Abstract

The COVID-19 outbreak in China has turned into a global pandemic. It has affected

people from all backgrounds around the globe and, more so, the hospitality and tourism

industries. Travel restrictions and lockdowns implemented by governments to safeguard

individuals have had substantial economic effects on businesses and employment. Most market

players have either minimized activities or come to a complete stop of production, causing a

cutoff of income streams. This research paper will assess the effects of the Covid-19 virus on

employment and businesses in the tourism and hospitality industry. It will also explore the

strategies that businesses will have to implement in order to thrive in their operations post-

COVID-19. The research implements a phenomenology qualitative research design to

understand the effects caused by COVID-19. This study shows that the virus had effects on

businesses and employees. The effects include loss of employment, business closure, low

income, decreased occupancy rates, and reduced scale of economies. The research study presents

recommendations for businesses and staff in case of a pandemic and raises questions for future

research

Keywords: Covid19; Pandemic; Coronavirus; hospitality; tourism industry; employment

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## The Effects of COVID-19 on Employment in the Hospitality and Tourism Industry

This research paper includes a detailed discussion regarding the effect of COVID-19 on employment in the hospitality and tourism in The Bahamas. The hospitality and tourism industry has always been the first to get affected during pandemics and plagues such as Black Death (1346-1353), Spanish Flu (1918-1920), SARS (2000-2002), H1N1 Swine Flu (2009-2010) and Ebola Virus (2014-2016). The hospitality and tourism industry is currently one of the world's largest and rapidly growing industries that drive the global economy alongside the technology and telecommunication industries (Adeleke, 2005). The industry creates several employment opportunities in diverse areas such as transportation, attraction sites, and accommodation. Hence, trained and skilled employees are pivotal to the success of the development plans and programs constructed by the hospitality and tourism industry; hence, an effective workforce is essential to the hospitality and tourism industry (Aynalem et al., 2016). However, the novel Coronavirus has caused constraints of employment in the hospitality and tourism industry.

COVID-19 has turned into a global pandemic that has affected people from all social, economic, and geographic backgrounds. The World Health Organization (WHO) declared the disease a global emergency on January 30, 2020 (Aynalem et al., 2016). The worldwide outbreak has brought the world to a standstill, causing loss of lives and jobs and derailing economic activities. The hospitality and tourism industry, being one of the largest industries globally, was the first to be attacked by the Coronavirus (Ranasinghe, 2020). Governments introduced travel restrictions and lockdowns to safeguard individuals from the deadly virus. Several international flights, especially from China, have been canceled due to the panic caused by the spread of the virus (Hoque et al., 2020). Consequently, restrictions on international flights and lockdowns have made an economic impact on employment in the hospitality and tourism industry internationally.

Additionally, due to the restrictions, many hotels are empty and anxiously waiting to fill their rooms, causing 70 percent of hotel employees to be laid off or furloughed (Simon, 2020). Coronavirus has strongly affected how consumers spend their money, especially on discretionary goods and services offered in the hospitality industry; there have been major implications in ensuring full employment and decent work. The effects of COVID-19 on the industry has been more devastating than the 9/11 crisis, resulting in lower occupancy rates than in the great depression (Simon, 2020). As a result, most non-essential businesses were forced to close while some remain open, forcing managers to lay off employees, negotiate salary reductions, request employees to clear their outstanding leave, and take no-pay leave (Mensah, 2020).

#### Problem Statement

Whenever there is a pandemic, the hospitality and tourism industry has always been the first to get affected since people cut down on their travel and restaurant budgets first. The industry always bears the heaviest burden of major pandemics and plagues such as Black Death (1346-1353), Spanish Flu(1918-1920), SARS (2000-2002), H1N1 Swine Flu (2009-2010), and Ebola Virus (2014-2016). For instance, the Spanish Flu caused restricted travel for four months, loss of jobs, and loss of lives of 21 million people during that short period. Furthermore, the Swine Flu pandemic led to a massive economic and job loss to the Mexican tourism industry since they lost almost a million visitors over five months.

Since the outbreak of COVID-19, countries have closed their boundaries to foreigners (Chinazzi et al., 2020). The closure of boundaries is a result of tourism's direct role in the spread of COVID-19 since COVID-19 has widely spread most in countries with a high number of tourists. Governments have also come up with measures to control the spread of the disease, including social distancing measures, lockdowns, and travel restrictions. This has adversely

affected the operations of the business in the tourism and hospitality sector. With the closing of the borders, travel restrictions and lockdowns reduced consumer spending, causing the closure of businesses, consequently increasing the frequency of job layoffs in the hospitality and tourism industry. The research will focus on exploring the effects of COVID-19 on employment in the hospitality and tourism industry.

## Research Questions

- 1. What effect does COVID-19 have on employment in the hospitality and tourism industry?
- 2. How have businesses in the hospitality and tourism industry adjusted to the outbreak of Coronavirus?
- 3. What changes do businesses in the hospitality and tourism industry have to undergo Post-COVID-19?

## Significance of the Study

This study was crucial in determining the effects of Covid-19 on employment in the hospitality and tourism industries. The pandemic has affected people from all walks of life worldwide, majorly being the hospitality and tourism industries. Little is known about when the pandemic will come to an end, and there is an enormous uncertainty surrounding the pandemic. Studies done with the pandemic ongoing can be used to gauge the impacts the pandemic will have on employment in the industry.

## Limitations of the Study

When this research study was carried out, the Covid-19 pandemic was ongoing, and there was no known information on when the pandemic would end. The owners and managers may have felt the need to save face for their organizations, and therefore, gave false information or

refuse to participate in the interview altogether. There are also legal issues that come along with the termination of employment of employees, and therefore, managers may have refused to participate in the interviews. Many participants were skeptical of being interviewed for fear of contracting the virus. This prohibited many of the other persons the researcher tried to interview with no avail. Also trying to gain the trust of the participants that the information and identifications given will be kept confidently was a huge concern for all. As qualitative research is time consuming, making appointments with the different managers in the middle of the pandemic also proved challenging as most of them were held up at work. Initially the researcher wanted to have a face to face interview, with protocols in place, but the companies were not allowing non-employees on their properties. The questions in the beginning was hand delivered to companies but some of the participants never received the questions so an alternative of emailing the questions for them to proof read had to be emailed followed by numerous calls for a confirmation.

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#### Literature Review

#### Introduction

The literature review section introduces a background of COVID-19 to provide a basic understanding of its cause and origin. It explains how the virus is spread and the measures to prevent infection and further spread. The section also provides a general explanation of the economic effects COVID-19 has had on the economy, especially the hospitality and tourism industry. The section then narrows down to explain the effects of COVID-19 in the hospitality and tourism industry. It also focuses on how employers and the government are handling the unemployment issue. The section then covers how businesses in the hospitality and tourism industry have adjusted to cope with Coronavirus's outbreak.

## Background of COVID-19

COVID-19 is an infectious disease that has spread worldwide since it was first identified in 2019 in the capital of Hubei China, Wuhan, causing the 2019–20 coronavirus pandemic (Hui et al., 2020). More than 80,000 COVID-19 cases were reported in China. The majority of those cases originating from Hubei and surrounding provinces at the end of 2019. A joint World Health Organization (WHO)-China fact-finding mission approximated that the outbreak of the infectious disease in China was on the rise between late January and early February 2020 ("World Health Organization", 2020). Individuals are encouraged to frequently wash their hands, practice social distancing, and keep their hands away from their faces to prevent infection. Infected persons and their caregivers are encouraged to use sanitized while the public can use simple cloth masks to prevent the spread of the infectious disease. There is currently no vaccine or specific antiviral treatment for COVID-19. The current measures used to contain and cure the

disease include the treatment of symptoms, supportive care, isolation, and experimental means (Singhal, 2020).

## Economic effects of COVID-19 on the Hospitality and Tourism Industry

The economic effects of COVID-19 on the hospitality and tourism industry has become evident since the outbreak. Consumer spending, which largely supports the economy, is dropping tremendously due to fear of contracting the virus, making consumers avoid crowded places like restaurants, stores, offices, movie theaters, and other public places (Chaney & Harriet, 2020). Global economic activities have slowed down due to travel restrictions in some countries and limited transportation (McKibbin & Roshen, 2020). As a result, global stock indices have plunged due to the contraction in the global financial markets. Consequently, massive capital outflows have diluted several currencies and increased fiscal deficits. The plunge in global stock indices has led to a decrease in commodity prices worldwide, thus weakening their trade position and reduce employment opportunities. It has also disrupted the functioning of global supply chains. Disruptions of global supply chains have negatively affected the global economy, especially developing economies. The pandemic shock has hit the Caribbean countries of Barbados, Belize, and the Bahamas since the regions' economies are tourist-based (Meighoo, 2020). The limited social safety caused by the COVID-19 pandemic has wrecked the tourist sector of the Caribbean countries, with the Bahamas experiencing the worst hit. Around 70 percent of the Bahamas GDP is generated from tourism and hospitality, and the sudden drop in tourism has devastatingly affected the country. Furthermore, the closure of the airports and hotels in the area has increased the region's unemployment rate, especially since there is uncertainty on when the pandemic will end. Since COVID-19 has affected the Caribbean

tourism, the region is expected to see the largest economic contraction in 2020 since 1930 (Meighoo, 2020).

The hospitality and tourism industry is a multibillion-dollar industry that deals with consumer satisfaction and depends on disposable income and leisure time available (Novak, 2017). It is a service-based industry that focuses on satisfying a consumer's leisure needs rather than basic needs. The categories of service in the industry include lodging, food and beverages, travel and tourism, and recreational facilities. The tourism and hospitality industry has become the world's fastest-growing industry due to advancements in technology. Online booking has made it easier for travelers to find the cheapest flights. Also, social media has increased the interest of individuals to travel the world and visit various sites. Consequently, COVID-19 has affected several individuals' travel plans, forcing them to postpone and prioritize their health. The hospitality and tourism industry has been hit the hardest among other industries. The industry is vulnerable compared to other industries since it gets more affected during any internal and external shocks.

The rapid increment in the cases of Covid-19 throughout the world has forced most countries to announce sudden lockdown and travel restrictions, which has affected all industries, including the hospitality and tourism industry. The hospitality/tourism industry suffers the immediate repercussions due to the nationwide quarantine, travel restrictions, and the shutdown of bars, restaurants, shops, and non-essential services. Aviation travel has reduced by approximately 95% compared to the same timeline in 2019, while hotel occupancy rates are below 20% worldwide (Cooper & Asmelash, 2020). Coronavirus has had a tremendous effects on the hospitality/tourism industry due to fears of spreading through groups and travel environments. Travel restrictions due to COVID-19 have forced aviation companies to sack

people due to the massive reduction in the number of travelers (Kasare, 2020). The postponement and cancellation of events, sports leagues, conferences, and conventions have caused a downward drift in the hospitality and tourism business. Some countries have initiated curfews and lockdowns, creating an uncertain business environment for bars, restaurants, travel agencies, and B&B's. Consumers have been encouraged to practice social distancing to mitigate the spread of the virus, which has reduced the consumption of the services in the tourism/hospitality industry.

## Effects of COVID-19 on Employment

Keynesian theory of employment, the modern theory of employment, states that employment is determined by the aggregate demand for goods and services (Habanabakize & Muzindutsi, 2018). Keynes suggested that high demand made consumers spend more money, which led to an increase in supply, consequently creating the need for more labor (Keynes, 1936). As a result, the higher the demand for household consumption, the higher the quantity produced, resulting in a higher demand for labor (Habanabakize & Muzindutsi, 2018). Additionally, the virus has caused much panic among consumers, and firms have created market anomalies due to distorted consumption patterns (McKibbin & Roshen, 2020). Following the Keynesian theory of employment, the decrease in demand for goods and services in the hospitality and tourism industry due to the spread of COVID-19 has decreased the demand for labor in the industry, resulting in increased unemployment levels

COVID-19 has rapidly affected the labor market; the effects have proved to be far worse than the 2008-09 financial crisis. As a result, there have been several cutbacks of full-time employees worldwide. The international labor organization reported that by April, global unemployment already stood at around 190 million. Soon after the outbreak, travel restrictions

were imposed, which caused trade shocks. However, the consequences of the lockdowns adopted to mitigate the pandemic vastly surpassed the initial trade shocks. The demand for hospitality and tourism services has declined tremendously since they offer discretionary goods and services, which consists of goods and services that are not necessary to the consumers.

Consequently, the reduction in demand for hospitality and tourism services has led to a reduction in the number of hours worked and job losses. Several workers are unexpectedly finding themselves out of work while there is a surge in unemployment. Viable businesses are constantly going bankrupt due to the reduction in sales except for those receiving government assistance.

Countries that depend more on the service sector and have weak crisis management measures to safeguard individuals against employment termination have experienced much higher unemployment cases.

Unemployment has hit hardest in the aviation sector due to country lockdowns. The aviation sector has retrenched several employees since most airline companies lease aircraft and have to pay their leases, whether they travel or not (Kasare, 2020). The pressure to sack people due to the lockdown of countries caused by the spread of Coronavirus has also affected the tourism and hospitality industry. The negative effects of COVID-19 have intensified in hospitality-related sectors due to reduced activity in the global travel industry (Fernandes, 2020). Furthermore, the reduction of activity caused by the lockdowns and travel restrictions has caused several businesses to shut down. Most hotel industry employees are paid hourly, and there has been a drastic drop in the number of hours worked since the beginning of the Coronavirus crisis. Additionally, the layoffs and reduced hours due to limited travel because of COVID-19 have caused people to feel the effects and find ways to prepare for the future.

The pandemic has had huge repercussions on the economy, disrupting business operations since the demand for goods and services offered in hotels, restaurants, and bars has decreased. Hotels, restaurants, and bars have been closed temporarily due to the decreased demand and to protect individuals from contracting the virus (Ozili & Thankom, 2020). The closure of businesses has resulted in the loss of employment for some individuals while others work from home. The temporary closure of non-essential businesses due to government orders has reduced employers' staffing needs in the hospitality and tourism industry. In developing countries such as Kenya, more than 60 hotels have closed down. Employees who work in those hotels have lost their jobs, an average of 100 workers or more (The East African, 2020)

Another example is the postponement of the Bahamas Carnival 2020 to May 2021 due to actions taken by Governments of the United States and the Bahamas to limit and control the spread of the Coronavirus ("COVID-19", 2020). The cancellation of the carnival affected the jobs of the people employed to work on the carnival.

Millions of people are moving their workspaces to their homes as governments ask employers to be flexible with their work arrangements. As a result, most employers are adopting teleworking to ensure continuity of their daily operations while maintaining a safe distance to curb the spread of the disease. Due to the rise in the number of COVID-19 cases on a daily basis, shifting to the "home office" has become a new norm for several workers. Remote working goes hand in hand with technology, so businesses have been figuring out the apps, tools, and programs to deploy for virtual working. However, the sudden transition did not give employers time to prepare for a work-from-home strategy and change management plans thoroughly. Employees have to figure out the technology to use to ensure productivity and the challenges to expect.

Consequently, sudden changes have aroused many questions and anxiety since it has had a huge

impact on businesses as well as people's personal lives. Furthermore, the main challenges for remote working are a decrease in productivity, lack of control by employer, substandard quality work, and slipping company culture.

Several businesses have taken measures to protect their employees from contracting the virus. Several hotels, restaurants, and bars have voluntarily closed to protect their employees from contracting the virus. The COVID-19 crisis has changed people's lives in unprecedented ways, including imposing emotional challenges on individuals (Craven et al., 2020). Employees who still go to work and are exposed to the virus are being advised to self-quarantine for at least 14 days, a situation that presents financial challenges for workers without paid sick leave. Some companies have implemented measures that are consistent with the most conservative guidelines and change some of their policies to support their employees. Additionally, some organizations are actively contributing their efforts to figure out the right policies to support their employees during this crisis (Craven et al., 2020). Consequently, some of the policies that are being changed include expanding paid leave for workers, preparing state unemployment insurance benefit programs for surges in demand, and helping businesses transition to full-time teleworking. Furthermore, some companies are taking steps to understand their scope and implementation of short-term allowances (Özatay & Güven, 2020). Most countries are taking action to address unemployment concerns to help those who have lost their jobs. In the United States, federal legislation is addressing unemployment insurance benefits by passing paid leave and economic stimulus through Congress.

According to KPMG, the Government of the Bahamas rolled out a COVID-19 fiscal stimulus-response plan that included provisions for unemployment assistance and business loans, among others. Out of the B\$121 million allocated to respond to COVID-19 in the Bahamas, over

B\$100 milliong is geared towards sustaining pre-COVID-19 employment levels ("KPMG", 2020). Since self-employed persons who contribute to the National Insurance Board of the Bahamas ("NIB") are not eligible for unemployment benefits, a temporary program was designed to help them. The self-employed individuals affected by COVID-19 were to receive weekly payments of B\$200 temporarily. Furthermore, other unemployed persons who were eligible for the unemployment benefits under NIB were able to be compensated using NIB's existing unemployment benefit scheme. The government's plan to sustain pre-COVID-19's employment levels included the expansion of the Accelerate the Youth Apprenticeship Program. The program was expanded to provide employment opportunities for young Bahamians to receive training in the construction sector.

## Measures Taken by Businesses and Governments to Cope with COVID-19

At the start of the pandemic, governments had fragmented responses while residents panicked. People's uncertainty and fear led to a near standstill in travel, widespread hotel cancellations, and restaurants' closings. Consequently, restaurants were forced to shift their business entirely to focus on takeout and delivery. Businesses with strong digital presence and solid crisis management strategies were able to commence with their business operations successfully. Restaurant management was forced to adapt by focusing on online orders and deliveries, which represented a fraction of their order volume before the pandemc. Furthermore, companies in the hospitality and tourism industry are currently investing in technology to solve the immediate challenges caused by the pandemic.

Investment in technology has helped businesses bolster new business opportunities to generate revenue that will help compensate employees to prevent layoffs. Hotels and restaurants are more flexible to technology since their products can be easily delivered to their customers.

Consequently, they have been able to power customer experiences and maintain their loyalty via the internet, creating a faster path to recovery. The 2019 novel coronavirus has transformed how businesses operate and how to grow and sustain their customer base (Chen, Wenlan & Wen, 2020). The main concern regarding the transformation caused by COVID-19 is how companies attract customers and promote their products and services. The ability of a business to thrive depends on its marketing techniques. Hoteliers should ensure that they are active in social media by posting about their hotels and activities because most people stay home and are active on social media. They can also use social media outlets to relay vital information on their products and services to their guests. Hotels should also adopt digital marketing strategies, including e-reservation and search engine optimization, to ensure continuity in their business operations. Furthermore, it is expected that online booking will increase through the post-COVID era. Additionally, some of the technologies that will lead to the recovery of business in the tourism and hospitality industry include contactless payments, online and mobile ordering, AI-enabled assistants, security solutions, and health and sanitation monitoring.

Restaurants, hotels, and bars will have to reinvent themselves post-COVID-19 so that their businesses can thrive. The owners of restaurants, hotels, and bars could currently be relying on product selling techniques that will become obsolete post-COVID-19 (Jain, 2020).

Restaurants will have to implement new trends to attract customers. As a result, the island sitting technique will become popular since social distancing will become the norm (Jain, 2020). Island sitting technique involves maintaining a minimum distance between people as opposed to the maximum utilization of space that they were used to before. Additionally, the live cooking counter will engender confidence in customers since they will be able to see their food being prepared from scratch (Jain, 2020). In addition, restaurants, hotels, and bars will have to shift

from serving mixed drinks to serving bottled drinks. Furthermore, restaurants, hotels, and bars will have to maintain a low staff-to-customer ratio before people adjust to sharing spaces with many people.

#### Conclusion

Previously, there was no known vaccine or an identified antiviral cure for COVID-19. As of November 9<sup>th</sup>, there has been introduced to the USA by the Pfizer company a vaccine that has shown to be 90 percent effective. The vaccine hasn't made it to the general public as it is in its Phase 3 clinical trial and not ready to be distributed. Until then the World Health Organization has advised people continue to take measures to protect themselves against the virus.

Unfortunately, the measures even though are geared towards lessoning the spread of the virus, it has caused a drop in consumer spending, which supports the multibillion hospitality industry. The demand for hospitality and tourism services declined remarkably since the industry offers discretionary goods and services, which are not considered a necessity.

Businesses had to reduce the number of hours worked, and there were several cases of job losses in different sectors of the industry. Some employees were forced to work remotely, which proved to be a challenge. Businesses and employees had to figure out the technology to use to ensure productivity. The virus has also imposed emotional challenges on individuals who are still going to work.

This research paper starts with this introduction that provides a background for the research study, including the problem statement and the research questions. The literature review follows. It gives the arguments and the information available before this research. The section covers the history of Covid-19 and its effects on employment in the hospitality and tourism

industry. Methodology section follows; it gives the methods used to collect data and the justification of why the chosen methods were preferred. The analysis and discussion follow to analyze and discuss the findings. The conclusion chapter completes the paper by giving the implications of the research

## Methodology

## Research Design

To explore the effects of Covid-19 on employment in the hospitality industry, a phenomenology qualitative research design was implemented. Phenomenology identifies a phenomenon and concentrates on the subjective experiences derived from it to grasp the concept regarding the structure of the experiences (Tuffour, 2017). The approach, introduced by Edmund Husserl and Martin Heidegger later developed it, studies human experiences and their perception of the experiences (Tuffour, 2017). The phenomenon that the study sought to explore was the COVID-19 pandemic's effects on employment in the tourism industry. Additionally, the subjective experiences of the economic effects on employment in the hospitality and tourism industry because of the pandemic. Phenomenology seeks an in-depth understanding of the characteristics and the effects of the phenomena. Therefore, a phenomenology qualitative research design was most appropriate for the study since it ensures an in-depth understanding of the effects Coronavirus has had on employees in the hospitality and tourism industry by interviewing owners and managers as they work directly linked to the industry and would have the first-hand information. Besides, the design would assist in exploring how travel restrictions and lockdowns imposed to mitigate the spread of the virus affected consumer spending, consequently affecting businesses in the industry and forcing owners and managers to lay off employees.

#### **Ethical Considerations**

The study was carried out as per the University's Ethics guidelines. No subjects were put in harm in any way, and their dignities were prioritized. Written consent was also obtained from the participants before the interviews and answering the questions. The confidentiality of the

participants was ensured by making the responses to be anonymous. Furthermore, the participants had an option to participate in the research voluntarily.

Moreover, they were allowed to withdraw from the study at any stage if they wished to do so.

Besides, the use of offensive and discriminatory language was unacceptable in the formulation of the questionnaire and interview questions. Finally, the works of authors that are used in the study are acknowledged in the reference section.

## Data collection

#### **Interview Process**

The research aimed at collecting adequate data to explore the effects of COVID-19 on employment in the hospitality and tourism industry. This entailed collecting data from interviews of five participants in the hospitality and tourism industry. All participants worked in different establishments in the tourism sector located on different properties and were chosen based on their connection to the tourism industry and their availability to participate in the interview.

There was still a wealth of information obtained from the participants but because of the busy schedules and restraints due to the pandemic the desired number of participants was not achieved, many potential participants were difficult to get in contact with. The methods chosen to perform the interviews were skype, telephone, and zoom. Those methods were chosen at the time because of the constraints and the fear of the corona virus which made the participants more comfortable and willing to partake in the interview. The research questions that guided this study were as follows:

1. What effect does COVID-19 have on employment in the hospitality and tourism industry?

- 2. How have businesses in the hospitality and tourism industry adjusted to cope with the outbreak of Coronavirus?
- 3. What changes do businesses in the hospitality and tourism industry have to undergo to thrive in their operations post-COVID-19?

Interviews were conducted one-on-one by video interviews and lasted for a maximum of 30 minutes. The participants were managers of different businesses and properties in the hospitality industry located in the Bahamas.

Table 1 Participants and the respective industry sector

<b>Industry Sector</b>	Participants	Property
Hotel Industry	1	A
Lodging	1	В
Foods and Beverage sector	1	С
Conference and Events	1	D
Travel and Tourism	1	Е

Figure 1 Participants and the industry sector

One-on-one interviews were conducted between the researcher and the participant via video conference. The researcher reviewed emails to verify that participants had signed and returned the informed consent forms. Interviews started with the researcher restating the purpose of the study, and the requirements of the meetings were also explained. Participants were advised that interviews would last a maximum of 30 minutes. The actual length of the interviews was approximately 30 minutes and was incumbent on the interviewee's time, inclination, and ability to remember information about the effects of COVID-19.

The participants were also advised that they would not get any benefits paid for their participation in this study. All participants acknowledged that they understood the requirements of the study. The majority of the participants answered the research question with great detail and variations of responses. Most participants answered the questions in length. The researcher asked if there were any questions before the interview began. The interviews ended with closing remarks, and each participant was thanked for participating. Participants were assigned pseudonyms from participant 1 to participant 5.

The participants were recruited from five top companies in Nassau, Bahamas. The target organizations included Rosewood Hotel Group that has 230 rooms, Hyatt that has 1,800 rooms, Meliá Hotels International that has 694 rooms, and British Colonial Hilton with 288 rooms. Combined those five hotels make almosr 20 percent of the hotel rooms in the Bahamas and are some of the larger hotels in New Providence. The researcher employed the purposeful sampling method to identify suitable interviewees. The selection was founded on the ability to provide indepth data concerning the subject. Data collection involved one-on-one interviews. The researcher used field notes to complement the audio-taped interview. The field notes helped the investigator to comment and comprehend nonverbal cues and impressions captured by the audio-recorder.

#### Interview Protocol

The following is a sample of questions that were included in the questionnaire:

#### Phase 1

The first phase of the interview consisted of general questions to gather information about the owner's or manager's company:

1.1 What sector does your business fall in the hospitality and tourism industry?

- 1.2 How many employees do you currently have in your enterprise? How many employees did you have before the pandemic?
- 1.3 Where is your company located?
- 1.4 Is your business publicly owned or a private enterprise?
- 1.5 How has COVID-19 affected the cash flow of your business?

#### Phase 2

The second phase of the discussion was to collect their views on how COVID-19 has affected employment in the hospitality and tourism industry:

- 2.1 In general, what has happened to your company since COVID-19 was declared a Pandemic?
- 2.2 Have you stopped operations because of the COVID-19 crisis?
- 2.3 What are the effects on customers, suppliers, and investors in your organization during the spread of the virus?
- 2.4 How has the pandemic affected employees in your organization during the spread of the virus?
- 2.5 Have you had to down sizing decisions with your permanent workers? If yes, what was the reason behind the layoffs?
- 2.6 Have any of your workers contracted the virus?
- 2.7 What employment benefits does your business have to support the employees who have contracted the virus?
- 2.8 What are you doing to protect your employees who hasn't caught the virus and from catching it?

- 2.9 What guidelines and policies have your organization changed to help employees who have been affected by COVID-19?
- 2.10 Do you have any idle workers due to reduced operations? If yes, what actions have you taken to combat the challenge?
- 2.11 What measures has your company implemented to help support employees' physical and emotional well-being at home or work?

## Phase 3

The third phase of the interview incorporated questions about the adjustments businesses in the hospitality and tourism industry have made due to the outbreak of Coronavirus:

- 3.1 In your opinion, was your company ready for such a pandemic? If so, to what level?
- 3.2 What did your company do when the COVID-19 crisis start and what are you doing now to manage?
- 3.3 What difficulties have your business/ organization faced due to COVID-19 and how are you handling them?
- 3.4 In what ways have your company dealt with the financial challenges caused by the pandemic?

## Phase 4

The last stage of the meeting incorporated questions on the new ideas businesses in the hospitality and tourism industry have to undergo in terms of employment to thrive in their operations post-COVID-19:

4.1 What impact of COVID-19 on your business/ organization do you expect for 2020?

- 4.2 What technological changes do you expect for your organization to thrive post-COVID-19?
- 4.3 What has your business decided to do in terms of training employees regarding the future of the business and COVID-19?

Video interviews were conducted with subjects who were willing to participate in the study to collect qualitative data. Video interviews are a popular means of communication via long distances. The apps that enable face-to-face communication through technology include Wimba, Skype, Google Chat, Adobe Connect, and Apple's Face Time. Video interviews are much like a traditional interview, except the fact that the interviewer and interviewee are in different places. The interview took place synchronously, with the researcher and the participant communicating through a technological device. The managers and owners were interviewed for information regarding the effects of COVID-19 in their businesses. The owners and managers of various companies in the hospitality and tourism industry were contacted via email and phone calls to set dates for the video interviews. The participation in the video conferencing interview was optional, and the results collected were not linked to any particular participant. The first phase of the interview consisted of general questions to gather information about the owner's or manager's company. The second phase of the discussion was regarding their views on how COVID-19 has affected employment in the hospitality and tourism industry. The third phase of the interview incorporated questions about the adjustments businesses in the hospitality and tourism industry have made due to the outbreak of Coronavirus. The last stage of the meeting incorporated questions on the reinventions businesses in the hospitality and tourism industry may have to undergo in terms of employment to thrive in their operations post-COVID-19.

Conducting qualitative research by using face-to-face interviews via video is beneficial since it ensures accurate screening by the researcher. The probability that the interviewee will provide false information is low since conducting video interviews enables the investigator to capture verbal and non-verbal cues that indicate whether the participants are excited or uncomfortable with the topic under discussion. Also, given the commonality of online surveys, the interviewer can ensure the interviewee completes the questions in a video interview. Conclusively, given the nature of COVID-19, interviewing participants via video, is more convenient to ensure social distancing, which has become the new normal throughout the world. However, there are downsides to video interviews, such as the inaccessibility to stable and fast internet. The main disadvantage of videoconference interviews is its need for superior technology that requires more than just a primary technological device and internet connection. Another problem, poor video quality, can diminish the process of asking and answering questions during the interview. Moreover, technical difficulties can cause significant delays that mess up with the schedule of the research. The interviewees might also hide their videos, posing a setback on the interview process.

## Data Analysis

Analysis of results assists in the understanding of the problem statement from within and viewing it from different perspectives. Results reported are based on the methods used to collect data. Data analysis entailed an interpretative phenomenological process in which the investigator put self into the shoes of the interviewees. The audio was transcribed, and the information was grouped into themes using the coding technique. The data collected was presented in graphs and charts to help the reader understand the data. The research questions were grouped to look for similarities and differences. Furthermore, the data collected was grouped to determine whether

there is a relationship between COVID-19 and the effects on employment in the hospitality and tourism industry. The collected data was analyzed using NVIVO. The analysis proved the propositions that COVID-19 increased unemployment cases in the hospitality and tourism industry. The analyzed quantitative data was used to conclude the research.

The collected data was analyzed using NVIVO. The coding process identified topics, similarities, and differences. The NVivo12 software was utilized to facilitate theming and coding procedures. The information was grouped based on similar ideas together and any underneath each topic was a subtopic that was related. The researcher also made sure that the topics were all unique to differentiate so when retrieving the information, it was easier. There were times when the information given by participants were similar but could be used in different areas, the researcher had to separate them even based on its use in the research paper. The analysis proved the propositions that COVID-19 increased unemployment cases in the hospitality and tourism industry. The analyzed quantitative data was used to conclude the research.

Word clouds can be comprised of phrases or text as a unit of analysis to understand the data further. For this research study, the option of 50 words was used from transcribed text to emphasize the frequency of words. The figure below details the word frequency of words. The word cloud is a visualization of themes and words identified. The frequently mentioned words were: *business, employees, operations, affected, workers, government, and pandemic*.



Figure 2 Data Coding

## **Analysis and Discussion**

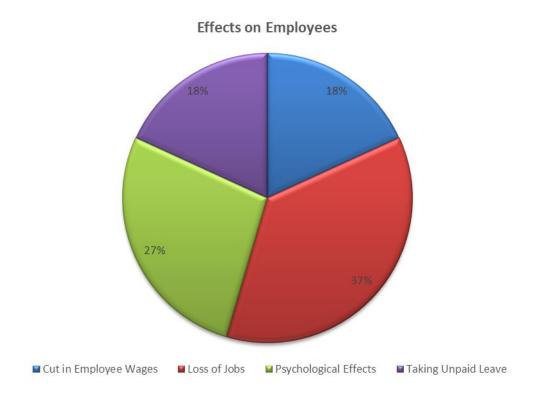
## Introduction

The study began after the completion of the verification phase of the transcripts.

NVivo12 software was used to sort the data of the transcribed files. The NVivo12 software assisted in managing raw data into meaningful themes through the use of the index and search features. The transcriptions were coded for word frequency using the NVivo12 software. The coding process identified topics, similarities, and differences.

The following sub-sections provide a discussion of the specific research findings.

# Effects of COVID-19 on employment in the hospitality and tourism industry Effects on Employees



**Figure 3 Effects on Employees** 

## Cut in Employee Wages

According to two participants, COVID-19 has led to employees getting wage cuts. Participant 1 reported that employees had been affected financially because they were paid from the companies' profits. Due to COVID-19, companies are not making huge profits hence employees have taken pay cuts. Participant 1 said, "Financially, they have been affected as well. Employees get paid by what we make - The profits. At some point, they had to take pay cuts. Pay cuts in such a time when we all need to make more can be disheartening and worrying." Some companies have opted to reduce employees' salaries instead of terminating them or sending them on unpaid leave. According to Mensah (2020), employers have been forced to negotiate with their workers so that they can take a pay cut instead of losing employment. Employees need to take pay cuts so as to ease operations in the hotel industry (Bhatia, 2020).

## Loss of Jobs

Four participants reported that employees had lost jobs due to COVID-19. Participant 2 stated that they had to reduce their staff as there was little activity and little revenue. The participant added, "Covid-19 will have huge effects on the business past 2020. Most of the employees will suffer permanent job loss." Participant 3 mentioned that they had been severely affected due to cancellations by international guests who are their main source of income, leading to a reduction of employees. Participant 3 noted, "We have terminated contracts for temporary workers. All this is due to loss of business, which makes it impossible to keep all our staff." Participant 4 stated that more than half of their workforce, which comprises of permanent employees had been let go. This decision was informed by the sudden shutdown of essential operations, which made it untenable to keep the employees. Participant 5 mentioned that it was hard to continue paying their employees because they were not making any profit hence letting

them go. Franck (2020) stated in his CNBC column that the leisure and hospitality industry has been the worst hit during this pandemic. He termed the loss of jobs in the industry as 'a torrent of layoffs. According to his article, more than 7.7 million jobs have been lost, which translates to a 47% loss in all jobs. Employers are no longer in business, so they have no money to pay the employees. In the Caribbean, it is predicted that 1.2 million people will lose their jobs in 2020 due to the pandemic (Mohammed et al., 2020). Quarantines and physical distancing measures implemented in various parts of the world to stop the spread of the virus are also considered a cause of the job losses (CEPAL, 2020)

## Psychological Effects

Three participants reported that employees are experiencing mental health challenges like anxiety, depression, and compulsive behavior. Most of the news outlets are reporting anxiety and depression as a normal condition in the COVID-19 pandemic. In the United States, a survey indicated that nearly 40% of the people felt anxious about becoming critically sick or succumbing to the virus (APA, 2020). In the Caribbean and other parts of the world, historical information shows that virus outbreaks, such as the Severe acute respiratory syndrome (SARS), lead to post traumatic stress disorder, disease-related anxiety, and depression (Mak et al., 2020). The loss of jobs and the death of family and friends has created difficult emotions for many. Participant 1 stated that employees have been worried about being infected because of earlier visitors in the business, given that there were asymptomatic cases. They were worried about all the different people they interact within this industry and given that there are close people they get to interact with after work. Participant 2 said, "Until we got our first case in the Bahamas. This made the local people and those who were on vacations worried a lot." Employees were initially very concerned, given the nature of business. Most times, they pick the clients from

airports and guide them to their destinations. Participant 3 noted, "They felt exposed, and we felt the same too. There was little known about the disease at this time. With time, we had to stop these visits, fortunately." Participant 4 said that employees have been affected both psychologically and financially. They can no longer settle basic needs, which has put them under a lot of pressure from their dependents.

## Taking Unpaid Leave

Two participants pointed out that employees in the hotel and tourism industry have taken unpaid leave. Participant 3 stated that some of the workers have had their contracts terminated while the others sent on unpaid leave. Participant 3 noted, "Most of the permanent workers have been sent on unpaid leave, but they receive weekly support from the company." Participant 5 added that employees have experienced hard times because they have been sent on unpaid leave. The participant said, "Our employees have had tough times as we had to send them on unpaid leave." The hotel industry has been one of the hardest hit by the pandemic. Businesses are no longer in operation; employers have sent employees on unpaid leave. Özatay & Güven (2020) have argued that employers have made some policy changes, including expanding paid leave for workers to unpaid leave. Employers can force their employees to go for unpaid leave if there is not enough available work. Forcing employees to take unpaid leave has been one of the effects of the Coronavirus due to a decrease in demand for products and services in the hotel and tourism industry. Lockdowns have led to a decline in demand; thus, employers have asked their employees to take unpaid leave

## **Effects of on Suppliers**

## Reduction in Supplies

Two participants stated that suppliers have reduced their supplies to businesses.

Participant 1 reported that some supplies are no longer needed due to the close of businesses, while others are needed in small quantities. Participant 1 said, "Some suppliers were not able to maintain their usual supplies. Some of the supplies were not needed in large numbers. Some were slow in deliveries because they had most of their staff working at home." Participant 4 mentioned that suppliers have quit supplying their goods the slow cash flow has affected their ability to clear previous debts. Coronavirus has disrupted the functioning of global supply chains. Disruptions of global supply chains have negatively affected the global economy, especially developing economies (Meighoo, 2020). Suppliers do not have places to supply their products and services due to a decrease in demand. Supplier employees become affected when the supply companies are facing a decrease in profits.

## Loss of Trust

Two participants mentioned that suppliers have lost trust in the leisure industry.

Participant 3 stated that suppliers are not willing to supply products to them because they think that they would not be paid. The participant said, "Our supply chain has been badly affected as suppliers are quite hesitant to lend us goods owing to the hard-hit our business has taken from the pandemic." Participant 5 echoed the same sentiments by saying, "On the other hand, the huge effect on the business has made suppliers doubt our ability to pay them. This has badly affected our supply chain. The video conferencing wave that has swept the world has made investors question the future of the business hence holding back the capital we need to salvage

*the business*." Suppliers have become skeptical in supplying to the hotel industry due to the loss of business (Deloitte, 2020). This affects employment in the supplier company and the purchaser.

#### **Effects on Customers**

Customers are the source of income for businesses in the hospitality and tourism industry.

A reduction or loss of customers means that the business will make lesser profits. A company making lesser profits will, in turn, affect its employees in trying to stay afloat.

## Canceling of Bookings

Two participants reported that customers have canceled their bookings in hotels.

Participant 2 stated that customers have canceled their reservations because they cannot hold their events. Some customers have also canceled flights due to coronavirus lockdowns.

Participant 2 noted,

"Some hurriedly left, and locals got back to their places to keep safe. Bookings were canceled, with some of the logistics already put in place. It was hard for the business. Those who had booked had to cancel flights and reservations."

Participant 5 added that customers could not travel due to Covid-19 restrictions, and most of the countries have locked their airports so customers cannot fly. Participant 5 said, "Our customers are the worst hit as they can no longer host events. This is due to the Covid-19 restrictions and reduction in income." When there is a cancellation in visits, businesses suffer revenue loss results, which in turn affects employment in the business (Nhamo, 2020) While the reduction of employee days in some areas were slightly reduced in the beginning of the pandemic eventually the decision was made to temporarily and permanently lay off employees.

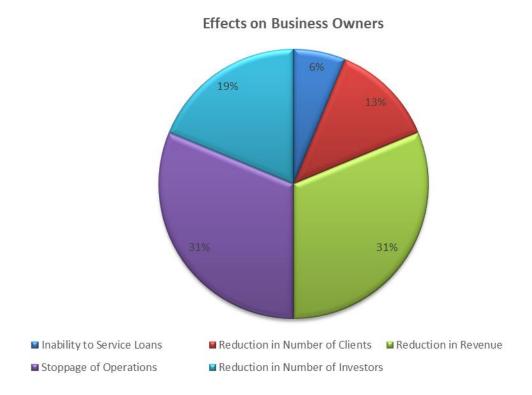
## Effects on Customers Budgets

Participant 2 reported that some customers had been caught up by the pandemic because of travel bans; they had to stay in a hotel that increased their budgets, "Some customers were caught here when the ban of flights happened. This affected their budgets as they had not planned to overstay." Customers usually plan to go on holiday for a specified period of time, but due to the coronavirus pandemic, customers have been forced to overstay for holidays because they cannot travel back to their countries. This has led to the customers spending more than they had anticipated in their plans. This was good for the hotels room revenue as it was increased but for the restaurants the revenue decreased as hotel guest were less comfortable spending excessive amounts of money on food due to the level of uncertainty on how long it would be until they were able to go home. This also led to the decrease in employees' days and for those who work on gratuity and tips less on their salaries. The strained spending is not enough to sustain the businesses and therefore putting businesses at risk.

## Inability to Travel

Two participants reported that customers could not take holidays due to travel bans and because they did not have money for vacations. Participant 2 said that some countries had locked their airspace, so even working with other locations could be challenging. The participants added that it started with not getting visitors from some parts of the world after the areas were put on lockdown by the governments. The banning of movement affects clients from those areas and the clients who would use that area to connect to other flights. Participant 3 said, "Customers are the worst hit as they no longer go to work, which means inability to take holidays."

#### **Effects on Business Owners**



**Figure 4 Effects on Business Owners** 

#### Inability to Service Loans

Participant 5 said that business owners could not service their loans. Companies are not getting any business, and most of them have closed down. Loss of revenue means that they are not able to repay their loans. Participant 5 said, "Servicing our loans has become a huge problem."

#### Reduction in Number of Clients

Two participants stated that business owners are experiencing a reduced number of clients. Participant 1 reported that they are not getting many customers as they used to because most of them are taking precautions and do not want to contract the Coronavirus. The participants said, "Our customers reduced. Probably because they were taking precautions or other things you can only speculate, but you cannot say." In addition, customers have lost jobs

or are experiencing low incomes; thus, they are not in a position to do business will company owners. Participant 4 reported, "All parties involved have felt the crunch caused by the pandemic. Customers no longer have the income to purchase our products." According to Kasare (2020), Coronavirus has had a tremendous effect on the hospitality industry due to fears of spreading through groups and travel environments.

#### Reduction in Revenue

All the participants reported a reduction in revenue in businesses in the hospitality/tourism industry. Participant 1 said that business owners make money by providing services to clients. With low numbers, then there will be less profits made. Low profits lead to the business making difficult decisions to try and sail through until the pandemic is over or when things get better. Participant 2 added that the lack of business has led to reduced revenues, making it hard to sustain it. The business's value has also suffered a huge hit, hence making recovery efforts harder (Hu et al., 2020). Cash flow has been affected since our major operations have shut down. Participant 4 said, "Owing to the depleted demand for our products and services, we have seen a huge drop in revenues. This has led us to shelve development projects geared towards expanding the business." Participant 5 pointed out that the industry has taken a huge hit in cash flow as services are no longer in demand. The participant said, "We have lost more than 90 percent of the business. The Covid-19 regulations are against public gatherings, which form the bulk of our business." The effects of Covid-19 have changed the business for the worst. Not only has business lost revenue streams, but also market capitalization has hugely dropped. Baskas stated that Coronavirus has led to low occupancy in hotels, meaning that such hotels' revenue has gone down (Baskas, 2020). Lack of business caused many businesses to close down; hence there is a reduction in revenue (Gössling et al., 2020).

### Stoppage of Operations

All the participants also stated a stoppage in operations in their businesses. Participant 1 pointed out that the hotel industry had been hugely affected by the pandemic; visits and reservations dropped; visitors are afraid of flying out to other countries while some countries have put restrictions that their citizens cannot fly out (DâSilva, 2020). Participant 1 noted, "We have reduced activities, but we have not stopped completely. Some areas are probably not being utilized as of now, but we have tried to stay in business as much as possible." Participants 2 and 3 reported that operations in their facilities have come to a halt. Some of their facilities have been turned into isolation centers so that they cannot conduct business on such premises. Participant 2 said, "Yes. We could not get people to fly into the Bahamas, and we, therefore, had to stop operations. We had a few staff though to run the things around, but we had come to a stop." Participant 4 added that most of their operations have stopped, and the remaining operations generate money for running the business and paying salaries, "Majority of our operations have ceased with the few remaining operations only generating income which goes towards paying wages." Participant 5 shared the same sentiments by saying that the halting of operations led to workers' idleness. "Most of our operations have come to a halt. Reduced operations mean our workers are not as busy as before."

#### Reduction in Number of Investors

Three participants noted that the number of investors in the hospitality and tourism industry had gone down. Participant 1 stated that investors are not willing to invest in the industry, and most of them have gone silent, "For the investors, we have not been able to hear a word from them and there is nothing I'd say about them." Participant 3 said that investors have been uncooperative in support of business in the hospitality industry because they see it as a

failed industry, "Investors have been quite uncooperative as they paint a grim future for our business and the entire industry." Participant 4 added that investors are skeptical about releasing funds as they are uncertain about the future of the business during this crisis, "Investors' withdrawing their capital has seen the value of the business shrink by a huge margin." Every investor is out to make a profit; investors rarely put their money in a risky business. Due to the Coronavirus uncertainty, investors have become reluctant to put their money in the hospitality and tourism industry. Investors do not see any success in the industry in the near future. Investors are not willing to invest in businesses that are not making profits (Clemens at al., 2020).

Ways businesses in the hospitality and tourism industry adjusted to cope with the outbreak of Coronavirus

## Employee Benefits and Incentives

# (i) Financial Support

Three participants reported that they supported their employees by providing them with financial support. Most employers have sent their employees on paid leave. Participant 1 mentioned, "We give paid leave for our employees in quarantine or isolation that does not count against their annual leave quota." Participant 2 stated that employers have introduced policies to help in financially supporting their employees, "However, the Covid-19 situation has forced us to revise our policy whereby we have introduced financial perks to support the families of our sick employees." Participant 3 stated that they have come up with a program of sending financial support to employees each month even when they are not working, "Employees are facing turbulent moments because they depend on the business to earn their income. Nevertheless, we have come up with a stimulus package where we offer a monthly stipend to cater for basic needs." One of the major ways of helping and motivating employees during disasters is the

provision of financial support. Most of the hotel industry employees lack financial independence, so employers have come up with ways and incentives for financially supporting employees.

#### (ii) Medical Cover and Provisions of PPEs

Three participants pointed out that employers are paying for hospital bills and providing personal protective gear to their employees. Participants reported that employers have taken the necessary precautions given by the health officials. Isolation for the infected and quarantine to those who have been into contact with the infected. Participant 1 said, "Because after all, I think it all comes down to how someone understands the current situation, but we are trying to provide personal protective equipment, masks and hand sanitizers for our employees." Participant 2 stated that sick employees have been taken to quarantine centers, and the employers have catered for the bills, "The ailing employees were taken to government quarantine centers. Our company policy has always been to settle the medical bills of our sick employees." Employers also conduct regular tests to ensure that the employees are safe. Participant 5 added that they have placed sick employees in quarantine centers and given their families risk funds. Participant 5 noted, "We placed the positive workers in government isolation centers. Employees who had interacted with positive cases were required to self-isolate for 14 days. In a bid to support our positive workers, we have introduced a risk fund to support their families. And to ensure we do not record new cases, we have procured protective gear and put a lot of emphasis on adhering to the preventive measures." Employers have taken the initiative of providing healthcare to their employees.

### Ways of Cutting Expenditure

# (i) New Repayment Terms for Loans

Two participants reported that employers have negotiated for new terms of servicing their loans. Employers have been faced with a reduction in revenue or no revenue from their business, which has forced them to seek new terms of repaying loans. In addition, employers have talked with their lenders to convert loans into owning part of the business. Participant 3 said, "Additionally, we have had to renegotiate our loan repayment plans with our lenders. Also, we are in talks with lenders to convert the loans into a stake in the business." Participant 5 shared similar sentiments. Most businesses have had talks with their lenders to have a longer period of repaying their loans or get more loans to support their businesses.

# (ii) Canceling of Major Projects

Participant 4 stated that some employers have canceled their major projects to reduce expenditure, "We decided to cancel all major projects, and this enabled us to save significant resources." Money that was going to finance such projects would be used to cater for necessary operational costs such as payment of wages and servicing of loans. Stopping projects is a way better to reduce expenditure because the money allocated for such projects can also be used to keep business afloat or be used in emergency cases (Buchheim et al., 2020).

# (iii) Firing Employees

Participant 5 suggested a painful way of reducing expenditure; the sacking of employees. The participant said that they fired some of their employees to reduce costs, "Firstly, we had to fire some employees to salvage resources to fund important operations." As the effects on businesses of the Covid-19 pandemic becomes more severe, employers increasingly have to consider, often as a matter of urgency, how to respond in terms of cost savings and the balancing

of the needs to retain staff and reduce labor costs. Some employers have resulted in the retention of employees or declaring redundancy (Jane, 2020). None performing employees have been laid off to cut costs.

#### Alternative Ways of Generating Revenue

#### (i) Selling Assets to Raise Funds

Two participants stated that they sold their assets to generate revenue. Employers are selling their unneeded assets to get money for running their businesses. Also, some employers are leasing their assets to get extra income (Shaun, 2020). Participants 3 and 5 reported that they were selling some assets to raise money to keep the business alive. Participant 3 said, "Currently, we are offloading unnecessary assets and bringing strategic investors on board. This, we hope, will help keep the business afloat throughout the crisis and beyond. We have started leasing and selling our less important assets like jet skis and boats."

#### (ii) Government Stimulus Package

Three participants said that they had benefited from the government's stimulus packages. Most governments have come up with ways of supporting the hospitality and tourism industry through the provision of capital and loans at small interests. Participant 4 noted, "Apart from digging deep into our coffers, we have largely benefited from the government's stimulus package in a bid to save key sectors of the economy." Participant 5 said that they have received capital from the government, which has helped them in boosting their businesses. Participant 2 mentioned that they were in talks with the government to bail them out through capital or low-interest loans.

#### (iii) Use of Investors

Four participants said that they were seeking investors to finance their businesses or become partners. Participant 2 stated that they were are seeking investors to acquire a stake in their business. Also, they are willing to educate their employees on viable investment opportunities that can survive such a pandemic. Participant 3 pointed out that they were in talks with international companies to buy a stake of their business as a way of generating extra revenue. The participant said, "We are in talks with an international company to buy a significant stake in our business. All this is in a bid to save the business and the jobs dependent on it." The participant added that they were running emergency accounts and partnerships with strategic lenders to bail them out of such events. Participant 4 reported that they had gotten into an agreement with local banks to partner with them, "Fortunately, we have secured investment from local banks interested in becoming part of our shareholders." To generate more revenue, business owners have engaged investors to support their businesses through capital or by becoming partners. Investors who have become partners have a stake in the business. Having investors will provide more capital for the expansion and keep the business running.

Changes that Businesses in the Hospitality and Tourism Industry have to undergo to thrive in their Operations post-COVID-19

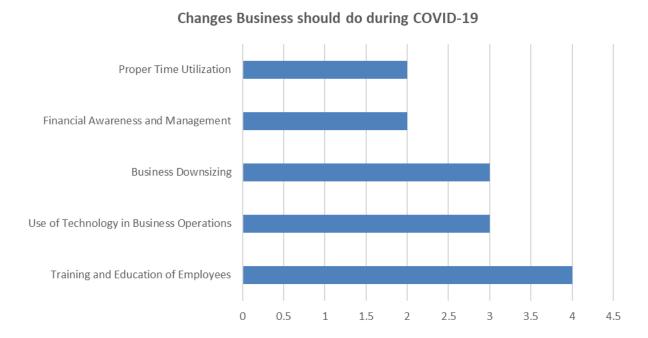


Figure 5 Changes Business should do during COVID-19

#### **Training and Education of Employees**

Four participants identified the training and education of employees as a key change to make. Participant 1 said that they have educated both employees on safety measures to take during the pandemic. Employees have been educated on adherence to government measures, including maintaining social distance, wearing PPEs. Employers use the ample spare time to train employees on safety measures to keep themselves and facilities safe. Employees are also being trained in investment opportunities (Avik, 2020). Participant 3 said, "Moreover, it is a chance for employees to innovate new business strategies." Participants 4 and 5 said that they would teach their employees financial management and disaster preparedness. Participant 4 stated, "Employee training will not only be based on work ethics and performance. It will also include financial education and survival tactics to caution against such life-changing

pandemics." Participant 5 saw the Covid-19 pandemic as a learning opportunity for the business. The participant said that all employees would be trained on preparedness, especially when it comes to finances.

#### **Use of Technology in Business Operations**

Three participants suggested the use of technology in the industry. Participant 2 said that the tourism and hospitality sector must evolve to stand a survival chance to post COVID-19. It will need to adopt technology such as virtual reality to caution the business against future pandemics. Participant 3 suggested the use of technology in holding meetings. The participant said that they are planning to make video conference technology available to all their rooms so that guests do not have to convene at the conference halls, "Video conferencing technology will be a huge turning point for the business. Unlike the conferencing halls we used to operate, we are looking at making every room in our facility a conference center of its own." Participant 4 said that they would come up with ways of advertising their products and services through online platforms. Also, they will create online channels where clients can order their products, "Food and beverage delivery will be a top priority for us. To achieve this, we will require a strong online presence, and this calls for heavy digital marketing." Chen, Wenlan, and Wen (2020) have argued that for businesses to stay afloat, they have to come up with ways of transforming how businesses operate and how to grow and sustain their customer base. The main issue in business transformation caused by COVID-19 is how companies attract customers and promote their products and services. According to Goodwin Procter LLP, people in the industry should ensure that they are active on social media by posting about their hotels and activities because most people stay at home and are active in social media. Hotels should also adopt digital marketing strategies, including e-reservation and search engine optimization, to ensure continuity in their business operations. Furthermore, it is expected that online booking will increase through the post-COVID era. In addition, some of the technologies that will lead to the recovery of business in the tourism and hospitality industry include contactless payments, online and mobile ordering, AI-enabled assistants, security solutions, and health and sanitation monitoring (Wong, 2020).

#### **Business Downsizing**

Three participants stated that they were downsizing their businesses so as to reduce costs and cope with the pandemic. Participant 2 reported that as soon as the crisis struck, they had to downsize their workforce so as to save resources. Most operations have been halted, and some of the unnecessary assets have been sold or leased. This is a move aimed at raising money to keep workers and salvage businesses (Baum et al., 2020). Participant 3 stated, "To cope with the emerging situation, we had to find ways to keep the business afloat, and this included reducing our workforce and restructuring debt."

#### **Financial Awareness and Management**

Two participants reported that going forward, they will train their employees on financial management. Participant 2 said, "We will need to train employees on the importance of planning their finances with the future." Employees have to be trained on how to manage and invest their finances and prepare for any eventuality. Lack of preparedness has led to financial difficulties when employees have been terminated or sent on unpaid leave (Ozili et al., 2020). Participant 3 noted, "The most important aspect of training will be about preparedness. Had our employees been prepared, they would not be facing the financial difficulties they are currently going through. Also, we will have an emphasis on financial discipline and the importance of investing."

#### Conclusion

The hospitality and tourism industry is going through a devastating time due to the outbreak of COVID-19. Many international and domestic airlines are forced to cancel their flights because of inadequate travelers as individuals are panicking due to the spread of COVID-19. The purpose of the research paper was to explore how Coronavirus has affected employment in the hospitality and tourism industries. The research study explored how businesses in the hospitality and tourism industries adjusted to cope with Coronavirus, and the reinventions businesses in the hospitality and tourism industries have to undergo to thrive in their operations post-COVID-19. As the research has shown, the virus has created tremendous harm to the economy. It has been suspected that the effects will continue until there is a cure or a vaccine for Coronavirus.

The outbreak of COVID-19 has radically altered the labor market. Social distancing and lockdowns have led to the rapid shutdown of businesses. Consequently, there has been a sharp decline in the consumption of hospitality and tourism services. The pandemic has induced anxiety and uncertainty that has affected consumers' willingness to spend. The number of hours worked by employees reduced; some lost their jobs, as the research study has proved. Others were forced to work from home.

The economic effects on the hospitality and tourism industries have altered the market.

Companies need to use creative and innovative strategies to navigate through this challenging time. As shown in the research study, businesses are evaluating strategies to strive and survive through the pandemic. Some businesses are implementing strategies that are known to be safe for

their businesses, their staff, and the patrons. These measures include the use of technology to minimize physical contact.

# **Table Summary**

Effects on Employees	Cut in employee wages
	• Loss of jobs
	Psychological effects
	Taking Unpaid Leave
Contri	buting factors
Suppliers	Employees affected due to reduction in supplies
	• Loss of Trust
Customers	Cancelation of bookings
	Negative effects on customers budgets
	Inability to travel
Business Owners	Inability to service loans
	Reduction in number of clients thus low profits
	Reduction in revenue
	Stoppage of operations
	Reduction in number of investors

# Coping with the outbreak of Coronavirus to cushion employees

Employee Benefits and Incentives	Financial Support
	Medical cover and provisions of PPEs
Cutting Expenditure	Negotiate new repayment terms for loans
	Canceling/rescheduling of major projects
	Firing employees
Alternative Ways of Generating Revenue	Selling assets to raise funds
	Government stimulus package
	Use of Investors
Changes Business should do during and Post	Training and education of employees
COVID-19	Use of technology in business operations
	Business downsizing
	Financial awareness and management

Figure 6 Table of Summary

The whole of the tourism and hospitality industry will suffer from backlash post-COVID-19. People will still avoid confinement in small places, including dining out in restaurants, traveling, and going to clubs. Businesses that are set up in small spaces will have to be reinvented with new techniques to minimize human interactions. It will take much confidence for consumers to visit hotels, restaurants, and bars and even travel due to the virus's fear. All in all, the research study has revealed that COVID-19 has caused the loss of jobs, decreased revenue in the tourism and hospitality sector, and loss of business. Businesses in the industry need to adopt measures to ensure their survival during the pandemic, with some embracing decreased wages, working hours, closure of some affiliates, and complete shutdown. Nonetheless, further inquiry

is needed to establish long-term and short-term strategies employed in the tourism and hospitality industry to withstand crises caused by outbreaks like COVID-19.

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# Appendices

Themes and Sub-themes (NVIVO)

Themes and Sub-	Coded Data	Participants
themes		
1.0 Effects of		
COVID-19 on		
employment in the		
hospitality and		
tourism industry		
1.1 Effects on		
Employees		
1.1.1 Cut in	Participant 1	2
Employee Wages	Financially, they have been affected as well. Employees get	
	paid by what we make - The profits. At some point, they	
	had to take pay cuts. Pay cuts in such a time when we all	
	need to make more can be disheartening and worrying.	
	But some we have had to take pay cuts and we also	
	introduced voluntary unpaid leaves. We asked the HR to try	
	as much to not lose any of our employees. We hire some of	
	the best brains that we would not like to lose. We need the	
	when the pandemic is over.	
	Participant 5	

	The loss of income has affected the lives of employees and	
	their families.	
1.1.2 Loss of Jobs	Participant 2	4
	We also sadly had to reduce our staff as there was little	
	activity and little revenue.	
	Firing employees was a painful decision considering we are	
	their main source of income	
	Covid-19 will have huge effects on the business past 2020.	
	Most of the employees will suffer permanent job loss.	
	Participant 3	
	Well, business has been badly affected since we mainly	
	depend on international guests for our income. This	
	explains why we had to reduce our workforce.	
	However, we have terminated contracts for temporary	
	workers. All this is due to loss of business which makes it	
	impossible to keep all our staff.	
	Participant 4	
	More than half of our workforce comprises of permanent	
	employees whom we had to let go. This decision was	
	informed by the sudden shutdown of important operations	
	which made it untenable to keep the employees.	
	Participant 5	
	Our workforce consists of permanent employees who we	

	had to terminate their contracts. This decision was reached	
	after we shut down most operations hence making it	
	difficult to pay their wages.	
1.1.3 Psychological	Participant 1	3
Effects	Employees had been worried of being infected because of	
	our earlier visitors, given that there were asymptomatic	
	cases. They were worried with all the different people they	
	interact with in this industry and given that there are close	
	people they get to interact with after work.	
	Participant 2	
	Until we got our first case in Bahamas. This made the local	
	people and those who were on vacations worried a lot.	
	Our clients to fly in reduced. People were taking	
	precautions.	
	Employees were initially very concerned given the nature	
	of business. Most times we pick the clients from airports	
	and guide them to their destinations. They felt exposed and	
	we felt the same too. There was little known about the	
	disease at this time. With time, we had to stop these visits,	
	fortunately.	
	Participant 4	
	Employees have been affected both psychologically and	
	financially. They can no longer settle basic needs which put	

	them under a lot of pressure from their dependents.	
1.1.4 Taking	Participant 3	2
Unpaid Leave	This means that we had to terminate contracts with some	
	employees while others were sent on unpaid leave	
	Most of the permanent workers have been sent on unpaid	
	leave but they receive monthly support from the company.	
	Participant 5	
	Our employees have had tough times as we had to send	
	them on unpaid leave.	
Idle Employees	Participant 1	3
	Yes, definitely. Some activities of our hotel have come to a	
	standstill. The assigned staff has been idle.	
	Participant 2	
	Yes, we do. The key operations have halted which means	
	there is not much work to be done.	
	Participant 3	
	Of course, the workers are not as busy as before due to	
	reduced operations	
1.2 Effects of on		
Suppliers		
1.2.1 Reduction in	Participant 1	2
Supplies	Some suppliers were not able to maintain their usual	
	supplies. Some of the supplies were not needed in large	

	numbers. Some were slow in deliveries because they had	
	most of their staff working at home.	
	Participant 4	
	Suppliers have quit offering their goods as the slow cash	
	flow has affected our ability to clear previous debts.	
1.2.2 Loss of Trust	Participant 3	2
	On the other hand, our supply chain has been badly affected	
	as suppliers are quite hesitant to lend us goods owing to the	
	hard hit our business has taken from the pandemic.	
	Participant 5	
	On the other hand, the huge effect on the business has made	
	suppliers doubt our ability to pay them. This has badly	
	affected our supply chain. The video conferencing wave	
	that has swept the world has made investors question the	
	future of the business hence holding back the capital we	
	need to salvage the business.	
1.3 Effects on		
Customers		
1.3.1 Cancelling of	Participant 2	2
Bookings	Some hurriedly left and locals got back to their places to	
	keep safe. Bookings were cancelled, with some of the	
	logistics already put in place. It was hard for the business.	
	Those who had booked had to cancel flights and	

	reservations.	
	Participant 5	
	Our customers are the worst hit as they can no longer host	
	events. This is due to the Covid-19 restrictions and	
	reduction in income.	
1.3.2 Effects on	Participant 2	1
Customers Budgets	Some customers were caught here when the ban of flights	
	happened. This affected their budgets as they had not	
	planned to overstay.	
1.3.3 Inability to	Participant 2	2
Travel	We rely on business people and other people coming for	
	vacations to the Bahamas. Business trips by the local	
	people have dropped. The vacations too. Visitors have not	
	been flying into Bahamas as the government had banned	
	international flights. Some countries have as well locked	
	their airspace so even working with other locations could	
	be hard.	
	It started with not getting visitors from some parts of the	
	world after the areas were put on lock down by the	
	governments. Banning of movement not only affects our	
	clients from that area but also the clients who would use	
	that area to connect to other flights. As the infection spread,	
	the areas of operation kept decreasing.	

	Participant 3	
	Customers are the worst hit as they no longer go to work	
	which means inability to take holidays	
1.4 Effects on		
Business Owners		
1.4.1 Inability to	Participant 5	1
Service Loans	Servicing our loans has become a huge problem.	
1.4.2 Reduction in	Participant 1	2
Number of Clients	Our customers reduced. Probably because they were taking	
	precautions or other things you can only speculate but you	
	cannot say.	
	Participant 4	
	All parties involved have felt the crunch caused by the	
	pandemic. Customers no longer have the income to	
	purchase our products.	
1.4.3 Reduction in	Participant 1	5
Revenue	A lot has happened. Like I mentioned earlier, we have had	
	low number of clients and customers. Hotel makes money	
	by providing services to clients. With low numbers, then	
	there will be less profits made. Low profits lead to business	
	making difficult decisions to try and sail through until the	
	pandemic is over or things get better.	

### Participant 2

lack of business has led to reduced revenues hence making hard to sustain the business.

The value of the business will also suffer a huge hit hence making our recovery efforts harder.

# Participant 3

The biggest challenge we have faced is loss of income. In addition, we also lost a lot of perishable supplies during the onset of the pandemic. To make up for the lost finances, we have reached new agreements with suppliers.

## Participant 4

Cash flow has really been affected since our major operations have shut down

Owing to the depleted demand for our products and services, we have seen a huge drop in revenues. This has led us to shelve development projects geared towards expanding the business.

# Participant 5

We have taken a huge hit in terms of cashflow as our services are no longer in demand.

We have lost more than 90 per cent of the business. The Covid-19 regulations are against public gatherings which form the bulk of our business.

	The effects of Covid-19 have changed the business for the worst. Not only have we lost our revenue streams but also our market capitalization has dropped by half.	
1.4.4 Stoppage of	Participant 1	5
Operations	The hotel industry was very affected by the pandemic. The	
	visits and reservations dropped. Visitors are afraid of flying	
	out to other countries including Bahamas. Some countries	
	have put restrictions that their citizens cannot fly out.	
	We have reduced activities, but we have not stopped	
	completely. Probably some areas are not being utilized as	
	of now, but we have tried to stay in business as much as	
	possible.	
	Participant 2	
	Yes. We could not get people to fly in to the Bahamas and	
	we therefore had to stop operations. We had a few staff	
	though to run the things around but we had come to a stop.	
	Participant 3	
	Firstly, the operations in our entire facility have come to a	
	halt.	
	Operations have been greatly affected but not to the point	
	of complete closure. Our facility has been an isolation	
	center for citizens returning from abroad.	
	Participant 4	

	Majority of our operations have ceased with the few	
	remaining operations only generating income which goes	
	towards paying wages.	
	Participant 5-	
	Most of our operations have come to a halt.	
	Reduced operations mean our workers are not as busy as	
	before	
1.4.5 Reduction in	Participant 1	3
Number of	For the investors, we have not been able to hear a word	
Investors	from them and there is nothing I'd say about them	
	Participant 3	
	Investors have been quite uncooperative as they paint a	
	glim future for our business and the entire industry.	
	Participant 4	
	Investors are skeptical about releasing funds as they are	
	uncertain about the future of the business during this crisis	
	Investors' withdrawing their capital has seen the value of	
	the business shrink by a huge margin	
2.0 Ways		
businesses in the		
hospitality and		
tourism industry		

adjusted to cope		
with the outbreak of		
Coronavirus		
2.1 Employee		
Benefits and		
Incentives		
Financial Support	Participant	3
	We give paid leave for our employees in quarantine or	
	isolation that does not count against their annual leave	
	quota.	
	Participant 2	
	However, the Covid-19 situation has forced us to revise our	
	policy whereby we have introduced financial perks to	
	support the families of our sick employees.	
	Participant 3	
	Employees are facing turbulent moments because they	
	depend on the business to earn their income. Nevertheless,	
	we have come up with a stimulus package where we offer a	
	monthly stipend to cater for basic needs.	
2.1.2 Medical	Participant 1	3
Cover and	We take the necessary precautions given by the health	
Provisions of PPEs	officials. Isolation for the infected and quarantine to those	
	who have been into contact with the infected.	

	Because after all I think it all comes down to how someone	
	understands of the current situation but we are trying to	
	provide personal protective equipment, masks and hand	
	sanitizers for our employees.	
	Participant 2	
	The ailing employees were taken to government quarantine	
	centers. Our company policy has always been to settle	
	medical bills of our sick employees.	
	We have acquired personal protective equipment to keep	
	the workers safe at work. In addition, we conduct regular	
	tests to ensure we do not suffer an outbreak.	
	Participant 5	
	We placed the positive workers in government isolation	
	centers. Employees who had interacted with the positive	
	cases were require to self-isolate for 14 days. In a bid to	
	support our positive workers, we have introduced a risk	
	fund aimed at supporting their families. And to ensure we	
	do not record new cases, we have procured protective gear	
	and put a lot of emphasis on adhering to the preventive	
	measures.	
2.2 Cutting		
Expenditure		
2.2.1 New	Participant 3	2

Repayment Terms	Additionally, we have had to renegotiate our loan	
for Loans	repayment plans with our lenders.	
	Also, we are in talks with lenders to convert the loans into a	
	stake in the business.	
	Participant 5	
	Nevertheless, we are in the process of negotiating with the	
	lenders on new repayment terms.	
2.2.2 Cancelling of	Participant 4	1
Major Projects	We decided to cancel all major projects and this enabled us	
	to save significant resources.	
2.2.3 Firing	Participant 5	1
Employees	Firstly, we had to fire some employees to salvage resources	
	to fund important operations.	
2.3 Alternative		
Ways of Generating		
Revenue		
2.3 1 Selling Assets	Participant 3	2
to Raise Funds	Currently, we are offloading unnecessary assets and	
	bringing strategic investors onboard. This we hope will	
	help keep the business afloat throughout the crisis and	
	beyond.	
	We have started leasing and selling our less important	
	assets like jet skis and boats.	

	Participant 5	
	Currently, we are in the process of selling some assets in	
	order to raise money to keep the business alive.	
2.3.2 Government	Participant 2	3
Stimulus Package	Moreover, we are in talks with the government to bail out	
	businesses in our sector	
	Participant 4	
	Apart from digging deep into our coffers, we have largely	
	benefited from the stimulus package being offered by the	
	government in a bid to save key sectors of the economy.	
	Participant 5	
	We are also beneficiaries of the government's economic	
	stimulus package which has helped inject capital to the	
	business	
2.3.3 Use of	Participant 2	4
Investors	To manage the situation, we are seeking investors to	
	acquire a stake in the business.	
	Moreover, we will guide employees on viable investment	
	opportunities that can survive such a pandemic.	
	Participant 3	
	We run emergency accounts and partner with strategic	
	lenders to bail us out of such events.	

a significant stake in our business. All this is in a bid to save the business and the jobs dependent on it.  Participant 4  Currently, we are in talks with our investors to see how we can salvage the business.  Fortunately, we have secured investment from local banks which are interested in becoming part of our shareholders Participant 5  Apart from offloading assets, we have also diversified into video conferencing to generate revenue. We are also beneficiaries of the government's economic stimulus package which has helped inject capital to the business  3.0 changes do businesses in the hospitality and tourism industry have to undergo to thrive in their operations post-COVID-19  3.1 Training and Participant 1  Education of We educated all our employees and visitors about it, about		Also, we are in talks with an international company to buy	
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3.1 Training and Participant 1 4	operations post-		
	COVID-19		
Education of We educated all our employees and visitors about it, about	3.1 Training and	Participant 1	4
	Education of	We educated all our employees and visitors about it, about	

### **Employees**

what we had learnt and as advised by health officials. We educated on measures to take and also provided protective materials.

We insisted on personal hygiene and personal space

Encourage more adherences to government measures,
including maintaining social distance, wearing PPEs. I
think it is wise for them learn the importance of these
measures.

#### Participant 3

The ample spare time is being used to train employees on safety measures to keep themselves plus the facility safe.

Moreover, it is a chance for employees to innovate new business strategies.

#### Participant 4

Employee training will not only be based on work ethics and performance. It will also include financial education and survival tactics to caution against such life-changing pandemics.

# Participant 5

The Covid-19 pandemic is surely a learning opportunity for the business. Going forward, the core lesson we will impact on our employees is preparedness especially when it comes to finances.

The travel and hospitality sector must evolve to stand a	
survival chance post covid-19. We will need to adopt	
technology such as virtual reality to caution the business	
against future pandemics.	
Participant 3	
Video conferencing technology will be a huge turning point	
for the business. Unlike the conferencing halls we used to	
operate, we are looking at making every room in our	
facility a conference center of its own.	
Participant 4	
Food and beverage delivery will be a top priority for us. To	
achieve this, we will require a strong online presence, and	
this calls for heavy digital marketing.	
Participant 2	3
As soon as the crisis struck, we downsized our workforce	
so as to save resources. Now that most operations have	
halted, we are selling some of our assets such as vehicles.	
This is a move aimed at raising money to keep our workers	
and salvage the business.	
Participant 3	
The emergence of Covid-19 crisis came us a surprise for	
the business world. To cope with the emerging situation,	
s to a P V fo O fs P F a tl P T a P T	urvival chance post covid-19. We will need to adopt echnology such as virtual reality to caution the business against future pandemics.  Participant 3  Video conferencing technology will be a huge turning point for the business. Unlike the conferencing halls we used to operate, we are looking at making every room in our acility a conference center of its own.  Participant 4  Food and beverage delivery will be a top priority for us. To achieve this, we will require a strong online presence, and this calls for heavy digital marketing.  Participant 2  As soon as the crisis struck, we downsized our workforce of as to save resources. Now that most operations have nalted, we are selling some of our assets such as vehicles.  Chis is a move aimed at raising money to keep our workers and salvage the business.  Participant 3  The emergence of Covid-19 crisis came us a surprise for

	we had to find ways to keep the business afloat and this	
	included reducing our workforce and restructuring debt.	
	Participant 5	
	We have also cut salaries so as to save the business.	
3.4 Financial	Participant 2	2
Awareness and	We will need to train employees on the importance of	
Management	planning their finances with the future in mind.	
	Participant 3	
	The most important aspect of training will be about	
	preparedness. Had our employees been prepared, they	
	would not be facing the financial difficulties they are	
	currently going through. Also, we will have emphasis on	
	financial discipline and the importance of investing.	
3.5 Proper Time	Participant 2	2
Utilization	To ensure our workers are busy, we have embarked on a	
	cleaning and maintenance exercise for our equipment and	
	facility.	
	Participant 5	
	Reduced operations mean our workers are not as busy as	
	before.	