeping hospitality workers from returning to jobs

December 21 2022, by Bryan Luhn



Conceptual model. Note. *Employment status = still employed or furloughed/unemployed during the pandemic. Credit: *Journal of Hospitality and Tourism Management* (2022). DOI: 10.1016/j.jhtm.2022.12.010

Researchers at the University of Houston Conrad N. Hilton College of Global Hospitality Leadership say many skilled hospitality workers who were furloughed or laid off during the COVID-19 pandemic are angry and unlikely to return to the industry.

During the first few months of the <u>pandemic</u> in 2020, travel and dining out declined rapidly putting severe financial strain on hospitality organizations, especially those in the lodging and food and beverage sectors. According to the U.S. Bureau of Labor Statistics, the hospitality industry lost nearly 8 million hospitality jobs were lost, making it the



hardest-hit industry in the U.S. by the pandemic in terms of workforce reduction.

"I don't think any industry was prepared, but the hospitality industry really wasn't prepared," said Juan Madera, the Curtis L. Carlson endowed professor at Hilton College. "Their solution to cutting costs and saving the business was to let people go and then try to rehire them when it was over."

Fast forward nearly three years, and the overall U.S. jobs market has surpassed pre-pandemic levels. But the hospitality industry remains far behind in its recovery with roughly 1.3 million jobs still available as of July 2022.

Madera and his Hilton College colleague, Ph.D. candidate and teaching fellow Iuliana Popa, along with two of his former students, wanted to figure out why. In a study published in the *Journal of Hospitality and Tourism Management*, the team focused on two basic emotions: anger and fear. They collected data from over 300 online surveys and over 100 responses to a scenario-based experimental study. Participants included hospitality students, as well as current, former, and aspiring hospitality industry professionals.

"Your job, your livelihood is taken away, so a natural response is fear for your future," Madera said. "But we found anger was a bigger driver in explaining why these workers aren't coming back. They were angry over how the industry responded to the pandemic."

According to Popa, the results of the study point to a problematic trend for the industry. If <u>skilled workers</u> switch industries due to job loss amidst another industry-wide negative event, it may be difficult for businesses to find qualified employees once the recovery and rehiring begins.



"I think by and large, people who were laid off or furloughed during the pandemic probably moved on to <u>different industries</u> altogether," she said. "Something more stable and less dependent on those in-person interactions where their skills were transferable, like business or real estate."

Unlike other industries, the hospitality industry already faced challenges in finding and retaining highly skilled workers due to the nature of the <u>business</u>, according to Popa.

"Workers in the hospitality industry already had it hard, whether it's low wages or having to work weekends, overnights and holidays," Popa said. "It's a very demanding job, so to go through all of that and then be laid off was kind of the last straw."

The research team came up with recommendations for businesses to consider going forward, including offering higher compensation and better benefits and doing a better job of protecting workers' health.

But Popa said the most important priority should be rebuilding trust with their employees.

"It's important that organizations understand this anger among workers and build better communication with them," she said. "If there's another crisis in the industry, they'll want to know there's a plan in place and that they'll be protected, financially, emotionally and physically."

Despite the massive impact of the pandemic and the ongoing challenge to restore the workforce, Madera said not all hope is lost.

"There are people who are still motivated to work in hospitality because it's a unique industry," he said. "You can travel the country or the world, you have a lot of personal interaction. Even people from outside the



industry could be attracted to that."

More information: Iuliana Popa et al, Losing talent due to COVID-19: The roles of anger and fear on industry turnover intentions, *Journal of Hospitality and Tourism Management* (2022). DOI: 10.1016/j.jhtm.2022.12.010

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