

# Raising Standards. Lowering Costs.

A Hospitality Leadership Guide  
For Success in 2023

**HSS**  
A KBS COMPANY



HOSPITALITY  
STAFFING  
SOLUTIONS

# Tough Challenges, Innovative Solutions

The impact of the pandemic and the ongoing recovery period on the hospitality industry cannot be overstated. Losses in staff, talent, business partnerships, and management continue to prove challenging in the midst of an inflationary economic climate and labor shortages.

From shifts in labor dynamics to large-scale consolidation to altered expectations from guests – hospitality is now a different industry facing new challenges.

Leaders in hospitality need to arm themselves with strategies aimed at addressing these paradigm shifts in the short and long-term – all focused on one difficult truth: hotels, resorts, and casinos need to overcome deeper and wider adversities with fewer resources.

HSS, along with its parent company KBS, has compiled a set of practical solutions in this document that can help hotel leaders do what must be done to succeed: raise standards and lower costs.

These strategies are based on very real conversations taking place with hospitality leaders from the C-suite to back-of-house break rooms. We're drawing from decades of experience working in hospitality and from the KBS experience working with industry leaders in a broad range of industries. Today, we're leveraging this experience and applying fresh approaches to cleaning and facility maintenance vital to hospitality leadership looking to grow and thrive in the new world ahead.





**Hospitality is  
emerging from  
the pandemic  
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# Challenges Unique to Hospitality

*Retail, real estate, manufacturing, health care, and many other industries have all faced challenges in recovering from the pandemic. However, hospitality leaders need to navigate a unique landscape in their industry in order to build success in the months and years ahead. This is a result of both the devastating impact of the pandemic on hotels, resorts, and casinos, and some of the quirks that have always existed in hospitality.*

## ○○○ Economic Reality Check

2022 witnessed the blistering return of business and leisure travelers after years of devastation for the hotel business.

As PricewaterhouseCoopers summed it up: “After going through the worst shock to our economy since the Great Depression, U.S. hotels will see RevPAR finish at record highs this year, but economic headwinds are expected to continue to strengthen in 2023, threatening the pace of recovery.”

While the opportunities are many, labor challenges are leaving many hotels unable to capitalize on the resurgence.

## ○○○ Heightened Awareness of Cleaning

If perception is reality, then how consumers view what is clean and hygienic has been drastically altered, perhaps for a generation. According to a survey by the American Cleaning Institute, 85% of respondents say they are likely to maintain the same level of cleaning practices initially adopted during the pandemic. Cleanliness and customer perception has never been stronger.

While this heightened awareness is present in homes and across industries and venues, its importance is magnified in hospitality. Patrons will be closely scrutinizing the cleanliness of individual guest rooms, lobbies, dining areas, fitness centers, hallways, and parking lots and garages.

Expectations have never been higher among wary returning travelers. A recent survey of hospitality customers confirmed that guests’ expectations “have shifted in a big way” with “enhanced health and safety protocols” top of mind. Another poll of nearly 4,600 conducted by management consulting firm Oliver Wyman discovered that “improved health and cleaning is the chief factor impacting the decision to stay at a hotel.”

## ○○○ Labor

The current struggle to align staffing needs with a shrinking and increasingly selective labor force are well documented and a major pain point for Hospitality. Research from the U.S. Travel Association notes that “while the overall U.S. jobs market has now surpassed pre-pandemic levels, the Leisure & Hospitality (L&H) industry still remains far behind in its recovery of lost, and desperately needed, jobs...with 1.1 million jobs still lost.”

Hospitality management is faced with the back half of the COVID boomerang, namely not enough housekeeping staff to meet resurgent customer demand. Precisely at the moment of greatest optimism for a return to profitability, the lack of trained and professional housekeeping staff is clouding the outlook.



## Management Shortage

The staffing problem goes beyond crucial hourly wage employees. The loss of experienced and savvy management personnel exacerbates this challenging environment. In a just-released survey of 2,500 hospitality professionals, “unemployed” and “business closed/downsized” were the top reasons given by candidates looking for employment.

General managers, HR professionals, and maintenance and housekeeping supervisors are in short supply. Many hospitality veterans who were furloughed or laid off during the pandemic have left the industry altogether. Attempts to bring properties back to regular profitability through a well-structured and well-managed workforce are suffering. This is an instance of a “brain drain” that has the potential to inflict damage in both the short- and long-terms.

Looking ahead, hospitality leaders need to overcome these challenges and also employ solutions that take them into account. The quality, cleanliness and service standards that have always been important in hospitality will need even more emphasis. But to get there in the new economic reality, Hospitality needs new strategies.

# Hospitality leaders must navigate challenges today to build success in the future.



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HOTEL

**Solutions  
That  
Change  
the  
Paradigm**

# Focus on Guest Satisfaction, Outsource the Rest

Guest satisfaction and service has always been a core tenet of hospitality. Servicing the needs of guests should be the central focus for managers and staff in any hospitality venue. Yet many of the challenges our industry faces today can distract these teams from this central focus.

Strategic outsourcing is an important strategy in staying on track when it comes to servicing the needs of guests. Their perceived value – and demand for quality, comfort, amenities, and cleanliness – should be the #1 concern for hotel management and staff. Outsourced solutions can also have a positive cascading effect. For example, an outsourced janitorial program can alleviate the management of that particular function but also remove time-consuming tasks such as recruiting, hiring and onboarding for positions.

Successfully managing all the departments in a hospitality venue has never been easy. Today's climate makes that even more difficult. The right partnership with an outside service provider delivers a huge benefit. When correctly executed, an outsourced partnership allows the focus to be on delivering the highest levels of guest satisfaction. As hotel chains look to reestablish brand loyalty with business and leisure travelers this focus is imperative to success.

## With Outsourcing Trust Is Key

This strategy falls apart entirely if outsourcing partnerships are unreliable and untrusted. In fact, the wrong partnerships can lead to eroding quality, frustration and, in the worst cases, lower guest satisfaction. HSS has built partnerships with thousands of hotel properties working with top industry brands for more than 30 years. This focus on hospitality has been combined with the decades of experience its parent company, KBS Services, has in working with industry leaders in retail, business and industry, and logistics.

This type of experience and expertise is essential in building trust with clients to manage outsourced solutions at scale.

Proof is in the success with clients. For example, many clients who have outsourced the management of housekeeping programs have seen cost reductions by as much as 25% while seeing quality scores meet or exceed benchmark expectations.

## Opportunities for outsourcing include:

- + Outsourced Janitorial
- + Renovation Cleaning
- + Deep Cleaning
- + Food and Beverage Staffing
- + Kitchen Cleaning
- + Outsourced Housekeeping
- + Recruiting Management
- + Recruitment and Onboarding Processes



# Bundle Services

While outsourcing presents a solution to streamline operations, the management of multiple vendors can also complicate efforts to focus on key essentials like the management of guest satisfaction. It also represents a lost opportunity to reduce costs. Bundling services can help reduce strain on management. For example:

- + Temporary Staffing and Direct Hire Programs
- + Outsourced Janitorial and Kitchen Cleaning
- + Outsourced Housekeeping

Combining these programs can help reduce costs because their management can be consolidated. In addition, bundling across multiple locations can further drive savings (see section on scale).



## Combining Services Where It Makes Sense

To realize the full value of bundling services, hospitality leaders need to take a full partnership approach. For example, HSS is working with its national hospitality partners to meet challenges through bundled services that combine contingent labor across many departments, direct hire of staff and management, janitorial programs, kitchen cleaning and a whole host of other services. The HSS nationwide network of 90+ offices means that local needs are met with one point of contact but the full national team is leveraged to ensure quality and compliance expectations are met and exceeded. In this way bundling delivers value and quality.

reduce  
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# Work At Scale

Many hospitality organizations have left operational decisions at the local level. This has long been driven by the expertise of general managers, the unique needs of individual properties, and the dynamics of local markets.

Today, however, local managers may lack experience and time to deal with the selection and management of vendors, hiring of qualified talent, and monitoring of overall quality. In addition, hospitality organizations operating at a national or global scale are missing out on a key opportunity to drive efficiency through scale.

In other industries such as retail, commercial real estate, manufacturing, and logistics, high quality and high value facility services are achieved through the scaling of operations. Working with multiple maintenance and cleaning, staffing, and other service vendors on a local basis often leads to uneven results and wasteful duplication of efforts. Consolidation can drive down costs while enhancing results based on high standards. In hospitality, this same approach needs to be adopted across multiple sites.

**Large hospitality organizations may be missing out on key opportunities to drive efficiencies and increase REVPAR**

## Leveraging the Full Value of Scale

**Working at scale is directly beneficial on two levels: better and more efficient service delivery on an individual property coupled with the ability to compare service, quality, and protocols across enterprises.**

**Best practices can be implemented quickly across multiple sites. HSS works with its hospitality clients to alert them to potential savings in one location that can be realized at multiple properties. Once put in practice, these changes quickly impact quality or value – and frequently both. HSS has more than 90 local offices to cover the needs of its hospitality clients. In addition, parent company KBS services more than 70,000 locations across North America.**

**This ability to deliver service at scale is a major value driver to clients across many industries and represents an opportunity for hospitality leaders to change a long-held paradigm in the name of overall value and profitability.**

# Strategically Leverage Contingent Labor

A core housekeeping team employed directly by a hotel is standard practice. However, many hotels turn to contingent labor to supplement this team. Buttrressing existing staff with additional personnel is a cost-effective and effective strategy that eliminates recruiting and management burdens. However, if supplemental staffing is not approached strategically, it can fall flat as an approach and cause major headaches.

For example, adding contingent labor only during an emergency or during surges in occupancy can produce less than desirable results. Staffing firms need time to recruit toward a property's specific needs and should work hand in hand with hotel management to understand their distinct challenges and present tailored solutions.

In addition, staffing firms should be fully vetted and adhere to compliance standards in terms of hiring, onboarding, and training in safety protocols.

Developing a contingent labor partnership with a reputable agency is vital. Balancing between contract and full-time staff can be a highly effective practice long-term.



## Maintaining a Pool of Qualified Talent

**During the pandemic, many staffing agencies focused on hospitality struggled to maintain a pool of talent – there simply was not enough work solely in the hotel industry. HSS worked with its parent company, KBS, to place hospitality cleaning teams in industries that desperately needed supplemental cleaning at their facilities. As a result, HSS has maintained its pool of qualified hospitality talent and is working today with hospitality clients to successfully meet gaps in staffing across the country.**

**In addition, HSS consistently recruits and trains new talent through many grass-roots and digital channels. We interview high volumes of candidates. Maintaining excess capacity through selectivity and screening for the unique skills and background checks required for hotels, resorts, and casinos is an important factor in selecting a staffing partner for long-term success.**

## An Industry Labor Crisis: Nearly 1.1 million leisure and hospitality jobs remain unfilled.





# Consider Outsourcing

As noted above, many HR departments and key housekeeping and facility managers have left the hospitality industry in the wake of the pandemic. Adding to the burdens of the labor shortage is the fact that key personnel required to recruit, interview, hire, and train housekeeping staff are no longer available. For some properties, the option to fully outsource the housekeeping department is an attractive option. Outsourcing offers these properties the ability to maintain cost and quality requirements without the need to recruit, hire, and manage staff.

## Process and Experience Are Key

**Outsourcing requires trust in a partner. That trust should be backed by a process and experience. For example, HSS Outsourcing employs a process called Prep-to-Clean which trains staff on quality standards created with the client. These standards are digitally recorded and managers use the system to continuously monitor and manage quality. Guest satisfaction scores are used as a key benchmark for the HSS Outsourcing team and maintaining or building these scores are a key performance indicator. This service is employed at individual properties as well as with luxury brands on a national scale.**

**trust,  
experience,  
value.**



# Efficiency Through Innovation

Innovation is another key tenet to meeting today's challenges. From technology that helps monitor labor utilization to equipment that can more efficiently clean and disinfect, technology is a major key to raising standards and lowering costs nationwide.

Cleaning technology advancements can help clean spaces faster, use fewer chemicals, reduce labor costs, and minimize overall physical strain. One example from the retail sector saw the KBS Innovation Center implement a new floor-cleaning device that helped reduce costs by more than 25%.

Implementing technology to reduce costs requires a strategic approach, however. Combining strategies such as scale, outsourced expertise and bundled solutions can help ensure that technology investment costs are kept in check and the overall goals of quality and value are maintained.

As the hospitality industry continues to adjust to an ever-changing landscape, it's facing new and more urgent issues. The economic climate, higher customer expectations of cleanliness, and labor and management staffing concerns require solutions that change the paradigm.

Raising standards and lowering costs is an essential part of solving some of the key challenges facing the hospitality industry today.

Higher quality and greater efficiency may seem like a contradiction; however, through a relentless focus on guest satisfaction, bundled services, scaled solutions, automation, and contingent labor or wholesale outsourcing, hospitality industry leaders can guide their organizations through this important recovery period and position it for long-term success. ●

## Partners with Expertise Are Essential

**Innovation investment shouldn't just be a solo endeavor. HSS, for example, has a long history of investing in technological expertise to support the service and efficiency goals of its clients. For example, HSS is a WorkRecords Certified Supplier. To achieve this, HSS personnel passed a rigorous training and exam process on their core product and can offer clients a full working knowledge of the platform by leveraging its powerful capabilities. As a WorkRecords Certified Supplier, HSS can help its clients more efficiently reach their objectives of security and financial control through more in-depth knowledge of the software platform's full features. WorkRecords is a widely used tool for data collection and reporting used to connect workplaces, suppliers, workers, and employers.**





**Technology**  
is a major  
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A modern interior hallway with walls covered in vertical wood panels. A bright, warm light emanates from a recessed area in the wall, creating a glowing effect. To the right, there is a dark-framed glass door set into a dark wall. The floor is made of large, light-colored stone tiles. A white circular graphic element is overlaid on the bottom left, containing text.

**Economics,  
higher customer  
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# Services Key to Raising Standards and Lowering Costs

Focus on guest satisfaction through  
outsourced partnerships deployed at scale.

**Contingent Staffing** ☐

**Outsourced Janitorial** ☐

**Recruitment Process  
Outsourcing & Direct Hire** ☐

**Specialty Deep Cleaning** ☐

**Renovation Cleaning** ☐

**Outsourced Housekeeping** ☐

# The True Cost of Operations

**Determine your true cost of operations by examining all areas that impact the bottom line.**

## ○○○ Labor:

- ☐ What is my current spend across properties for labor related to cleaning and maintenance – including recruiting, managing, taxes and other payroll expenses?
- ☐ How much is spent on consumables such as chemicals, equipment, and uniforms?

## ○○○ HR Expenses:

- ☐ What is the total cost of training, including safety training and skills training for particular specialties?
- ☐ What is the total cost of recruiting, including management and turnover?

## ○○○ Standards:

- ☐ What are the key quality standards at properties that need to be maintained?
- ☐ What are key quality standards that need to be improved?

# Best Practices from Other Industries

**KBS Services, the parent company of HSS, has a long history of partnering with thousands of companies and organizations across a wide range of industries to successfully raise standards and lower costs.**

## ○○○ Retail:

Working with major national and regional brands, KBS has been able to deploy strategies across thousands of store locations that encompass comprehensive facility services. Bundling services, working at scale, and deploying technology innovations has ensured that retail clients satisfy consumer demands for clean stores.


## ○○○ Logistics and Fulfillment:

In one of the fastest growth areas of the economy, KBS is working with companies to maintain these critical facilities nationwide. These 24/7 warehouses and distribution centers depend heavily on automated solutions and centralized command and control systems to ensure quality and consistency across multi-site supply chain locations.

## ○○○ Manufacturing:

Manufacturing plants depend on maximizing output, minimizing waste, and focusing on product quality. By outsourcing a wide range of facility services with KBS, these companies have concurrently driven higher employee satisfaction while freeing up management to address overall operations.





→ lobby  
← library  
← restaurant  
← bar  
← pool

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Learn best practices from  
other industries.

**Retail**  
**Logistics**  
**Manufacturing**  
**Hospitality**







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HOSPITALITY  
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Founded in 1990 in Atlanta, Hospitality Staffing Solutions, LLC ("HSS") proudly claims a leading market share at the world's leading hotel brands and management companies, and looks to continue its expansion into new geographies through organic expansion of its branch office network, strategic acquisitions, and further development of its service capabilities. Hospitality Staffing Solutions earned the 2019 & 2020 Best of Staffing Client Award for service excellence based on client ratings. HSS was acquired in 2020 by Kellermeyer Bergensons Services, LLC ("KBS") KBS is a trusted partner to leading operations and facility managers across 75,000 client locations throughout North America.

[www.hssstaffing.com](http://www.hssstaffing.com)