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Phocus Wire White Paper



## About this report

#### An Inclusion Imperative: Gender Diversity in the Travel Industry

A PhocusWire Report in partnership with Expedia Group Author: Deanna Ting

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## Foreword







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As the world's travel platform, we are guided by an inclusive purpose: to bring the world within reach, reflecting the diverse backgrounds and experiences of our employees, customers, partners and communities.

With 1 in 10 people working in travel, our industry's impact on the world is far-reaching. We have an obligation and opportunity to create inclusive travel experiences for our diverse workforce, customers and communities. What actions can we take to breakdown barriers and to create a more diverse and inclusive travel industry?

We are publishing this research to start to answer this question, to highlight data-driven inclusion challenges and to deep dive into gender diversity as a starting point. Importantly, we are sharing best practices, insights and solutions gathered from our partners and our firsthand experience. We are grateful to American Airlines, Avis Budget Group, HEI Hotels & Resorts, Marriott International, and Phocuswright for their partnership and leadership on this.

In addition to data and case studies, we need more dedicated change-makers: companies and leaders sharing their stories, journeys and commitments. And importantly, we need to collaborate more often on this topic, recognizing that rising tides lift all boats. We invite you to join us on this shared journey by participating in a CEO Action for Diversity & Inclusion<sup>™</sup> travel and leisure industry signatory community and publicizing your best practices.

On behalf of Expedia Group, we look forward to partnering with you to remove barriers and to create a more diverse and inclusive travel industry. Inclusion is a journey, not a destination, and together we have a great opportunity to champion belonging and to bring the world within reach for everyone.

# Introduction

Businesses around the world often say that diversity and inclusion are core company values of theirs not just because it's the right thing to do, but because leaders increasingly recognize that more diverse and inclusive workforces can give their companies a competitive edge.

However, a huge gap often exists among those very leaders in terms of understanding what's necessary for creating a diverse and inclusive workplace, and how to keep it that way.

For one, it's not always exactly clear what we mean when we refer to diversity and inclusion (D&I). As valued as these concepts are to businesses around the world, the definition of what it means to be a diverse and inclusive workplace can differ widely from company to company, and from industry to industry.

While diversity and inclusion are often lumped together, they're not one and the same.

#### According to the Centre for Global Inclusion:

"diversity refers to the variety of similarities and differences among people, including but not limited to: gender, gender identity, ethnicity, race, native or indigenous origin, age, generation, sexual orientation, culture, religion, belief system, marital status, parental status, socio-economic difference, appearance, language and accent, disability, mental health, education, geography, nationality, work style, work experience, job role and function, thinking style, and personality type."<sup>1</sup>

The Center for Global Inclusion defines inclusion as "a dynamic state of operating in which diversity is leveraged to create a fair, healthy, and high-performing organization or community. An inclusive environment ensures equitable access to resources and opportunities for all. It also enables individuals and groups to feel safe, respected, engaged, motivated, and valued for who they are and for their contributions toward organizational and societal goals."<sup>2</sup>

1 Centre for Global Inclusion, 2019

2 Centre for Global Inclusion, 2019





Diversity is the representation of varying characteristics, perspectives, and backgrounds while inclusion is the harmonization of those values.

Gender inequality, in particular, is a worldwide problem. Even though women account for half of the global population, there are still a number of countries where women don't account for half of the workforce. This isn't just a social issue; a McKinsey Global Institute Report found that \$12 trillion could be added to global gross domestic product, or GDP, by 2025, simply by advancing women's equality.<sup>3</sup>

The travel and tourism industry is somewhat better than most industries in terms of working toward gender equality. The majority of the global tourism workforce is comprised of women (54%) compared to 39% in the broader economy, according to the World Tourism Organization's (UNWTO) recently released Global Report on Women in Tourism.<sup>4</sup> But there is still room for improvement: The same UNWTO report also found that women "remain concentrated in low-level employment and are poorly represented at higher professional levels."

While this paper will examine gender diversity in the travel and tourism industry, the principles we'll cover are not limited to gender diversity alone. Gender is not binary; it is not solely men or women and it's important for companies to be inclusive of non-binary gender diversity as well. For example, Expedia Group asks its employees to share their pronouns on an internal portal (she/her/hers, he/him/his, they/them/theirs, ze/hir/hirs) that is visible to others.

While we discuss cisgender (referring to those who identify with the sex they were assigned at birth) and binary (male or female) gender diversity in this paper, it's also important to note that there is still more work to be done to achieving true diversity and inclusion in the workplace. Although the United States has legalized same-sex marriage, it's still possible for someone to be fired in most states because of their gender identity or sexual orientation. Earlier this year, more than 200 companies, including Expedia Group, signed the Human Rights Campaign's Amicus Brief for Title XII, the federal law prohibiting sex discrimination in employment, in support of LGBTQ workers in the U.S.<sup>5</sup>

And while there's been tremendous progress made to achieve more diversity in the global workforce overall, there's still a lot more work to be done, especially within the travel industry.

This report examines why diversity and inclusion matters in the workplace, with case studies that illustrate how companies can continually strive to be more diverse and more inclusive.

5 Human Rights Campaign, 2019

<sup>3</sup> McKinsey Global Institute, 2015

<sup>4 &</sup>lt;u>UNWTO</u>, 2019

### The Business Case for Diversity & Inclusion

Diversity and inclusion in the workplace should be considered a commercial imperatives to success. There is a strong business case to support this reasoning.

#### It Helps with Talent Recruitment

Businesses seeking to recruit and retain talent need to have an increasingly diverse workforce because that's what workers today expect. In a KRC Research study, 47% of Millennials, 33% of Gen Xers and 37% of Boomers are actively looking for diversity and inclusion when they are considering potential employers.<sup>6</sup>

Potential employees are actively seeking out inclusive work cultures that reflect a diverse environment and support different points of views and backgrounds.

### It Supports Talent Retention & Productivity

When employees feel accepted and appreciated for who they are, regardless of gender, age, or ethnicity, they are happier and 20% more productive.<sup>7</sup>

The more included an employee feels, the more likely they will be at work and will receive a higher performance



rating, as well. A Deloitte report found that if 10% more employees feel included in a workplace, the company will see an increase in work attendance by 6.5 hours per year, per employee.<sup>8</sup>

#### It Aids in Customer Acquisition

Businesses seeking customer acquisition would also do well to mirror their workforces with those of their customers. Women influence 85% of all purchasing decisions, and account for 58% of online sales. And 47% of women who travel, travel for business.<sup>9</sup>

Moreover, if the ultimate goal of a travel company is to provide the best possible experience to its customers, it needs to know how to do that for those customers. And it's that much harder for a company to know how to cater to women customers, for instance, if that company doesn't have any women making crucial executive decisions and who know how to meet the needs of women customers.<sup>10</sup>

In a survey conducted by Phocuswright and Google on the future of travel data, 57% of travelers said they feel brands should tailor information based on their personal preferences. If a travel brand tailored its information and

<sup>6</sup> KRC, 2016

<sup>7</sup> Social Market Foundation, 2015

<sup>8</sup> Deloitte, 2013

<sup>9 &</sup>lt;u>Skift</u>, 2014

<sup>10</sup> PhocusWire, 2019

overall trip experience based on personal preferences, 36% of respondents said they would be likely to pay more for their services.<sup>11</sup>

Making diversity and inclusion a top business objective also pays off, literally.

A diverse workplace better represents the particularly diverse customer and partner base that participates in travel and can better understand and respond to different needs and priorities.

#### It Delivers Financial Returns & Outperformance

In 2017, the CEO of the Computing Technology Industry Association (CompTIA), Todd Thibodeaux , said, "If women and people of color were represented in the tech sector as they are in the labor force, we'd have one million more women and 500,000 Hispanics, African Americans and Native Americans in our workforce."<sup>12</sup> And with that increased diversity, he said, that could yield an additional \$400 billion revenue per year. He also said that just a 1% move toward representative diversity leads to a 3% increase in revenue.<sup>13</sup>

Research from McKinsey shows that companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above national industry medians.<sup>14</sup> Those corporations that embrace gender diversity have a 27% likelihood of outperforming their peers on longer-term value creation.<sup>15</sup> Diversity in thought at all levels of an organization has been shown to make an organization more effective, more successful, more profitable.<sup>16</sup>

Moreover, companies with more diverse management teams have 19% higher revenues due to innovation, and this is especially significant for tech companies.<sup>17</sup>

- 11 Google/Phocuswright, 2017
- 12 CompTIA, 2017
- 13 TechRepublic, 2017
- 14 McKinsey, 2018
- 15 McKinsey, 2018
- 16 McKinsey, 2018
- 17 <u>BCG</u>, 2018

#### **Gender Diversity Deep Dive**

The regulatory landscape is changing to demand more equity and, in some ways, forcing businesses to take diversity much more seriously than ever before. But, as noted previously, the travel industry still has a long road ahead of it to achieving more gender diversity.

Data-driven companies and broad international studies also show that companies with more gender-diverse leadership drive higher profits. A move from no women leaders to 30% representation is associated with a 15% increase in the net revenue margin, according to a study of 22,000 firms.<sup>18</sup>

18 Castell Project, 2019

#### RATIO OF WOMEN TO MEN IN HOTEL COMPANY POSITIONS



#### **Travel Industry Deep Dive**

The hospitality industry is a case in point. Women comprise 67% of students in hospitality university programs, make up 58% of industry employees in the U.S., and control approximately 75% of travel decisions. However, women hold just 5% of CEO positions and 9% of president/principal positions. Even though women make up a majority of the hospitality workforce, they don't make up a majority of C-level executives or CEOs.<sup>19</sup> (see charts from Castell Project)

The hospitality sector of travel isn't the only part of the industry that could benefit from increased gender diver-

19 Castell Project, 2019

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

Director	i 1 i 1.1
EVP/SVP	1 • • • • 3.1
Chief	1 • • • • • • • • 5.3
Managing Director	1 • • • • • • • • • 6.8
Principal/Partner	<b>1</b> <b>•</b> • • • • • • • • • • • • • • • • • •
President	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
CEO	1 1 1 1 1 1 20.8



Sources: The Castell Project.

Analysis of rosters from hotel investment conferences, 2016-18 sity and inclusion, however. All of travel could benefit, including aviation and travel technology.<sup>20</sup> In aviation, just 5% of pilots are women and the industry remains dominated by men.

Korn Ferry's research<sup>21</sup> revealed that women make up 25.5% of senior managers across the hospitality, travel and leisure sector and occupy 28% of places on the boards of listed organizations. Travel companies and technology-led businesses in the sector of hospitality, travel and leisure were the best in terms of gender diversity, with women taking 29.5% and 28.1% respectively of senior management roles.

Even though companies and regulations are making diversity more of a priority than ever before, diversity and inclusion doesn't stop after the hiring process. While 91% of companies in a recent BCG study had a gender diversity program in place, only 27% of women said they actually benefited from it.<sup>22</sup> It's not enough for companies to just ensure they hire a diverse workforce. Businesses need to take more proactive approaches to continually welcome diverse viewpoints and to ensure diversity and inclusion is given the same level of importance and attention as other business objectives.

- 20 <u>PhocusWire</u>, 201921 <u>Korn Ferry</u>
- 22 <u>BCG</u>, 2017



## Gender Equality in Travel

For the past two years, Phocuswright has conducted a survey of travel technology companies in North America and Europe to speak to employees about the concept of gender parity. Both surveys show the scope of gender inequality in travel.<sup>23</sup>

When asked to rate the travel industry for gender parity, more than 70% of the 123 respondents in the 2018 survey said it was "poor to adequate," and when asked if they saw leadership opportunities being available to all, 55% disagreed or strongly disagreed.

In the 2019 survey, 488 respondents were asked to rate the travel industry with respect to gender equality for career development/management opportunities on a scale of 1 (poor) to 5 (excellent). Of the 330 women respondents, only 21% gave ratings of 4s and 5s; 69% rated the industry as poor to adequate, and 9% said they didn't know. Of the 144 men respondents, 46% gave ratings of 4s and 5s and 28% gave a rating of 3 (adequate); only 18% gave ratings ranging from 1 to 2 and 8% said they didn't know.

The perception gap between genders illustrated here is often not discussed or recognized in companies given the underrepresentation of diverse voices. Therefore, an intentional approach to diversity and inclusion is necessary to accelerate change. Clearly, there's a lot of room for improvement in the travel industry when it comes to advancing and sustaining gender equality.

The following topics examine some crucial steps in the process of both building and maintaining gender diversity and inclusion in the workplace, as well as more clearly define what an inclusive work environment looks like. We spoke to executives from American Airlines, Avis Budget Group, Expedia Group, HEI Hotels & Resorts and Marriott International for their perspectives.



### How do you create a supportive and inclusive work environment?

Creating a supportive and inclusive work environment is absolutely crucial for any company that wants to promote and sustain diversity of all types in its organization.

**Start at the individual level.** At hospitality company Marriott International, the approach is to start with the individual employee.

"Our first focus is making sure every single human being feels accepted for who they are and not as any one part or affiliation," said David Rodriguez, Marriott International's global head of human resources. "We're all made up of many different identities. Every single human being is special and unique in that way. We want to make sure that the way we manage the company and our approach to the culture and the employment experience is that we are cultivating and promoting personal well being for every single individual in the company."

### equ(al)ity equality = the end goal equity = the means to get there



At Marriott International, the assumption is that employees who feel included and embraced will be that much happier and take that much better care of Marriott International's guests. "It's just a smart way to do business," Rodriguez added. "The more that people get opportunities to direct and share common goals and get to know each other, the more they tend to regard themselves as one large group where individuals have unique differences or gifts that they bring to each other."

Rodriguez added that in addition to making sure employees feel respected and valued it's equally important for them to feel like they have "unfettered access to opportunity. People have to feel that they are growing and that they have an affiliation with an organization that has a sense of purpose in society."

Marriott International's chief financial officer, Leeny Oberg, said that as an executive she too takes the individual approach when it comes to leadership and establishing an inclusive workplace.



"It's incredibly important that you demonstrate to your team that you care about the whole person," Oberg said. "We always talk about our work projects and assignments, but in the workplace there are all these opportunities to show you care about the person. It's when leaders demonstrate they're interested in the welfare of everybody on the team from top to bottom, as well as the whole part of the person."

Develop programs and initiatives that promote inclusion across departments and levels. Oberg said she sees meetings as a prime opportunity to be more inclusive. "Bring more levels rather than less," she said. "Do call the person doing the direct work, rather than the person who's two levels up."

On a much larger company-wide scale, Marriott International has also developed a number of programs and initiatives specifically designed to encourage different employees to collaborate with one another and promote a culture of inclusion. The company has Talent Network Teams that associates in the company can volunteer to be on. "Let's say you're the head of marketing and you have an issue," Rodriguez explained. "You can commission a talent network team, and associates in the company can volunteer to work on that project and it might be four to six hours a week for six to eight weeks. These are people virtually in every corner of the organization and then they report back to senior management."

Rodriguez said Talent Network Teams weren't developed as a solution for diversity and inclusion originally three years ago, but he's seen that "the more you get people to interact across differences, those differences tend to fade away. They see the commonality they have and they value those differences."

The popularity of this program has grown so much, he said, that Marriott International is having trouble keeping up with the demand for the teams.

Mauriel Perkins-Chavis, global head of diversity and inclusion for Marriott International, said that in addition to building connections, the Talent Network Teams are a good development and growth opportunity.

"This past year, we also reignited a program called Respect for All," said Perkins-Chavis. "It's intended to reinforce our commitment toward providing respect and treating everyone with dignity, regardless of who you are in the workplace. It helps our associates recognize and see they provide the outcomes of exemplary service." She said Marriott International also wants to make sure its associates are culturally competent and that they are inclusive of both their fellow associates and guests.

At American Airlines, committing resources to promoting diversity and inclusion is top of mind for the same reasons. "Our team members work to make American Airlines reflective of the diversity we see in the world; creating a culture that's committed to understanding how deeply important it is to embrace and further inclusion and diversity," said Alison Taylor, American Airlines' senior vice president of global sales and distribution. She added, "The airline industry needs more women and people of color in fields traditionally dominated by men, like pilots, mechanics and senior executives. Through scholarship programs, networking opportunities, the Professional Women in Aviation (PWA) Employee Business Resource Group and more, American has committed resources to encourage and assist women and young girls in pursuing a career in aviation."

As part of its recently launched #PowerofDIFFERENCE to support equality, car rental company Avis Budget Group created a series of employee-led representation groups where the company's more than 30,000 employees can come together and speak to senior leadership about what can be done to enhance their work experience.

#PowerofDIFFERENCE has also led to the debut of another initiative, called #PowerofWOMEN, that's designed to recognize, celebrate, develop and support women employees worldwide. An Avis Budget Group official said that decision to launch #PowerofWOMEN was driven by years of feedback from employees: "There was a demonstrable appetite from our employees to do something tangible in this area. For many years, individuals across the company have been celebrating the success of their women counterparts and getting involved with events that champion women, such as International Women's Day."

#### How do you recruit with D&I in mind?

Recruitment is often the start of any company's efforts to be more diverse and more inclusive. To recruit with diversity and inclusion in mind is to expand your recruitment efforts and often, to work with partners who can help.

**Source top talent with the help of partners.** "American Airlines is actively working to build a strong and diverse pipeline of talent through multiple community partnerships dedicated to encouraging and mentoring people of color and women who are traditionally underrepresented in the aviation industry," said Taylor. "We've partnered with the Society of Women Engineers, Forté and Women in Aviation International, as well as a number of historically black colleges and universities and nonprofits aimed at encouraging women and people of color to consider a career in aviation."

Earlier this year, American partnered with Fairygodboss, one of the largest career communities for women. It's

also working with the Thurgood Marshall College Fund, a consortium of more than 40 publicly funded historically black colleges and universities to source top talent. American also has 20 Employee Business Resource Groups that play an equally important role in this mission of recruiting, retaining and developing diverse talent. "They help transform our inclusion and diversity goals into measurable and sustainable action," Taylor said.

At HEI Hotels & Resorts, a U.S.-based hotel owner/ operator that manages a \$12 billion portfolio, human resources has a number of programs designed to recruit with diversity in mind, including a veterans program. "We want to be inclusive and create a company that allows for all different types of people and we look for diversity in the workplace," said Julie Yeung, HEI's vice president for talent, rewards and performance at HEI Hotels & Resorts.

Avis Budget Group takes a similar approach. "Our talent strategy is solidly rooted in attracting and retaining a diverse workforce," a spokesperson said. "We run scores of recruitment programs that aim to give back to our local communities by reaching out to diverse, underrepresented, and minority groups. Our talent acquisition teams work with organizations that support veterans and applicants with disabilities, to name a few. Our methods of recruiting are as diverse as the groups we seek to reach and engage. We understand there are many ways to find and apply for job vacancies, so we utilize methods to make our open positions as accessible as possible. We coach, support, encourage and enable everyone to feel empowered to realize their potential and understand how their skills, experiences and training can be transferred to a variety of roles. We want people to view us as a company where they can flourish and make an impact to our overall success."

**Get the message out there.** Marriott International's Rodriguez said that today's companies "need to be very progressive about how they think of things" and especially when they are trying to recruit. "You can't hide in the current environment," he said. "If you're putting out ads that you're diverse, your approach has to be much more transparent. We feel that we have a great story to tell and our approach to recruiting a diverse workforce is getting the message out about our culture and our focus on diversity and inclusion."





For Marriott International, that means letting potential employees know that Alice Sheets Marriott, the wife of Marriott International founder J. Willard Marriott, was an "equal partner in the business" and even served on its board of directors. And letting them know that Marriott International has a number of women C-level executives, including Oberg, who serves as chief financial officer, and Stephanie Linnartz, chief commercial officer.

#### Start with a diverse group of candidates and

interviewers. Expedia Group implemented an inclusive end-to-end recruitment process that seeks to address and eliminate bias. Expedia Group leverages two technology tools: Textio (to remove gendered language or bias in job descriptions) and HireVue (to provide accessible video interviewing). Expedia Group also ensures they have mandatory diverse interview slates, which include women both as candidates as well as interviewers. Additionally, all hiring managers and recruiters are offered interview training which highlights behavioral based interviews and managing bias throughout the entire candidate experience. Finally, Expedia Group actively recruits in diverse communities by participating in events that attract diverse audiences like the annual Women of Silicon Valley Roundabout and Grace Hopper Celebrations. Expedia Group also uses data analytics to track their hiring pipeline data from application stage to offer by gender

representation. According to Rupert Bader, senior director of people analytics at Expedia Group, the tone of listings matters. Expedia Group has found that job postings written with gender-neutral language draw higher-quality candidates and fill five days faster.

Yeung's colleague, Rachel Moniz, HEI's executive vice president of operations and fellow co-chair of HEI's Women in Leadership council, said Yeung "has put pressure on the corporate human resources department to surface at least one woman general manager candidate" when openings arise. "We've put policies in place to do something very direct and targeted to change the paradigm."

It's not just human resources that needs to pay attention to diversity when hiring. Oberg said that when she hires, she scrutinizes her interview slate closely. "As you interview for positions, you make sure you have a great setup of diverse candidates," she said. "It's just as important to also share the interview panels. When someone is coming in to interview, the easiest way to do it is have the immediate manager and one other person conduct the interview. If you pay special attention to make sure you have an interview panel that's also diverse, there's a much better chance of getting a representative view of a candidate or set of candidates. I want to see a cross section of experiences and people, so we can get the broadest view of the set of opinions about all of the candidates."

### How do you have a more diverse and inclusive executive team?

McKinsey's most recent Women in the Workplace Report<sup>24</sup> showed that while more women are being hired at or above the director level and more senior-level women are being promoted, progress is still stalling: "The biggest obstacle women face on the path to senior leadership is at the first step up to manager. For every 100 men promoted and hired to manager, only 72 women are promoted and hired."

That means more women are stuck in entry-level positions and fewer women are becoming managers: men hold 62% of manager-level positions while women hold just 38%.

24 McKinsey, 2019

"The number of women decreases at every subsequent level. So even as hiring and promotion rates improve for women at senior levels, women as a whole can never catch up. There are simply too few women to advance."

In travel, specifically, the overall percentage of women in executive roles in commercial, general management, or financial leadership positions—excluding human resources—drops to just 20.7%.<sup>25</sup>

The 2019 Gender Equity Study from Phocuswright<sup>26</sup> shows there is a lot more work to be done to address diversity and inclusion when it comes to executive leader-ship or management-level positions in the travel industry, specifically. Often, the biggest problems are that women feel like the opportunities aren't available to them and that there can be bias from management.

In the survey, close to 50% of women disagreed with the statement that leadership opportunities are equally available to all employees. That disparity in perception highlights the scale of this problem when you compare responses from women and men. Half of women also disagreed with the statement that there is a clear, available path for leadership cultivation.

Women also said the biggest obstacle to advancement in the workplace was related to the absence of a plan or leadership track to cultivate talent, followed by bias among management.

**Provide a plan for leadership growth.** At HEI Hotels & Resorts, Yeung and Moniz formed a Women in Leadership Council last year to directly address the lack of women general managers within the company, providing women with help determining a clear path for advancement. The council helps women who work in hotel operations and at the director level who can move up to become general managers. Sponsors, like Yeung and Moniz, work with members to develop personal development plans for each individual.

"In the hospitality industry, we don't have gender parity [at senior-level management]," Moniz said. "It's very much a male-dominated landscape. Women outnumber men



when they enter this business but by mid-management, they've disappeared." Moniz said that when men and women both enter the hospitality industry, the gender parity is equal or generally there are more women than men. But as those employees grow into their careers and reach mid-career status to become directors, women will often leave operations to go into human resources or sales instead of pursuing the path to becoming a general manager.

When the council first started, HEI had only four women general managers. Today, it has 11 and of those 11, half were promoted based on their participation in the council.

"The goal is to get to 25% of our hotels having women general managers by the end of 2021. And by 2030, we want to get to 50% parity."

An added bonus, Yeung pointed out, is that the formation of the council comes at no cost to HEI. "The only cost involved is our time and the time of our other sponsors. But all of that has paid dividends in terms of the results we're getting in our hotels. The spend is intellectual and already, we're seeing some wonderful returns on investment."

<sup>25</sup> PwC/Korn Ferry, 2019

<sup>26</sup> Phocuswright, 2019

Moniz added, "Companies really need to get real about having programs like this. A lot of times, there might be a program but it's not really organized, specific and surgical. They don't mandate things like having a certain candidate be considered or having this person sponsored and so you don't really see any change. Moving from the philosophical to being actionable is really important, and getting buy-in from the most senior people in an organization is also critically important."

Like HEI, Marriott also has a women's leadership development initiative. "This year marks the 20-year anniversary of it, which is geared toward building a leadership pipeline for women and making sure women are represented at the most senior levels in the organizations through leadership development and networking," said Perkins-Chavis.

At American Airlines, Taylor said more than 42% of all management roles and 41% of the overall American Airlines team is made up of women. To ensure that more women join the company's executive team, American created an International Development Program for Emerging Leaders. "Team members are selected in a competitive process after being nominated by their managers, who commit to guide their career growth and development."

Taylor also said, "Our talent acquisition team is also working to develop more content that features our women in leadership to attract like-minded women in senior roles to the company. We recognize that candidates are more likely to apply if they are able to see themselves in roles at the company."

**Put bias aside.** While men and women both identified the lack of a plan as the No. 1 obstacle to leadership growth in the Phocuswright Gender Equity Study, the gap between how men viewed bias among management as an obstacle was particularly large: Close to 60% of women saw it as a major obstacle, while less than 40% of men felt the same.

Marriott's Rodriguez said that it's common for management at companies to say that women and/or minority candidates "aren't quite ready yet" to be promoted.

"I've heard that in reference to me, to minorities, to women," Rodriguez said. "You know, she's almost there, but she needs a couple more years of seasoning.' When are they ever ready? No one is ever completely ready, so how do we provide the right support so they get up to speed faster?" He added, "Talented people have a way of rising to the challenge and developing fully into the job. We just need to help them reach their full potential."

HEI's Moniz said that it's often common for men to advocate for a promotion for themselves when they're maybe only 40% ready. "Women wait until they're 100%. Men are promoted on potential and women are promoted on performance."

Preventing bias is absolutely crucial. Companies need to implement scalable Unconscious Bias training, and take active steps to reduce bias through natural language processing.

#### How can you be a better ally?

Allyship can be defined in a variety of ways, but it plays a critical role in making sure a workplace remains inclusive. It gives each and every person in a company actionable, accountable ways to contribute to an inclusive workplace. Even when there's buy-in from the top of an organization, it's allies who can help keep others accountable and can be there to offer support for their fellow coworkers.

An ally, in its most basic description, is any person who wants to take action for the equality of a marginalized group that they're not a part of."<sup>27</sup>

Anyone can be an ally, but being an ally is something that also requires continuous effort and actions. Allies often sponsor others, call out inappropriate behavior toward underrepresented people, and they use inclusive language.<sup>28</sup>

At American Airlines, Taylor said, "Allies should not miss an opportunity to make the clear connection between diversity and inclusion and its direct impact on business results. Allies in leadership positions should create an action plan for their teams to align diversity and inclusion practices with company and department objectives. In addition, allies should be transparent enough about where the challenges exist to maintain the status quo to provoke

<sup>27 &</sup>quot;<u>5 Tips for Being an Ally</u>", 2019

<sup>28 &</sup>lt;u>Forbes</u>, 2018

dialogue that leads to positive change. The path to creating a more inclusive and equitable culture involves continually listening and learning. This changes us for the better. And we are at our best when we engage with and listen to those around us, and we consider perspectives other than our own."

At Expedia Group, they created and distributed 10 Tips for Being a Better Ally, derived from the work of Corey Ponder<sup>29</sup>, founder and CEO of Em|Pact Strategies, and media personality Franchesca Ramsey.<sup>30</sup>

- Remember that ally is a verb, not a self-appointed title or noun. Saying you're an ally is not enough; you need to show up and support others through action.
- Understand that privilege doesn't mean that you didn't work hard or struggle for what you have. It means that there are some things in life that you don't have to think about or won't experience just because of who you are.
- 3. Know that being an ally isn't always convenient or comfortable. Moments of inequality or mistreatment may present themselves at any time. Be willing to deviate from your routine to speak up or act when it's psychologically and physically safe to do so.
- 4. Recognize that everyone including ourselves and our loved ones - holds biases. Reflect on how your biases or privilege surface during moments where an ally might be needed. Resist the tendency to judge yourself or others harshly when biases appear.
- 5. Own your learning journey. Commit to finding the answer when you don't know something. Research, go online, ask questions, and listen. Reach out to other allies who might have grappled with the same questions or challenges. Share what you learn along the way.
- 6. Remind yourself that you don't have to understand or agree with something in order to respect it. You can respectfully agree to disagree.
- 7. Practice developing empathy for others. Making time

- Speak up, but not over. Use your voice to educate others in away that does not speak over the community members you're trying to support and give credit to them for their work instead of saying it as your own.
- 9. Get comfortable with being uncomfortable. Allies recognize and define the boundaries of their comfort zone, and then find ways to stretch those boundaries and stretch themselves.
- Realize that you will make mistakes and apologize when you make them. Commit to changing your behavior and use mistakes as learning opportunities to seek feedback, to grow and to move forward.

Expedia Group recognized the need to go beyond Unconscious Bias training to build an inclusive workplace around ally actions, specific to each office. They created 2-hour Ally Skills workshop, leveraging Frame Shift Consulting's Material<sup>31</sup>, that scaled globally using the Train the Trainer approach to involve employees as instructors. Training is based on scenarios from local regions and include instances of how to be an ally based on stereotypical remarks or biases.

Key lessons include: being an ally is an action not an identity, the importance of speaking up when it's psychologically and physically safe to do so, definitions of key terms (privilege, oppression, ally, target), how we all gain/lose privilege at different times in our lives and the power of collective responsibility. Training is complemented with action cards and resource guides which provide employees with lists of resources to learn more about diverse identities.

The outcomes were as follows: more than 1,700 employees trained and 96% of participants surveyed after three months acknowledged acting as an ally in a situation, as well as interacting with someone outside their social group. Participants also acknowledged a key behavior change, inviting different perspectives into work conversations, which is evidence of how allyship can positively impact the business.

to learn about other identities or communities and the challenges they encounter will increase your capacity for empathy. Put yourself in someone else's shoes before passing judgment or assigning blame.

<sup>29</sup> Corey Ponder, 2019

<sup>30</sup> Franchesca Ramsey, 2019

<sup>31</sup> Frame Shift Consulting

# Conclusion



Even though it's widely acknowledged that there's a real business imperative for having a more diverse and inclusive workplace, the truth is that many companies in many industries haven't guite figured out how to achieve that.

Travel is no exception and, in particular, when it comes to gender diversity, there are still a number of obstacles that need to be overcome: namely that companies need to focus on developing opportunities for women to succeed into senior levels of the company. Women don't always feel included in professional development opportunities and they often aren't able to see clear paths to promotions in senior leadership roles. Promoting and hiring into senior positions as well as setting them up for success is critical.

Gender parity in the travel industry doesn't exist yet, but to get there, companies need to have solid plans and programs put into place that work toward it, and they need to be willing to invest the time and resources to sustaining them. Buy-in doesn't just come from the top, either; it has to be something the entire organization is committed to.

"You must be able to see it in a company's associates, products, and direction moving forward," said Marriott's Oberg. "Just saying something and doing one program for one year just absolutely doesn't work. It has to be in the fabric of the company. It can't just be in their words."

A starting point for a gender diversity strategy is to:

- Create an inclusive and supportive work culture by starting with each individual employee and encourage company-wide collaboration and engagement.
- 2. Recruit with diversity and inclusion in mind by partnering with the right organizations, making your company's commitment to diversity and inclusion transparent, and taking steps within the hiring process to have diverse slates of candidates and interviewers.

- 3. Create specific plans or paths for advancement to leadership positions and eliminate gender bias when promoting or hiring for senior-level positions.
- 4. Encourage employees to be allies for one another.

While this report examined gender diversity specifically, it's important for companies not to fall into the trap or pitfall of focusing on just one area of diversity. It's critical for companies to create a culture of inclusion.

In October 2019, Expedia Group signed the <u>CEO Action for</u> <u>Diversity & Inclusion<sup>™</sup> pledge<sup>32</sup></u> and committed to working to mobilize the travel industry to make major, actionable steps to promote diversity and inclusion. American Airlines, Marriott International and Northstar Travel Group are also signatories of CEO Action.

CEO Action is the largest CEO-driven business commitment to advance equality in the workplace and nearly 900+ CEOs and Presidents have signed on to this commitment, agreeing to take action to cultivate environments where diverse experiences and perspectives are welcomed and where employees feel comfortable and encouraged to discuss diversity and inclusion.

The pledge includes commitments to four key areas:

- Continue to make our workplaces trusting places to have complex, and sometimes difficult, conversations about diversity and inclusion
- 2. Implement and expand unconscious bias education
- 3. Share best-and unsuccessful-practices
- 4. Create and share strategic inclusion and diversity plans with our board of directors

Announced in November 2019, Expedia Group created a travel and leisure industry community group within the CEO Action network and invited CEO Action signatories as well as non-signatories to join in collectively taking the following:

- 1. Collaboratively sharing D&I best practices and key learnings
- 2. Publishing research with data and case studies on D&I in travel
- 3. Hosting round tables, calls, and shared inclusion trainings

Melissa Maher, chief inclusion officer of Expedia Group, shares more about the opportunity to collaborate on diversity and inclusion as an industry, "With one in ten people working in travel, our industry has an opportunity to ensure our workforce reflects the diverse customers, partners and communities we serve. What is the industry doing to change this?

In our opinion, we can do more. As of October 2019, only 1.7% or just, 12 of CEO Action's signatories were from the travel and leisure industry.

By signing the pledge and convening the travel and leisure community using the platform of CEO Action, we can not only increase this number, but share best practices and opportunities for our industry specifically. Together, we can exponentially grow our industry's commitment to progress on diversity and inclusion.

We hope you will join us in signing this pledge and implementing it in your own organizations."

To join the Travel Sub-Group, please email <u>EGInclusion@ExpediaGroup.com.</u> For more information on CEO Action and becoming a signatory, click <u>here</u>.

<sup>32 &</sup>lt;u>CEO Action</u>, 2019



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Expedia Group (NASDAQ: EXPE) is the world's travel platform. We help knock down the barriers to travel, making it easier, more enjoyable, more attainable and more accessible. We are here to bring the world within reach for customers and partners around the globe. We leverage our platform and technology capabilities across an extensive portfolio of businesses and brands to orchestrate the movement of people and the delivery of travel experiences on both a local and global basis. Our family of travel brands includes: Brand Expedia®, Hotels.com®, Expedia® Partner Solutions, Vrbo®, Egencia®, trivago®, Orbitz®, Travelocity®, Hotwire®, Wotif®, ebookers®, CheapTickets®, Expedia Group™ Media Solutions, Expedia Local Expert®, CarRentals.com™, Expedia® CruiseShipCenters®, Classic Vacations®, Traveldoo®, VacationRentals.com and SilverRail™

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