

Challenges and Prospects for the Hospitality Sector during and after COVID-19: A Socio-Economic Perspective

Devyani* and Satya Prakash**

The COVID-19 has created an unprecedented situation of extreme uncertainty throughout the world including India. Almost every sphere and activity of human society and institution was adversely affected, particularly the socio-economic aspects including livelihood of both the employees as well as employers. Almost every type of vocation, trade, occupation, commerce, business and profession had the adverse impact. Among them hospitality sector has been most badly and severely affected as it is related not only with the core hotel industry but with the travelling, tourism, airways, rail and road transportation and journeys as well as the educational institutions related thereto. The challenges created during and after COVID-19 are to be analyzed from the angle of hospitality industry as well as the angles of present prospective and probable personnel/employees engaged in hospitality industry as well as the educational

* Ph.D Scholar & Research Associate in Economics, Shobhit Institute of Engineering & Technology (Deemed to be University), Meerut, Uttar Pradesh (India) E-mail: <devyanigarg07@gmail.com>

** Former Dean, Faculty of Law, Chaudhary Charan Singh University, Meerut, Uttar Pradesh (India) E-mail: <satyavee.prakash@gmail.com>

institutions. Every hard, unfavourable and miserable situation and condition ends with the frustration and hopelessness, but there is always a way ahead for recovery and further progress. With certain alterations and changes in planning and working of hospitality industry including the educational institutions and personnel, there may be better prospects during and after COVID 19, especially from the angle of socio-economic perspective.

[**Keywords** : Hospitality Sector, Challenges and prospects, COVID-19, Socio-Economic perspective, Educational institutions, Travel and tourism, Personnel]

1. Introduction

The COVID-19 pandemic has created havoc and a situation of extreme uncertainty not only in India but throughout the world. The gravity of situation is more evident and alarming due to the highest risk of spread of the disease by coming close or nearer to one another among human beings including the family members. It is considered to be most contagious disease in the history of mankind because the contagious diseases known in the past used to be by touching or close contact only or by animals or insects. It is for the first time that the infection is communicable/ transferable even without any indication of symptoms in the already infected or Corona positive person. The pandemic has highly affected and impacted adversely every aspect of life of people as well as working of the system throughout the world especially social and economic aspects. Since the nature and sphere of the pandemic is global, no country in the world can expect any help or support from other country, as every country is facing the problem and trying to control it by their own methods and means. The Socio-Economic impact affects every aspect of the life of the people and is having extensively wide effect from day-to-day life to the prospective life.

2. Background

- 30th January, 2020 : The first case in India was reported in Kerala.
- 14th March, 2020 : Union Government of India u/s 46 of the Disaster Management Act, 2005 constituted a fund known as The National Disaster Response Fund.
- 14th March, 2020 : All Educational Institutions were closed under an order of 13th march.

- 18th March, 2020 All examinations were cancelled by an order of 17th march.
- 19th March, 2020 : P.M. addressed the nation for “JANTA CURFEW” to be observed on 22nd March (Sunday) for 14 hours-7.00 am to 5.00 pm.
- 24th March, 2020 : at 8.00 pm the P.M. addressed the nation and declared the I lockdown for 21 days, i.e., 00.00 hrs. 25th March to 14th April. All the people were directed to stay at the places where they are. All travel and transport were stopped including International and National - Air, Sea, Rail and Road.
- 13th April, 2020 : II lock down was declared for 19 days from 15th April to 3rd May.
 III lock down was declared for 14 days from 4th May to 17th May.
 IV lock down was declared for 14 days from 18th May to 31st May. Total till date for 68 days.
 V lock down was for 30 days from 1st June to 30th June. Total till date for 98 days.

I unlock-limited /partial w.e.f. 8th June. No school colleges were allowed to open only saloon, restaurants, religious places, malls, small shops and markets with extreme limitations and restrictions for the purpose of safety were allowed. MSME were allowed. Big and large-scale industrial activities were not allowed. A very grave situation of migrant labour was faced. Trains and buses were allowed w.e.f. 1st June, so that people confined in some places may have opportunity to go to the place of their permanent residence or their place of work. The educational institutions right from primary to highest level were not opened even for conduction of year end or semester end examination. There seemed no probability of regular physical working before the end of July 31st.

The hospitality industry was also shut down and there was an imminent impact on hotel, travel and tourism industry as well as institutions related therewith.

Slowly the situation started to return to normalcy after the month of September, 2020. The prime minister in January 2021 declared that we have won the war against CORONA and now there is no Corona and conditions are normal. Assembly elections in 5 states were held in the month of February, March and April 2021 along with Panchayat elections in Punjab and Uttar Pradesh. Kumbh mela was allowed in Haridwar. People took part in election and Maha Kumbh indiscreetly without proper restrictions and precautions. Counting for the Assembly and local elections was held on 2nd may 2021.

In the meantime, right during the election the second wave of Corona pandemic started and the situation became worst and uncontrollable in the mid of April 2021 and continued till the end of June 2021. This time it was more aggravated and scarcity of bed in the hospitals and acute shortage of oxygen made the conditions worst and miserable. Lock down again imposed during April-May-June 2021 somewhere complete, somewhere partial. Most of the business and human activities affected adversely but the position of hospitality sector including industry-hotels and restaurants etc., travel and tourism and educational institutions relating therewith became worst and irrecoverable.

A bit of normalcy returned in the month of July, 2021 but still the hospitality sector was facing a grave situation and miserable conditions challenging the revival, existence and sustainability of hospitality sector including the industry, institutions, personnel and workers.

As per the opinion of medical scientists and experts, third wave of COVID-19 is expected by the end of rainy /beginning of winter season, therefore the situation is going to be more alarming and challenging. So, we may have the impact of this pandemic for months or may be years to come. Therefore, we have to create the possibilities of survival and at least optimum sustainability of hospitality sector during COVID- 19 as well as succeeding period of pandemic.

The present paper attempts to analyse the challenges faced during and after COVID-19 and also to provide suggestions for the revival and sustainability of hospitality sector from the angle of socio-economic perspective.

All the challenges and suggestions have been perceived by the authors by personal observation, analytical evaluation, thought

evolving and provoking process and by establishment of connectivity of various aspects and factors and events relating to the topic

3. Challenges

Challenges faced during and afterward, up to a considerable period of time, due to COVID-19 till normalization concerning hospitality sector are interrelated with travel and tourism and also with the institutions imparting education and training in the hospitality sector. We may look into and analyze the challenges created by COVID-19 from two angles.

1. From the angle of the hospitality industry, which includes hotels, restaurants, travel, tourism and educational institutions related to them.
2. From the angle of the present personnel or employees engaged in the hospitality industry as well as educational institutions and also from the angle of would-be personnel i.e., the students, scholars and trainees studying hospitality management and undergoing training including hotel and catering management, travel and tourism and historical studies for the purpose of becoming guide and tour planners for various types of tours especially to historical places.

We would like to take up challenges to both the sectors one by one.

3.1 Challenges to the Industry

With the advent of COVID-19, travelling and tours have come to standstill and therefore, the hotels have also become empty.

For hotel industry there may be four categories of clients ;

1. Business /marketing/sales executives.
2. Tourists - foreign and Indians.
3. Meetings - small as well as medium and large in the form of business meeting seminars, symposiums, workshops, conventions and conferences.
4. Functions and celebrations like birthdays, anniversaries, get-togethers, associational and group gatherings like - alumni/colleagues/staff/students and professionals, marriage and receptions after marriage.

Now we would like to talk about the nature of these four categories :

1. For category 1, the hotels get occupancy primarily and dinning secondarily. Generally, the executives take breakfast in hotel only and remain in the field/market throughout the day and generally have dinner with their clients or concerned people.
2. For category 2, the hotels get occupancy as well as dinning, travel and tour plans and arrangements but more focus is on occupancy because they also leave after breakfast and generally have dinner.
3. For category 3, all the three factors occupancy, dinning and travel increase, as for most of the meetings attendees stay in the hotel and also have food, even for a single day meeting, because many of them are from outstation.

For two- or three-days conferences occupancy as well as dinning and travels and tours are considerably enhanced because in most of the conferences sightseeing and short distance tours are made part of the program schedule.

4. For category 4, in single session programs like birthday, anniversary, get-together, association and group meetings, food and catering services have priority and the possibility of occupancy remains very rare.

For big celebrations like marriages and receptions, the probability of occupancy and dinning both increases extensively because most of the members from both the sides of bride and groom are from the other places and therefore, they have to stay in the hotel. The dinning is at higher level in marriage and reception.

3-2 Challenges to the Personnel

As regarding personnel and employees engaged in the hospitality industry including institutions during and till normalization of situation may be categorized as follows :

1. There may be reduction in the number of existing employees of various fields relating to hospitality. Immediate effect is on cooking and catering staff including chefs, cooks and serving staff because restaurants are closed even in the hotels and there is very little cooking activity for the few guests who might be confined in the hotels due to sudden lock down and restrictions on travelling, especially on foreigners. The front office staff is also affected badly since there is no new client.

Housekeeping staff is needed to some extent as cleaning and maintenance cannot be avoided.

2. The personnel engaged in travel and tours are also affected adversely as there is no movement of people inland and overseas.
3. There is a consequential threat to the jobs of people engaged in the educational institutions running courses on hospitality, especially institutes of hotel management and catering due to expected downfall in the admissions to these courses. All categories of staff including teaching faculties, demonstrators, trainers, catering staff, supporting staff including technicians and ground staff may be adversely affected during this pandemic and for some time even after normalization. Presently, the expectation of having control on situation is remote possibility, because even after more than three months, problem is out of control not only in India but worldwide and the ratio of detected cases is increasing day by day and the situation is becoming more severe and crucial, instead of stability and check on cases.

4. The Prospects

4.1 The Industry

As regards industry i.e., hotels and restaurants, following alternatives may be suggested :

- Some portion of the hotel may be converted in to special Quarantine Centre for the people who are willing to observe quarantine in anticipation and for observation as a precautionary and preventive measure and also for those who have already been diagnosed CORONA positive and were treated in hospital, have to remain in quarantine for few weeks.
- Some part of the premises may be dedicated to Medical Tourism, especially in the cities and places where influx of foreign tourist is more, particularly from western countries because medical treatment is very expensive there, and for some ailments like dental problems, there is no health insurance. In India medical treatment and procedure is quite cheaper than these countries and the foreign tourists can enjoy visit to different places along with stay in hotel

during medical procedure and treatment. The treatment would be in hospitals and clinics on visit tied up with the hotel. The hotel can also start a preliminary check-up clinic or may be a special clinic for certain ailments with visiting medical professionals.

- This CORONA viral disease is related with the lungs malfunctioning including swelling, watering, thickness, stiffness and inflexibility due to viral infection. To a large extent it may be equated with Tuberculosis or T. B. At one time, some 40 years back T. B. was an ailment as fatal as cancer and the only treatment was having pollution free and light environment supported by general antibiotic medical treatment. The most popular places of stay for T. B. patients climatization were in Switzerland. The wife of Pt. Nehru, Smt. Kamala Nehru stayed there in pre-independence time. In India the only such place is in Nainital. Such place is known as “SANATORIUM”

We are referring it from the angle that hotels situated in hills may convert a part of premises in designated Sanatorium along with optimal residential medical staff including doctors, Nurses and supporting ground staff.

- A part of property may be converted in to a small permanent market as per the status of the hotel. Generally, even now, we have outlets in most of the big hotels but they are meant for the clients staying in the hotel only. We have seen few shops of local items and products in hotels of hill areas and some remote or traditional/historical areas. Our suggestion is that small permanent market so established be made open for outsiders also.
- Since there would be less occupancy in hotels, a part may be converted in to small sports and fitness complex open for occupants /clients staying in the hotel as well as for outsiders. This small complex may have facilities like SPA, Yoga, fitness centre, gymnasium, swimming pool, saloon and parlour, mental fitness centre or clinical psychology centre as well as special arrangement may be made for indoor games like Billiard, Squash, Table-Tennis etc. Card room with Bar and snacks may also be started after proper licensing. Some of the halls and big rooms may be converted in to such indoor activities area.

- As far as catering and dining activities are concerned the Bar and Restaurant should be opened to general public and a reasonable discount may be offered in the existing menu rates. As there would be lesser seating capacity in the restaurant due to maintenance of distance between tables, some space, if available adjacent to the existing restaurant may be annexed with the dining area.
- Along with indoor dining, home delivery services may be started for the food items after tie up with the suppliers/ service providers like Zomato. The hotels can have special conditions settled with suppliers/service providers as regards hygiene and other aspects relating to delivery as per their own standards. In case hotel is capable of arranging delivery by itself, it would be more fruitful because the staff of the hotel meant for housekeeping and room service may very well be engaged as delivery person.
- To adjust the catering staff the restaurant can also try to have orders for packed meals for offices and shops in the market etc. In this also service staff would be adjusted.
- For Educational Institutions related to hospitality, if facing the problem of less admissions of the students, part of the premises may be converted into full flagged restaurant and motel or guest house, because most of the educational institutions are on the highways or on bypass roads.

The other alternative is that the canteen be run by hotel and catering management staff instead of giving it to some outsider i.e., contractor. Thus, the catering and ground staff may be engaged in these activities.

The restaurant, canteen, motel and guest houses would also be used for the training of the students.

In the institutions like universities or big groups having several courses, the lunch for all the faculty members and staff may be provided by the institute of hotel management on payment basis. It will also engage many employees of the institution.

To maintain proper admissions in the new session i.e., 2021-22, fees may be reduced considerably and scholarship may be announced. Incentive of 20% reduction in fees of existing students may be offered for providing new admissions and 20% cash incentive may be given in case the new admission is given by final year or

passing out student. If proper strength of new admissions is maintained it would ultimately provide support for retention of the staff including faculties.

4.2 The Personnels

In the hotel and restaurant most of the staff would be adjusted in the alternative activities suggested as regard the industry and institutions.

In institutions most of the ground staff would be adjusted in alternative activities and most of the teachers and technical staff may also be expected to be accommodated.

One more alternative for the personnel is that they should have a clear understanding with the management or employer that they are ready to have appropriate and rational reduction/ deductions in their emoluments instead of being kicked out or compelled to leave. In present circumstances it cannot be advisable for any employee to leave the job because there are almost nil chances to get suitable employment elsewhere as we know that there is an unexpectedly drastic downfall in the hospitality industry, and it would simultaneously affect the institutions dealing with Hospitality Education and Training.

5. Conclusion

The condition of hospitality sector was adversely affected during the COVID-19 and continued even afterward. It was most miserable during the second wave. We believe that for every unfavourable situation and condition, there is a solution. We have to put in appropriate efforts with certain changes and alterations in the existing traditional working of the hospitality sector. The alternatives suggested in this paper would definitely provide relief to a large extend and the hospitality sector would be able to cope with this drastic situation and would come up with a new and innovative working and there will be a boost in hospitality sector including the industry and institutions as well as the maintenance of respectable position of the personnels working therein. ★