

INDUSTRY BRIEF

Addressing the Importance of Workforce Diversification and Retention in the Travel Industry



INTRODUCTION

Workforce diversification is a critical issue affecting the travel, tourism and hospitality industries. Embracing diversity in the workplace enables destinations to connect with and appeal to travelers of all abilities and backgrounds, ultimately enhancing destination promotion efforts. These workplaces create lasting community impact by representing the varied perspectives and experiences of their residents. Further, they can experience greater productivity and innovation, translating to positive business outcomes.

Although progress has been made, racial equity in the workforce remains a significant challenge within the United States. A persistent gap in representation also exists for individuals from underrepresented backgrounds and those with disabilities. Not diversifying our workforce poses significant risks, including poor customer understanding, reduced innovation and lower productivity. Destinations and industry partners may lack the skills and strengths that come with diverse talent and may struggle to connect with the communities they serve, ultimately impacting their overall success and sustainability.

This brief highlights" paragraph: This workforce brief represents the first application of Destinations International's Social Inclusion Framework within the United States. While the core principles of social inclusion are universal, we understand the need to adapt the strategy to address the unique challenges, opportunities, and characteristics that vary by region. In line with our commitment to creating inclusive and welcoming environments for all our members, we will therefore collaborate with our members and partners in Canada and internationally to tailor this model to the distinct cultural contexts of each region.

This brief highlights the importance of workforce diversification and retention of people of color, underrepresented identities and people with disabilities. It outlines how Destinations International (DI) will address these issues both in the short- and long-term.



KEY DATA INSIGHTS

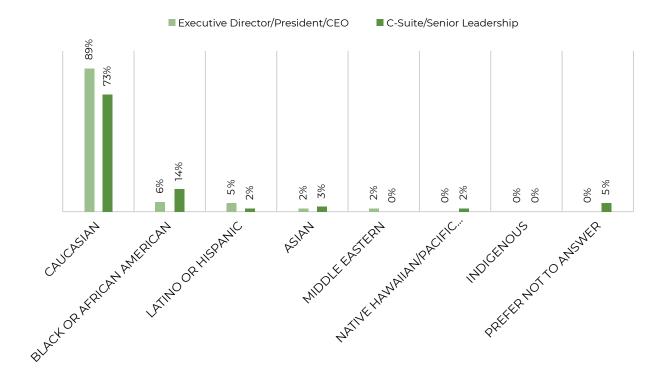
Data collected by Destinations International demonstrates that while there is a strong demand for diversity in the workplace, reality often falls short.

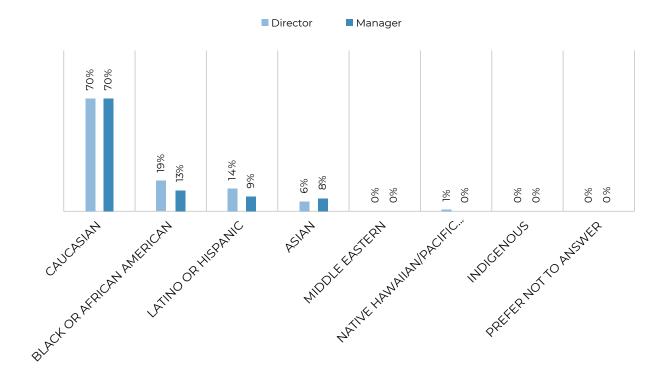
At the same time, industry data reveals important challenges: retaining diverse talent, increasing representation in leadership roles, and supporting the many working adults with disabilities in the U.S.

Destinations International Studies

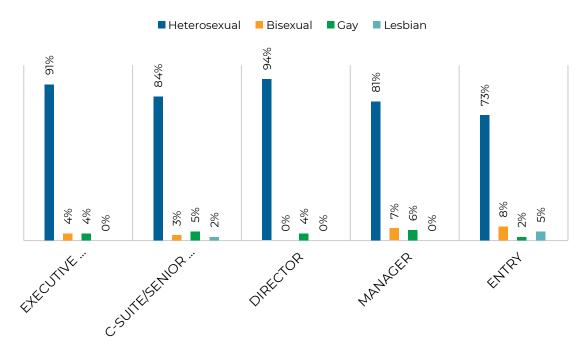
Cultural Diversity Demand: According to the <u>2023 Destinations International Social Inclusion Survey on Destination Organizations</u>, 73% of respondents expressed a desire for greater cultural diversity within their organizations.

Racial Diversity in Leadership: The same survey revealed significant gaps in racial diversity across leadership roles. The percentages below represent racial diversity across four levels of leadership. Study participants could select more than one identity; as a result, totals may exceed 100%.





Sexual Identity Diversity Across Professional Roles: The same survey revealed that sexual identity diversity among professional roles is lacking, yet most prevalent in entry-level role positions. This emphasizes the importance of recruitment and retention to foster a diverse future leadership.



Neurodiversity Representation: The study revealed that over 6% of employees identified as neurodivergent, predominantly in entry-level positions.

SOCIAL IMPACT ASSESSMENT RESULTS

The Social Impact Assessment measures inclusion-aligned advancements across dimensions of social impact including workplace and operations and policies.

77%

Diverse Talent Attraction and Retention:

In 2023, 77% of destinations with Social Inclusion strategies aimed to attract and retain diverse talent, a decrease from 88% in 2022.

61%

Leadership Diversity Expansion:

61% of destinations aimed to expand diversity at all leadership levels, down from 73% in 2022. 24%

Development Initiatives:

Only 24% have initiatives for the targeted development of diverse employees, with 16% offering formalized mentorship programs and 8% offering formalized sponsorship programs.

Findings from 2023 Results (Fielded 2024)



INDUSTRY DATA

Impact of the Great Resignation: Retention is an issue impacting the industry at large. The US Travel Association's Leisure and Hospitality Employment Report (November 2022) shows that 21% of the 4.1 million Americans who quit their jobs in September of that year were in the hospitality industry. Source: US Travel Association

21%

Diverse Employees Dominate Low-Skilled Positions: 2021 data from the US Equal Employment Opportunity Commission shows that in the Arts, Entertainment, Recreation and Accommodation and Food Services industries:

123,000

diverse employees in leadership to rougly 230,000 Caucaisan employees in leadership.

There are half as many diverse employees than Caucasian employees in leadership positions. <u>Source: US EEOC</u>

42%

of Black employees and 44% of Hispanic employees occupy administrative support, laborer or service worker jobs.

This compares to 36% of Caucasian employees. <u>Source: US EEOC</u>

Individuals with disabilities make up a significant part of the workforce: According to 2023 data from the US Census Bureau,

40.3%

of people between the ages of 16-64 in the labor force have disabilities. Source: Dept of Labor

DESTINATIONS INTERNATIONAL'S POSITION AND GOALS

Destinations International is committed to the diversification and retention of people of color, underrepresented identities and abilities in the United States. We recognize that developing and diversifying the workforce requires a long-term commitment and vision to understand challenges, assess gaps, develop partnerships and to act within areas that we can influence.

Our vision for the future is aspirational. While it may take time to implement, we have created a thoughtful foundation that proactively influences the future of our industry and the realistic investment it will take to diversify our workforce and retain diverse talent. We encourage alignment, collaboration and discussion on how we can move the industry forward together.

Our 10 Year Vision

1 Engage Youth and Develop a Pipeline of Talent

Inspire future generations of all abilities and backgrounds to be a part of the travel industry. This includes creating awareness, addressing how the travel industry is a viable career path prior to entering high school, in high school and beyond, and presenting opportunties for youth engagement.

2 Retain Current Diverse Professionals in the Industry

Cultivate talent at the entry level and managerial levels by engaging their thought leadership, providing mentorship opportunities and developing succession planning strategies that are pathways to leadership at the Director to C-Suite levels.

3 Highlight Stories That Represent Diverse Leadership

New and existing talent need to see and hear from a diverse range of leaders who are in leadership positions. These stories are critical for the current and future generations to recognize themselves as leaders in the industry.

4 Partner and Align with Industry Organizations

We aim to establish shared language with organizations invested in workforce development, foster collaboration to support the awareness of career paths and develop creative avenues to support emerging leaders.

5 Create a Workforce Celebration Day

This day is an annual celebration of the people who are at the center of this industry. We want to craft stories that celebrate the importance of the industry and its diversity, and to inspire and connect a new generation of future leaders.

HOW DESTINATIONS INTERNATIONAL WILL MEASURE PROGRESS (2025 – 2027)

Evolve Scholarship Opportunities For Underrepresented Youth

1 Continue the HBCU scholarship program.

- Develop a year-round program that offers exposure to leaders, skills development and networking opportunities for internships.
- Provide quarterly sessions focused on professional development, industry knowledge and connection.
- Introduce best practices for destinations to engage with applicants before selection and after receiving scholarships..
- Capture feedback from students through surveys to measure experience and identify opportunities for improvement.

2 Engage scholarship alumni.

- Obtain alumni perspectives on how to attract new people to this industry and how to attract scholarship recipients.
- Position alumni as ambassadors for scholarship program.
- Fundraise for continuity.
- Demonstrate the value of investment for current HBCU scholarship program by creating metrics for success.

3 Identify aligned scholarship opportunities for underrepresented youth.

• Design scholarship opportunities that lessen barriers to success, adapting the model used for HBCU as needed.

Seek collaborations with the National Society of Minorities in Hospitality (NSMH), American Hotel and Lodging Association (AHLA), Future Business Leaders of America (FBLA) or other newly identified organizations that may support these scholarship opportunities.

Engage Youth and Develop a Pipeline of Talent

4 Engage with HBCU Consortium members to understand how to reframe the narrative about the travel industry.

- Hold bi-annual meetings with HBCU consortium members to discuss the current state of education and student application within tourism/hospitality management programs.
- Identify five reasons why application rates are lower and discuss ideas on how to change this narrative.
- Identify at least five processes or mechanisms that are working well; ask how we can to support them.
- Speak with at least 20 students enrolled in current HBCU hospitality programs to get their perspectives on the industry.

5 Engage with post-secondary educational institutions that have hospitality programs to gather insights on barriers and opportunities.

- Use these meetings with at least 10 educators across a minimum of 5 universities to discuss the current state of education and student application.
- Us these meetings with same educators to create awareness of DMO roles and impact.
- Identify and leverage university research to inform understanding.
- Identify five reasons why application rates are lower and discuss ideas on how to change this narrative.
- Identify at least five processes or mechanisms that are working well; ask how we can to support.
- Through input from HBCU Consortium and others, speak with at least 20 minority students enrolled in current hospitality programs to get their perspectives on the industry.

6 Engage with K – 12 programs to discuss the hospitality industry as a career path, prioritizing efforts on middle/junior high school and high school.

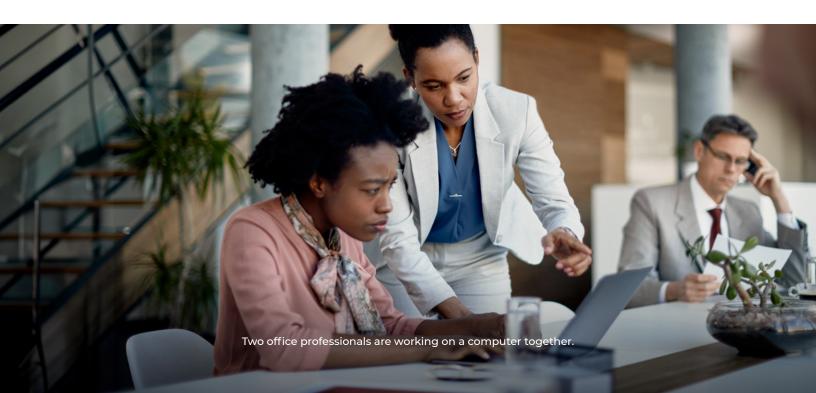
- Connect with 10 members who have engaged with K-12 programs to get feedback on lessons learned.
- Hold conversations with at least 10 administrators with Career, Technical and Agricultural Education (CTAE) programs in middle schools and high schools representing urban, rural and various regions to identify gaps in educational content aligned with career pathing.
- Identify five opportunities to provide students with awareness about the travel industry as a career path.
- Through conversations with administrators, seek input from middle school students and their parents to inform the development of career fairs/days at the high school level.

7 Offer thought leadership about the travel industry to educational institutions (K-12 and post-secondary).

- Develop PowerPoint templates for industry members to use when speaking to different educational levels. Engage with members to understand utilization, impact and foster dialogue.
 - » Elementary Schools
 - » Junior High Schools
 - » Middle/Junior High Schools
 - » Post secondary schools (dependent upon the type of class)
- Speak in five middle school and high school classrooms in rural and urban areas across various regions with CTAE programs about the mission of Destinations International (DI) and how it supports its destination members.
- Create bi-annual DI informational sessions for students to learn about the different aspects of the industry.

8 Offer internship and apprenticeship opportunities for students to experience the travel industry.

- Identify ten examples of successful internship programs in the travel industry and outside the travel industry. Establish guidelines on creating effective and equitable internship opportunities for the DI membership.
- · Create greater visibility into current internship opportunities.
- Identify how to align five people with the Tourism Diversity Matters apprenticeship program.
 Provide clear guidance to DI members on how to find and support an apprentice within the destination vertical.
- Explore opportunities with federal agencies to create awareness for grant programs related to workforce development.



Retain Current Diverse Professionals in the Industry

1 Identify succession planning strategies and best practices for leadership track career paths (Director – C-Suite).

- Build on DI's current mentorship platform to engage mentors and mentees in the program.
 Recruit at least 10 mentors and 10 mentees who represent racial and ethnic diversity, identify as having a disability, or belong to other underrepresented identities.
- Engage at least 10 DI members to discuss successful succession planning strategies.
- Identify existing industry, statewide and other relevant research that provides data on succession planning.
- Identify areas where data is needed and available from partners to support succession planning strategies for people of color, underrepresented identities and disabled peoples.
- Develop a "shadow" board.

2 Encourage member destinations to invest in their staff by engaging with the DI community.

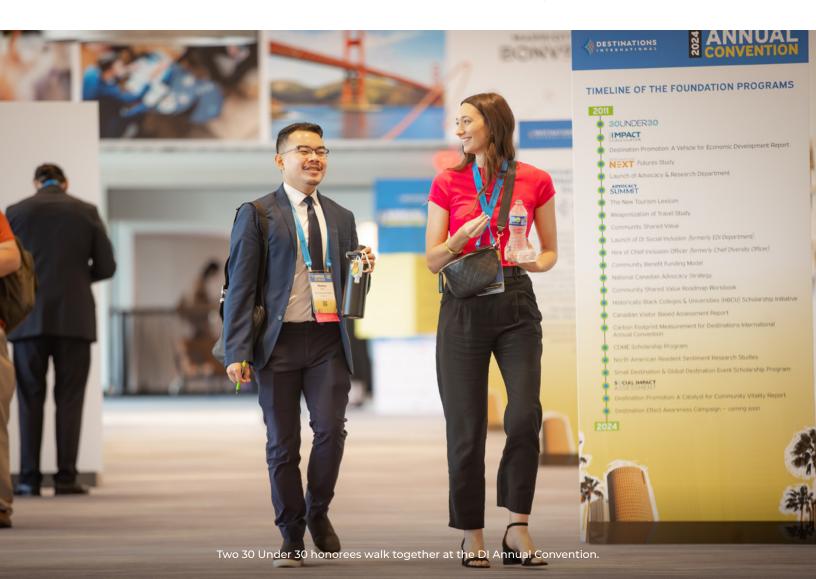
- · Lead an awareness campaign to demonstrate how DI membership is for all professional levels.
 - » Connect with HR professionals to help incorporate the value of DI membership in onboarding, retention strategies and all-team meetings.
 - » Engage board members and committees with this awareness campaign and request clear actions for support.
 - » Engage DI team to encourage member engagement within their respective roles.
- Examine and implement changes to DI research, surveys and tools to increase engagement, impact and alignment with DI's research vision.
 - » Position Social Inclusion surveys, studies and tools to support understanding of workforce diversification, employee retention and professional growth opportunities.
 - » Position Social Inclusion surveys, studies and tools to support the professional development of members across all levels of employment.

3 Connect with entry- and mid-level professionals to understand their perspectives on succession planning and retention in the industry.

- Encourage entry- and mid-level professionals meet in a shared safe space. Connect with at least 20 entry- and mid-level professionals to understand their perspectives on retention and succession planning.
- Create a task force to encourage community and to discuss retention related goals

for the industry.

- Continue to engage with 30 under 30 alumni and the current class to address succession planning ideas.
 - » Incorporate alumni into speaking engagements to share thought leadership about succession planning and retention.
 - » Create mentorship opportunities for alumni and current classes.
- Design professional development resources aimed to assist with retention and succession planning.
 - » Identify training needs for entry-level and mid-career professionals (focus on underrepresented identities, professional verticals or leadership development).
 - » Collaborate with values-aligned partners related to empowering underrepresented people and succession planning.
 - » Identify targeted resources to empower entry-level and mid-career professionals who are underrepresented to stay in this industry.
 - » Develop a toolkit or one-sheet highlighting the resources, tools, Summits or professional development opportunities that are most crucial for developing leadership.



Highlight Stories That Represent Diverse Leadership

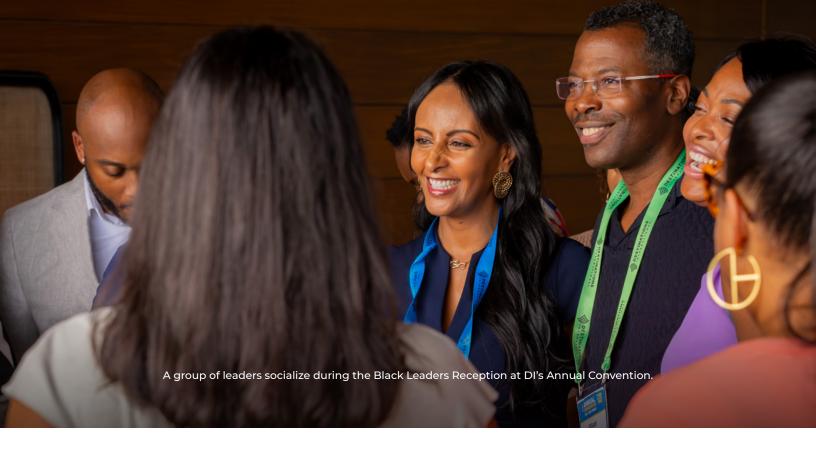
1 Develop content that is appealing and resonates with the generations we aim to attract.

- Identify effective methods to deliver and digest content for targeted generations.
 - » Create a communications strategy that delivers content.
 - » Measure the engagement of the related strategy and add content

2 Create a series of video interviews and stories about leadership pathways.

- Develop at least 10 videos that can be repurposed to highlight:
 - » The individual's professional journey.
 - » Challenges they have encountered along the way and how they overcame them.
 - » Why industry is welcoming and inclusive.
 - » Advice on advancing in leadership (variety of verticals, geography, budget size).
 - » A nugget of inspiration.





Partner and Align with Industry Organizations

- 1 Connect with existing industry partners in the Destinations International (DI) network to discuss their involvement and investment in the diversification of the workforce.
 - Establish relationships with new partners who have interest and alignment with workforce diversification and development.
 - Research best practices outside the industry pertaining to the workforce's diversification.
 - Solidify working model for current partners interested in alignment.

Create a Workforce Celebration Day (February 19)

- 1 Curate content to highlight why this industry is welcoming to people of all backgrounds and abilities.
 - Use content curated from destination leaders to amplify employee stories.
 - Create a global hashtag that can be shared and tracked.
 - Talk about your why: "Why are you a part of the industry?"
 - » Encourage industry leaders from all professional levels to be a part of community enrichment activations in school to educate youth about the travel industry.
 - » For high school and post-secondary school students or ages: develop career fair and shadow days to learn about this industry.

NEXT STEPS FOR OUR INDUSTRY

From 2025 to 2027, DI will pursue all initiatives above by facilitating conversations to establish connection, understanding and trust. Through input from our existing community network, inclusion committee members, and broader membership, we will assess, refine our approach and formalize metrics in preparation for 2028–2035.

This industry brief lays the groundwork for a global collaborative effort to integrate social inclusion into workforce strategies, tailored to regional needs and priorities. We will work consultatively with our members in different parts of the world, adapting and evolving this model to meet their specific needs while continuing to promote social inclusion at a global scale.

We seek to collaborate with partners and co-create realistic opportunities for diverse populations to succeed in this industry. Leaders across our industry are encouraged to read this brief to determine how your organization aligns and how you want to actively engage with Destinations International in support of workforce development, diversification and retention efforts..

WE WELCOME YOUR ENGAGEMENT
ON THIS JOURNEY. CONTACT
INCLUSION@DESTINATIONSINTERNATIONAL.ORG
TO GET INVOLVED.

