Executive summary

On the surface, the travel and tourism industry is leading the way when it comes to gender diversity, with women representing 50% of employees across the sector. But hidden in plain sight is a different story. Female representation falls to 40% at mid-level management and 33% at senior executive level, above which there is a seemingly impenetrable glass ceiling between senior management and the C-Suite.

A paltry 19% of C-level roles are filled by women and only 5% of firms have a female CEO. This is echoed at board level, where there are only six female chairs, despite a growing body of research proving that fostering diversity at all levels is not only the right thing to do, it is good for business.

Consumers are increasingly making choices on where to stay and who to fly with based on companies' record for diversity, employees want to work for an organisation that is visionary and inclusive, and investors realise that to achieve its full revenue potential, a company needs to employ a team that is representative of its customer base.

The invisible glass ceiling

This report analyses data from 100 publicly traded companies in the travel and tourism industry across seven 'buckets' – Hotels, Casinos and Entertainment, Airlines and Airports, OTAs and Travel Companies, Cruises and Restaurant Chains/Food & Beverage Companies. Together, these firms employ 6.2 million people across 120 countries, with a total market cap of more than $1.6 trillion.

While all major hotel groups have made a concerted effort to push the women in leadership agenda, the number of female employees drops precipitously the higher up the career ladder you climb. In mid-level management, women represent 43% of the workforce, down to 32% at senior management level and 21% in the C-Suite. Every major hotel chain has at least one female C-level executive, yet only one woman – Alison Brittain of Whitbread – sits at the helm.

It's a similar – if slightly more encouraging – story in the restaurant and F&B sector. Women make up 52% of the total workforce, falling only marginally to 51% in mid-management and 35% at senior management level. The gap in female representation emerges at the threshold of corporate leadership, where, again, there is only one female CEO in the business.

The good news from the OTA sector is that women make up the highest proportion of the overall workforce – 60% – in the travel, tourism and hospitality space. However, this falls to 34% at the senior management level. Higher up, there are two female CEOs and women hold only 22% of board positions, compared to 28% in F&B and 29% in hotels.

Most concerning are the cruise and airline sectors. Cruise companies' overall workforce is made up of 23% women, which translates to only 13% representation at C-level positions and 10% on the board. One company has an entirely male executive team. Meanwhile, women hold 46% of jobs overall at airlines*,* plummeting to 15% on the Executive Committee.

These figures reveal that there is not only a barrier at the very top of the business, but also an invisible wall between the highest echelons of leadership and the roles that have been traditional stepping stones to the CEO position. Some women at the top are putting noticeable cracks in the glass ceiling but there aren't enough female colleagues coming up behind them.

A vicious cycle for women

Research on female board representation shows that 30% is the 'critical mass'. When a company reaches it, gender stops being the focal point and each member, regardless of gender, can bring their own skills and experience to the table. In travel and tourism, only 24% of board members are women and 8% of boards include no women at all.

Combined with a male-dominated C-Suite, this creates a vicious cycle. If women are not getting the top jobs, then the pool available for improving the diversity of the board is limited. And if the board is not diverse enough, it does not do a good job of ensuring that more top management roles are filled by women.

Achieving higher rates of gender diversity on the board and at C-level will require deep cultural shifts within organisations but also clear rules forcing the industry to create a roadmap to improve their diversity and inclusion quotient over a fixed period.

Government mandates have created lasting change in countries like Norway, which introduced non-negotiable quota legislation in 2003 requiring 40% female representation on boards. Meanwhile, mandatory publication of gender diversity data in the UK led to a step change in the number of female FTSE350 board members, which rose to 33%.

The drive for data disclosure

Data collection will be crucial to drive greater gender diversity in the sector. In fact, one of the limitations of this piece of research was the lack of access to it. Universal standards for measuring and monitoring diversity would make the issue more comprehensible to everyone involved and incentivise companies to improve their impact.

This report also recommends governments to legally enforce companies to reveal their gender pay gap, as well as introduce more paternity leave and offer more accessible and affordable childcare. The private sector must do more to highlight female role models wherever possible, expand board rooms or add new roles, assign a budget to gender diversity and drive change from the very top.

While gender diversity suffered a setback due to the Covid-19 pandemic, with female job loss rates about 1.8 times higher than men and many businesses furloughing or laying off diversity champions and professionals, the crisis has also shone a brighter light than ever before on the inequalities and injustices faced by under-represented and marginalised groups. The push to disclose diversity data is only going to gain momentum post-pandemic and companies who do their bit to move the needle and course correct will win in the long run.