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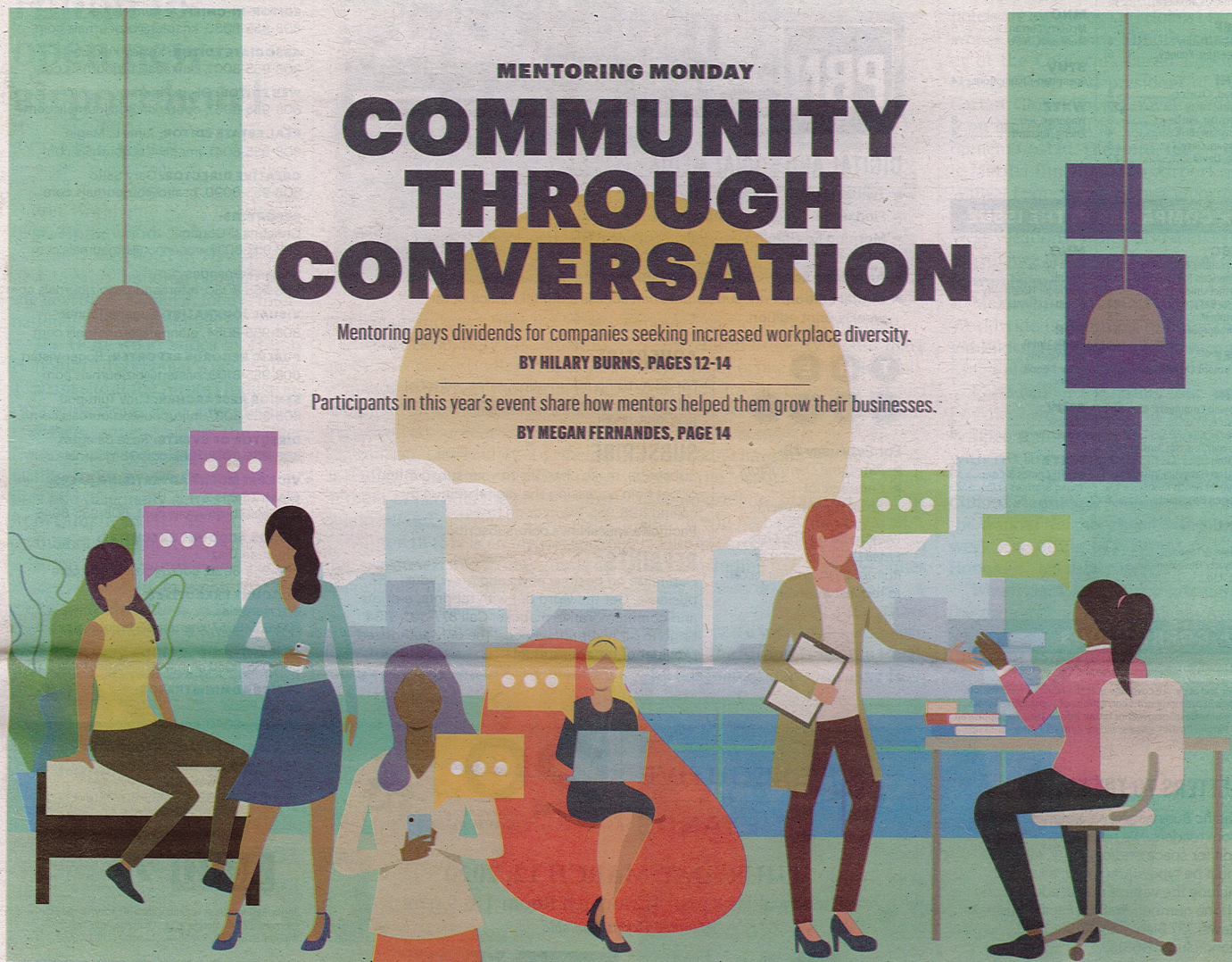
COMMUNITY THROUGH CONVERSATION

Mentoring pays dividends for companies seeking increased workplace diversity.

BY HILARY BURNS, PAGES 12-14

Participants in this year's event share how mentors helped them grow their businesses.

BY MEGAN FERNANDES, PAGE 14



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TOURISM ROUNDTABLE

INDUSTRY LEADERS TALK STAFFING, TRENDS AND SUSTAINABILITY

BY CHRISTINA O'CONNOR / coconnor@bizjournals.com

When six hospitality executives met for Pacific Business News' annual tourism roundtable earlier this month, the first thing they said is how well things are going so far in 2020.

Hotel occupancies are holding strong – even amid coronavirus – and consumer confidence is high. Companies are embarking on new projects, expanding their portfolios and launching new initiatives.

But the industry also is constantly grappling with new challenges. Changing needs of employees, new consumer tastes and cultivating responsible tourism in the face of an ever-increasing number of visitors were some of the topics that were top of mind at the roundtable. Participants included Charles Head, general manager of Fairmont Orchid; Pattie Herman, vice president of marketing and product development at Hawaii Tourism Authority; Gary Hogan, CEO of Hogan Hospitality Group; Mondy Jamshidi Kent, interim executive director of travel2change; Julie Morikawa, president and CEO of ClimbHI; and Jeff Wagoner, president and CEO of Outrigger Hospitality Group.

Here are a few takeaways from the conversation.

STAFFING IS AMONG TOP CHALLENGES

Finding and retaining talented, dedicated workers is always key to maintaining any company, but panelists said the issue is now exacerbated by factors including the low unemployment rate and changing workforce dynamics.

"Not only do you have low unemployment [in Hawaii], you have it everywhere, so that creates an issue for us to be able to find good employees in the market," Wagoner noted.

Panelists also say that younger workers have different expectations about the workplace than their pre-

decessors. They're often looking for flexibility and might be drawn to companies that can offer that.

Panelists expressed differing opinions on how – or if – employers should accommodate those preferences.

Herman believes that employers should try to come up with creative solutions to satisfy both parties.

"It's a new way of thinking – if they want to work four hours a day, OK, where are we going to put them for four hours a day?" Herman said.

But Hogan, saying he's "kind of old-school," says that's not conducive to business.

"You have to put food on the table, you have to pay your rent, and you have to do what it takes to survive, so it's hard to start tailoring your business around when people want to work and when they don't want to work," Hogan said.

But given the current tight labor market, Head said he foresees increasing pressure on employers to cater, at least to some degree, to these types of demands. Possible solutions, he said, could include allowing certain positions to work remotely.

"We have to be open-minded about it, because I do think that it is a wave that is coming at us," Head said.

After all, an aging workforce has been a chief concern in the industry in recent years as some companies grapple with attracting the next generation of employees. Panelists, however, agreed that a lack of interest among young workers is simply the result of a lack of exposure. Once prospective employees are aware of the myriad opportunities in the industry, panelists theorized, their interest would be sparked.

"There are so many different



FROM TOP LEFT

EUGENE TANNER

CHARLES HEAD
Fairmont
Orchid

JULIE MORIKAWA
ClimbHI

JEFF WAGONER
Outrigger
Hospitality Group

GARY HOGAN
Hogan Hospitality
Group

MONDY JAMSHIDI KENT
travel2change

PATTIE HERMAN
Hawaii Tourism
Authority

TOURISM ROUNDTABLE

opportunities and there are stepping stones of growth – you might become a front desk clerk, then a front desk supervisor, front office manager, you can switch over to food and beverage, or engineering, or sales,” said Wagoner, who began his career as a front desk clerk. “That is how people get into our business, stay in our business and don’t leave.”

Hogan agreed, saying that “once you get into [the tourism industry], you can see where you can grow.” The trick, he said, is “introducing people a little bit more and a little bit earlier so they understand what this industry can provide.”

That’s precisely why Morikawa launched workforce development nonprofit ClimbHI in 2011. Its annual LEI program provides high school and college students with a glimpse into hospitality, featuring hotel tours and a chance to interact with top executives. Now, the organization is spearheading a new program, LEI Assembly, geared at high school freshmen in order to reach students even earlier.

Since its inception, ClimbHI has worked with more than 7,000 students statewide.

“We’re now seeing many of those results out in the industry,” Morikawa

said. “We are having students filling open roles, working their way up, and we can’t wait to see them, in a few years, reaching leadership positions.”

TRAVELERS ARE LOOKING FOR LOCALIZED, AUTHENTIC EXPERIENCES

From a consumer standpoint, panelists say that concepts like localization and authenticity are among current buzzwords.

“Travelers today are avid travelers, adventurers, they like to explore,” Herman said, adding that they often seek out activities that are unique to Hawaii.

Similarly, while Wagoner said that the industry used to be filled with “cookie-cutter hotels,” travelers are now seeking properties that reflect the place that they’re in.

“‘Localized experience’ is something that you hear all the time – that is not a Hawaii thing, that’s the industry,” Wagoner said. “It’s about authenticity and being able to bring the Islands to consumers ... We are more conscious today of making sure we deliver that type of experience.”

Outrigger’s 2019 \$35 million renovation of the Waikiki Beachcomb-

er is a prime example. The property was transformed, Wagoner said, in a way that “introduces Hawaii into the property,” particularly with the Beachcomber Originals, a collective of local artists, photographers, musicians and restaurateurs that curated various features of the hotel.

“What is happening more and more is that people want to source local – they want to try the local food, art, music, and trust that it is authentic,” Kent said.

When travel2change launched about a decade ago, Kent said that what it offers – off-the-beaten path experiences focused on sustainable tourism – wasn’t exactly mainstream. Lately though, she said they “see more and more partners with similar value sets.” Last year, for instance, travel2change launched its largest partnership to date, as the tour operator of Renew, a wellness-focused Waikiki hotel.

RESPONSIBLE TOURISM IS GAINING TRACTION

According to HTA data, 10.4 million visitors came to Hawaii in 2019, up 5.4% from the previous year and marking a new all-time high.

While the question of ‘how much is too much’ has emerged among some stakeholders, panelists warn against attempts to limit the number of tourists.

Hogan pointed out that the “travel industry is cyclical.”

“We’ve had a pretty good stretch for a few years, but who knows how long that’s going to last?” said Hogan. “It’s one of those things where we have to be careful what we wish for.”

Head echoed that sentiment, saying that “talk about restraining the number is something that we have to be very, very careful about.”

“Employment directly correlates with those visitors,” Head said. “It’s easy for us to say we should drop the numbers, but jobs could start getting affected and that starts hitting people personally.”

While the idea of managing tourism might be dicey, panelists agreed that the industry does have an obligation to encourage responsible tourism. Educating tourists about appropriate behavior, they say, is key.

“We are not trying to dissuade travelers, but perhaps if they are a little more educated when they arrive,

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TOURISM ROUNDTABLE

“It’s critical for visitors to understand that they play a key role to ensure that this beauty [of Hawaii] exists for future generations.”

JEFF WAGONER, Outrigger Hospitality Group

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that might help,” Kent said.

“It’s critical for visitors to understand that they play a key role to ensure that this beauty [of Hawaii]

exists for future generations,” Wagoner said. “It may not be intuitive for visitors to know some of the things that may harm the environment – like wearing reef-safe sunscreen for example – and I do feel we have a

responsibility to help educate and guide our guests when they stay in our resorts.”

Last year, HTA and Hawaii Visitors and Convention Bureau launched the Kuleana Campaign, which features videos addressing topics – such as outdoor safety and environmental preservation – that visitors should keep in mind.

Travel2change has been expanding its list of activities, many of which incorporate service-oriented elements including beach cleanups and trail restorations. Fairmont Orchid has been conducting highway and coastal cleanups for years – and recently started including guests in the efforts: Through its OZONE program, Outrigger promotes the use of reef-safe sunscreen, and a number of its eateries – including Kani Ka Pila Grille at Outrigger Reef Waikiki Beach Resort and Duke’s at Outrigger Waikiki Beach Resort – are certified Ocean-Friendly Restaurants.

HTA, which recently added responsible tourism into its branding, also is encouraging hotels to eliminate use of single-use plastics this year.

As Morikawa sees it, it all ties back into leadership development.

“We need to make sure we’ve got

those who care about the destination in positions of leadership,” Morikawa said. “That is why we are working to build that next generation of leaders so that they are from Hawaii and they have an interest in perpetuating it in the way that they’d want it for the future.”

Panelists also pointed out that the benefits of implementing such programs extend beyond ideology. Responsible tourism helps the bottom line, too.

“The next generation of travelers is looking for that – they are looking for destinations that take care of their own land, their own natural resources, their own culture,” Herman said.

Head anticipates that if hotels or activities don’t do those things, guests might start looking elsewhere.

“I think that’s really going to manifest itself in the next few years – if you’re still handing out plastic water bottles, it’s going to start costing you business,” Head said.

“If we don’t embrace it, we’re putting in jeopardy what makes this such a special place,” he added. “If I don’t do it because I feel it is the right thing to do and the ethical thing to do, then I should do it because it’s the smart business thing to do.”