

INDUSTRY USE CASE

The Hospitality Sector



The top 3 challenges for HR professionals in the Australian and New Zealand hospitality industry

Hospitality has never had the luxury of standing still, and AI is no exception. Many operators are already past the “should we” conversation. What’s harder is making it work everywhere at once, across every venue, every shift, every role, not just the handful of sites where it’s easy to trial something new.

That pressure isn’t easing off. 89% of hospitality organisations expect workforce growth, with 53% forecasting an increase of 11–25%. Each new starter and every existing team member taking on a changing role needs support, development, and a way to show it’s actually working.

This report looks at what’s shaping hospitality workforces right now and how the best HR teams are getting ahead.

Three connected challenges are shaping Hospitality HR today:

1

Moving from AI adoption to organisation-wide impact

2

Building the capabilities hospitality needs next

3

Workforce readiness, onboarding and productivity

Moving from AI adoption to organisation-wide impact

Ask most hospitality HR leaders, and they'll tell you AI has already arrived. 32% report it's used widely across the organisation, with a further 51% running it in limited areas or pilots; only 3% aren't using it at all. Integration is following suit, with 26% saying AI is extensively woven into the business and 47% saying it is mostly there.

But arriving and landing are different things. **Just 4% of organisations have AI genuinely embedded across more than three-quarters of their workforce.** Most sit somewhere in the middle: 30% reach a quarter to half of their people, 28% reach half to three-quarters. And measurement hasn't caught up either: only 24% extensively track AI's impact, with 42% doing so partially.

The question isn't whether AI works in hospitality. It's whether it's reached the kitchen, the floor and every venue, in a way HR can actually see and stand behind.

4%

of organisations have AI genuinely embedded across more than three-quarters of their workforce.

Building the capabilities hospitality needs next

Upskilling, cross-skilling and reskilling rank as the third-biggest challenge for hospitality HR teams, according to 22% of organisations.

For hospitality HR, capability building has a practical goal: helping people perform confidently, see a future in the organisation and progress into roles the business needs.

Hospitality HR teams are measuring workforce efficiency through productivity rates (45%), turnover rates (41%) and upskilling costs (38%). Connecting these measures with skills development can help HR understand whether its investment is improving workforce capability, supporting retention and building a more stable workforce.

Top 3 priorities for hospitality industries

1

Internal skills mapping and career development

2

HR reporting and analytics

3

Expanding AI use

Workforce readiness, onboarding and productivity

A growing hospitality business doesn't just need more people; it needs them ready to contribute sooner. 89% of organisations expect growth, with 53% forecasting an 11–25% increase, much of it landing as casual and shift-based hires who need to be up to speed fast.

Hospitality organisations often need to recruit at pace, with new starters moving quickly into customer-facing and operational roles. **The current time to productivity for hospitality employees is 26 days.**

Without a connected process, that can mean duplicated administration, slower starts and gaps in mandatory training such as RSA and food safety.

The opportunity is not simply to reduce training investment. It is to make development more targeted and accessible, so people are better prepared for their role and supported as they progress.

26 days

current time to productivity

So what does it all mean?

None of these challenges sit in isolation. These pressures are amplified by workforces spread across venues, shifts and changing roles.

That means AI adoption, capability building and onboarding cannot be managed as separate projects. They need to work together, supported by accurate workforce data and clear visibility into what people need to become productive and progress.

With that visibility, hospitality leaders can move beyond disconnected processes and build a more capable, stable workforce at the pace the business requires.

Turn AI adoption into organisation-wide impact

HOW

Give every venue a consistent data foundation across workforce information, compliance and licensing, so HR can see what is happening beyond head office.

Skip that foundation, and AI adoption stays stuck in a handful of venues, never quite reaching the rest of the business.

RESULTS

Forrester's Total Economic Impact™ (TEI) study modelled results for a representative 500-employee organisation:

80%

less time spent
producing reports

\$122,000

saved from reduced
HR admin

\$14,000

saved from increased
reporting efficiency

**Faster, more
confident**

workforce planning and
governance

ELMO HR Core

Hospitality HR teams can use ELMO HR Core to:

- ✓ Keep one accurate record across venues, sites and head office
- ✓ See workforce data, compliance and licensing status clearly, wherever it sits
- ✓ Cut manual admin and disconnected reporting
- ✓ Use ELMO Insights to ask workforce questions in plain English and explore answers through dashboards and reports.

This isn't AI running every part of the business; it's giving HR the visibility to know where adoption is working and prove it.

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Survey

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Expenses

Powered by [ELMO Software](#)

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Samantha Perez

Math Teacher (MATH001) • samantha.perez@companyemail.co.au •

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Activities

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Payment details

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General

Additional information

Diversity questions

Positions

Math Teacher (MATH001)

PE Teacher (PE001)

Contact details

Contact information

Next of kin

Emergency contact

Notes & contracts

Build capability that supports retention and progression

HOW

Identify the capabilities hospitality roles require, close the gaps and make development accessible to people across venues and teams.

Capability building is not only about preparing people for new technology. It is also about helping employees perform well, build confidence in their role and see a pathway to progress.

ELMO can help hospitality HR teams connect capability frameworks, development planning, performance conversations and learning in a more consistent experience. That gives HR better visibility into skills needs while helping managers support development and employees understand where they can grow.

RESULTS

The TEI study modelled these capability and efficiency gains for a representative 500-employee organisation:

\$772,000

saved through faster training build and rollout

50%

quicker training completion with a more intuitive experience

Faster training turnaround

using a centralised content library

Easier access to learning

and development across the business

Product: ELMO Career Development, connected to ELMO Learning

Hospitality HR teams can use these ELMO tools to:

- ✓ Identify capability gaps and development priorities.
- ✓ Deliver structured, accessible development across venues and teams.
- ✓ Support career conversations and clearer pathways for progression.
- ✓ Connect development activity with broader workforce and retention goals.

AI can strengthen the insight available to HR, but it is not a substitute for a clear skills and career-development strategy.

Capability Framework

Framework overview

Proficiency scales5

Available job families10

Capabilities125

Activated job families

Product Management

⋮

[Edit capabilities](#)20

[Edit proficiency targets](#)100%

+ Activate

Capability assessment

Create capability assessment

Create

Your Capability Library

Type ▾Job family ▾

▾ Abstract thinking

Functional

▾ Collaboration

Core

▾ Communication (verbal)

Core

▾ Communication (written)

Core

▾ Cross-functional collaboration

Functional

Help every new starter become productive sooner

HOW

Connect recruitment, onboarding and learning into one flow, so new starters, including casuals and shift-based employees, are ready to contribute sooner.

Hospitality organisations often need to recruit at pace. A disconnected process can create duplicated administration, slower starts and gaps in mandatory training such as RSA and food safety.

RESULTS

The TEI study modelled these recruitment and onboarding gains for a representative 500-employee organisation:

\$38,000

saved through more efficient recruitment

70%

less time spent managing job applicants

Time-to-hire cut by a week

through integrated recruitment and onboarding

\$268,000

saved through employee self-service, cutting back-and-forth for new starters

Product: ELMO Recruitment & Onboarding

Hospitality HR teams can use these ELMO tools to:

- ✓ Automate recruitment and speed up contract creation
- ✓ Move candidates to employees in one connected flow, not several disconnected steps
- ✓ Cut duplicated admin and manual follow-up before day one
- ✓ Track relevant mandatory training, such as RSA and food safety, with clear completion visibility and reminders.

This is what it looks like in practice for hospitality HR: a clear path in and more people ready to work as the business grows.

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Home > Contracts

Contracts

Contract Workflow Management

Contract status ▾

User type ▾

Show: Active ▾

Employee		User t
SP Samantha Perez samantha.perez@email.com		Empl
BC Brady Craig brady.craig@email.com		Onboa
KC Kathryn Calhoun kathryn.calhoun@email.com		Onboa
LF Luka Fletcher luka.fletcher@email.com		Empl
MH Mathew Horn mathew.horn@email.com	View comment	Empl
TA Teresa Acosta teresa.acosta@email.com	View comment	Empl
TM Trevor Martin trevor.martin@email.com		Onboa
TJ Taylor Johnson taylor.johnson@email.com		Onboa

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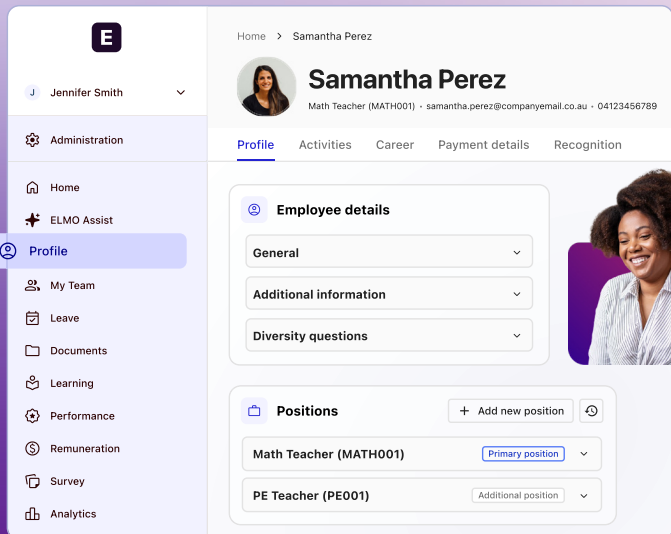
Building a more resilient manufacturing workforce

Scaling AI adoption, building capability and getting new starters ready faster all come back to the same foundation: accurate workforce data, real visibility, and the ability to act on both.

Hospitality workforces are growing across more venues, more shifts, and more casual hires than most industries manage. That's not something standalone HR processes can keep up with; it needs AI adoption, capability building, recruitment and onboarding to work from the same data.

ELMO gives hospitality organisations a connected foundation for workforce data, capability building, recruitment and onboarding. That visibility and automation can help HR close capability gaps, support career progression and get new starters contributing sooner.

The Complete AI Workforce Platform™



HR Core Platform

AI Insights

Workforce Design

Recruitment & Onboarding

Payroll Partner Network

Performance & Remuneration

Learning & Content Library

Founded in 2002, the ELMO Group comprises ELMO Software, Breathe HR and Rotageek. ELMO Group is a multinational provider of people management solutions, trusted by over 18,000 organisations across Australia, New Zealand and the United Kingdom.

ELMO is The *Complete* AI Workforce Platform™. It unifies HR and Payroll on one connected data foundation and layers native AI to turn workforce data into insight and action. ELMO's mission is to get Australia and New Zealand's workforce ready for what's next and supports the full employee lifecycle, from recruitment and onboarding to learning, performance, payroll and more.

Backed by ISO-certified security, Australian-based data hosting and local experts who guide change throughout the journey, ELMO helps mid-sized organisations build the foundation for AI-ready workforces of tomorrow.