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PEACH
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AI: The People Equation

Boosting front-line productivity and team engagement



Introduction: Unlocking new value with AI

As someone who has spent decades writing about the intersections of HR, technology and the future of work I've witnessed first-hand how innovation can reshape industries. Today artificial intelligence (AI) represents both a tremendous opportunity and a formidable challenge for sectors across the board, not least for hospitality.

In this whitepaper we aim to bridge the gap between optimism and pragmatism, offering a balanced view of how AI can drive meaningful productivity gains while acknowledging the potential pitfalls.

At the recent roundtable hosted by Peach and Sona we tackled the urgent question facing hospitality leaders: can AI and technology be harnessed to navigate rising costs and talent shortages? I believe strongly that AI's role isn't just about cutting costs, it's about unlocking new value. From tools like Marriott's Olivia chatbot, which has revolutionised recruitment efficiency, to skills-matching algorithms that personalise upskilling paths for employees, the possibilities are game-changing.

However, a word of caution against rushing in blindly. The fragmented tech landscape and widespread 'change fatigue' are real barriers to success. Leaders must focus on integrating systems seamlessly while ensuring that technology reflects the lived experiences of staff. AI should simplify, not complicate, work lives.

Above all, successful AI adoption depends on people. Hospitality is, at its heart, a human-centric industry. By approaching AI as an enabler – one that supports teams and enhances guest experiences – organisations can strike the critical balance between innovation and tradition.

This whitepaper synthesises key insights from the discussion, offering actionable strategies for CEOs, COOs, CPOs and other executives to reimagine productivity in a sector that thrives on connection and service. It's an exciting, transformative moment for hospitality and I hope this paper equips you to embrace it with clarity and confidence.



Siân Harrington

Co-founder and Editorial Director, The People Space
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The content of this white paper is derived from a breakfast roundtable discussion attended by the leaders of some of the UK's most recognisable hospitality brands. It was hosted by Peach 20/20 co-founder Peter Martin in collaboration with workforce management platform Sona.

The conversation revealed the opportunities and critical challenges in the path to large-scale AI adoption.

"The biggest opportunity we can directly influence is productivity."

Laura Wood, CFO, Côte

Balancing people and productivity:

Can AI solve hospitality's challenges?

The UK's hospitality sector stands at a crossroads. Amid workforce shortages and skyrocketing operational costs, the increase in the minimum wage has only amplified the pressures hospitality leaders are facing.

With national insurance increases expected to add £2,000–£3,000 per employee annually some organisations are bracing for cost surges that threaten to wipe millions from their bottom lines. For one major fast food chain this means an additional £15 million – a stark reminder that conventional cost-control strategies are no longer enough. Faced with rising labour expenses and diminishing talent pools the industry must make a decisive shift toward optimising productivity through strategic workforce planning and operational efficiency.

Yet, unlike many other sectors hospitality is defined by its human touch, creating memorable guest experiences through personal interactions. This duality presents a unique challenge: how can hospitality businesses embrace workforce technology, particularly artificial intelligence (AI), to drive efficiency and growth while preserving the essential human connection that defines the industry?

At a roundtable, hosted by Peach 20/20 in collaboration with workforce management platform Sona, leaders from some of the UK's most recognisable hospitality brands gathered to discuss this question. The conversation revealed not only cautious optimism but also critical challenges in the path to large-scale AI adoption.

"We want people. It wouldn't be half as much fun ordering from a kiosk every time."

Peter Martin, Peach 20/20

The hospitality leaders present acknowledged the tension between maintaining the sector's 'soul' and adopting new technological solutions. As Peter Martin, Executive Director at Peach 20/20 aptly notes: "We still want people, as hospitality wouldn't be half as much fun if we had to go up to a kiosk to get our food every time." This highlights a core challenge: integrating technology without losing the personal touch that defines the industry.

At the same time Ben Dixon, co-founder & CTO at workforce management platform provider Sona, says AI could reimagine frontline productivity, particularly in areas like scheduling, which would potentially alleviate some of the sector's immediate pressures.

But, as Siân Harrington, Editorial Director at HR and future of work publication The People Space, emphasises, AI alone is not a "silver bullet"; its success depends on cultural buy-in, operational alignment and a readiness to adapt across all levels, from management to the floor staff.



A landscape of intensifying pressure

The financial toll on UK hospitality is hitting the sector at a time when workforce shortages are already acute, a reality that goes beyond seasonal recruitment fluctuations and has evolved into a chronic shortfall. Attracting talent is an uphill struggle – even when hiring efforts succeed, the sector faces turnover rates that threaten continuity and service quality. Recruitment processes, often stretched over weeks, only deepen the crisis.

Retention is equally challenging, as burnout, mental health struggles and lack of progression opportunities lead many to leave the sector. And now, with the additional financial impact of increased national insurance and escalating wage expectations, the strain on traditional workforce management approaches is even more severe.

Leaders at the roundtable voiced a clear consensus: ‘business as usual’ is untenable, particularly for organisations balancing razor-thin profit margins - and as most agreed: “Productivity is the biggest challenge that we’re facing.”

Against this backdrop technology is frequently posited as a solution to unlock efficiency and elevate performance. But, while AI in particular presents a transformative opportunity, the roundtable highlighted that its adoption requires a new way of thinking. AI implementation in this sector is complex, as it touches on sensitive areas like scheduling, training and even wellbeing – an integration that needs to empower teams, not overwhelm them. The leaders discussed how this shift would require both an organisational commitment to change and an alignment across HR, finance and operations.

Why AI holds promise now

AI has been part of the business lexicon for years, but its application in hospitality has been limited compared to some sectors. Early iterations of AI offered incremental improvements rather than transformative change. These systems, often described as “traditional AI,” were adept at identifying patterns in historical data – such as labour costs or seasonal sales – but fell short in terms of real-time decision-making and adaptability.



What has changed? According to Sona’s Ben Dixon, the leap lies in the advent of cognitive, or agent-based, AI. Unlike traditional AI, which operates within narrowly defined parameters, cognitive AI can process vast amounts of unstructured data, understand complex relationships and support decisions in real time. Think of it as the difference between a car with a camera on its windscreen that warns you when you’re drifting out of your lane and a fully autonomous vehicle that works out how to drive, how to indicate, how to get you to your destination, he explains.

In the hospitality context this means that previously machine learning systems were limited to “staying within the lines,” providing only baseline forecasting and rudimentary scheduling. But the latest advancements in AI now allow these systems to analyse vast data points, like sales patterns, dwell times and even camera footage, and actively seek out and identify missed opportunities. AI’s role has shifted from simply optimising cost to actively seeking revenue opportunities that traditional models might overlook.



For instance, a generative AI system can now support general managers to optimise staffing levels against predicted demand and table availability/reservations with actionable prompts based on large data sets from multiple sources. This level of foresight really empowers GMs to make improved site-level decisions in advance – maximising revenue potential across peak periods and driving up average unit values (AUVs).

Addressing operational readiness and the cultural shift

Despite its potential the question remains whether hospitality as a whole is ready to implement AI on a meaningful scale. The roundtable discussion revealed an industry where leaders are cautiously optimistic about AI but also acutely aware of the cultural and logistical barriers to adoption in an operational context. There is, as one participant observed, a need to bring everyone along on the journey – from the boardroom to the frontline.

Operational readiness is a foundational concern. The reality, as many CEOs acknowledged, is that hospitality's tech stack is often fragmented, leading to "tech fatigue" among staff. With research finding that the average number of workplace applications doubled in the last five years, employees are increasingly overwhelmed by disconnected systems. Simplified tech stacks with fewer, more end-to-end solutions are increasingly attractive.

Maria McCann, Head of Operations at Blacklock, described the frustrations of managing disconnected tools. "There's so much tech out there and you may find something that's great. But the problem is how you make all these systems talk to each other. You then end up with two people constantly pulling out different amounts of information when really you want that manager on the floor with their team and with the guests."

***On speed and dwell time...**"We're not going to replace humans with robots. What we need is to look for opportunities within the ecosystem. We use cameras to measure how quickly we are serving, our dwell time and even where our guests sit in our restaurants. It's amazing enriched data."*

Sam McIntyre, MD, Marugame Udon

This sentiment resonated with Hannah Plumb, Talent & Culture Director at The Alchemist, who spoke of "tech fatigue" among her people. "I feel like we've got a piece of tech for absolutely everything," she says, pointing out that even the younger workforce have had enough and it's too much. "There's so many different platforms, the tech doesn't pull into one bit of data and people don't understand what's the most important thing for them, which affects the employee experience."

As one operator pointed out, generational differences can add another layer of complexity, with older employees less willing to embrace the technology because it's just new to them.

The challenge of cultural alignment is compounded by a lack of training and open discussion with frontline workers. As Harrington notes: "Only 18% of frontline workers receive training on generative AI, compared to 50% of leaders. And these frontline staff are the people who are worrying about what the implication might be for their job. We need to have open conversations about how work is changing and what it looks like for you, as research shows that when you do this the anxiety that frontline workers are typically feeling starts to dissipate."

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The issue of integration is not just a technical problem but a strategic one. Fragmented systems can erode productivity, create inefficiencies and distract managers from their primary role of leading teams and enhancing guest experiences. The appeal of AI is that it can transcend the ‘tech-stack-connectivity’ conundrum. Data from any system or source can be exported and stored in a central data platform or data warehouse. AI can then be set up to interrogate that data to create actionable insights that support head office and site-level decisions. Setting up AI as an intuitive partner rather than imposing additional burdens on teams is key to its widespread adoption.

This is happening at Caravan where frontline staff are being invited into discussions about new tech, ensuring they feel part of the process. People and Culture Director Fernanda Antonio explains: “We’re always exploring how various systems could complement and enhance what we already have, helping us better support our teams and access the data we need to grow. We engage with our teams early in the process, encouraging open-mindedness and inviting input from across the business. From front and back of house, chefs, general managers, and even that one duty manager who works the toughest shifts, everyone is encouraged to share their perspective, ask questions, and challenge ideas. By including these voices, we’re ensuring any future developments are welcomed and championed by the people who use them daily.”

“At Caravan, we’re always exploring how various systems could complement and enhance what we already have, helping us better support our teams and access the data we need to grow.”

Fernanda Antonio, People and Culture Director, Caravan

Paul Sarlas, CEO of Noble Restaurant Group who has extensive international experience, shared a story from his time managing a large workforce in the Middle East, where his company introduced augmented reality as part of its training programme. Using virtual reality goggles, staff could learn and practise skills in a safe, immersive environment. But what truly boosted acceptance was gamification; employees could track their progress, gain points and this was tied to their pay and bonuses. Whilst AR is not AI, this approach helped turn resistance into engagement.

The devil is in the data

One key issue is AI’s ability to understand the nuances of hospitality operations. Craig Mayes, CEO of Rileys, observes that if a manager fails to prepare adequately before a busy period, such as by setting up too late for an influx of orders, staff will be overwhelmed when service begins. This results in slower service, frustrated customers and ultimately fewer sales. Nobody wants operational failure baked into the revenue forecast.

Dixon acknowledges this challenge, saying AI systems must be designed to account for stress indicators such as delayed tickets or staff activity levels that might not appear in traditional data sets. Traditional forecasting algorithms use historical data, such as daily revenue, to predict future needs, whereas generative AI brings more complex data models into play making for more sophisticated and nuanced insights.

AI’s superpower is finding patterns across large data sets that humans might miss Dixon explains.

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This fine-tuning of the labour force goes beyond the scope of traditional workforce management and aligns with a customer-first approach that is crucial for revenue growth. Moreover, the concept of smart, AI-powered personalisation has potential applications in hospitality. Drawing from examples in luxury retail, AI-based systems could one day customise guest experiences in real-time, anticipating preferences and suggesting personalised options. This approach moves beyond the basic efficiencies AI offers, tapping into its ability to deepen guest loyalty and expand per-visit revenue. In an industry where experience is currency, AI has the potential to refine and elevate that experience.

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The imperative of a balanced approach

AI must be part of a balanced strategy, one that equally values people, productivity and customer experience. Hospitality, by its nature, is a high-touch industry, and while AI can support that mission it should never undermine it. Leaders emphasised that AI’s role should be that of an enabler, providing tools that allow employees to focus more on guests and less on administrative burdens. The moment we reduce this industry to algorithms we risk losing its very essence.

Rising costs, labour shortages and customer expectations demand a proactive response. AI and other technology solutions offer pathways to reimagine productivity but they must be implemented thoughtfully, with clear alignment across systems and strong cultural buy-in. In an industry built on people, technology must be adopted as an ally to enhance, not overshadow, the human experience. Finding the right tech partner that understands these complexities, the need for appropriate roll-out processes and prizes the human-centricity of the sector is also key.



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On timing... *“You walk into a store which is all automated and the human touch is gone. We need to be able to talk to people and upsell and explain the menu. So we’d like to use more technology, but it’s all about timing, about when you implement it.”*

Paul Sarlas, CEO, Noble Restaurant Group

Q&A with Ben Dixon



Ben Dixon, Co-founder and CTO of workforce management platform Sona, shares his perspective on the transformative potential of AI, especially in the context of cognitive or agent-based AI – technology that enables real-time, adaptive decision-making previously unimaginable. He discusses the role of AI in reshaping workforce management, the practical applications already making a difference and what hospitality leaders need to consider as they integrate AI into their own operations.

Q Can you start by telling us why you are interested in productivity in hospitality?

A **Ben Dixon:** “I’ve spent 15 years in tech, with the last 10 of that building technology that is designed to transform both the employee experience and the productivity of frontline workforces – so I’m pretty passionate about it. Taking that experience into the hospitality sector – one of the largest, most exciting but also complex sectors to operate in – was always an ambition. With more than 5 million employees working in hospitality every day in the UK it represents a huge opportunity to create happier more productive team members that ultimately make happier, more productive businesses. It’s hugely rewarding for me personally to see the difference we can make for our clients, their teams and to be able to help the sector overcome challenges and thrive and grow.”

Q AI is a broad term that’s been used to mean a lot of different things. How would you define the difference between traditional AI and cognitive AI in practical terms?

A **Ben Dixon:** “Traditional AI, sometimes called machine learning or big data, has been around for a while but it’s limited to what I’d call ‘driving aids.’ Think of an old Ford Fiesta with a camera at the top of the windscreen; it could alert you if you were veering out of your lane but it wasn’t self-driving.

So traditional AI in hospitality is great for conservative forecasting and cost cutting but it’s not designed to seek out opportunities or adapt dynamically.”

“Cognitive AI or agent-based AI, on the other hand, operates more like a true assistant in that you can ask it questions and give it goals. It can look at countless data points and work autonomously towards set goals. For example, it can analyse restaurant patterns, spot high-pressure times and identify missed sales opportunities. It doesn’t just alert managers, it then suggests what specific actions are needed, like opening additional sections or adjusting staffing levels. This new capability represents a leap forward in what’s possible for frontline workforces.”

Q For some people, the idea of AI making such specific recommendations may feel like micromanagement. How do you address that concern?

A **Ben Dixon:** “No one particularly wants to feel they’re being ‘told’ what to do by a machine. I often think about this in terms of empowerment rather than control. AI’s role should be to support managers by equipping them with data-driven insights that help them make the best decisions, not just dictate tasks. I spoke to a hotel operator recently who put it really well. He said that when employees are at their best, it’s usually in high-energy moments where they feel they’re contributing to a well-oiled machine.

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Cognitive AI can enable that experience, helping staff to feel empowered with data-driven support rather than controlled. It's about creating a positive culture of support, not surveillance."

Q In terms of scheduling and forecasting, how does cognitive AI help with making effective staffing decisions?

A **Ben Dixon:** "The thing you don't have to do any more is work out what data you need – you can give it all the data. As an example, take box office data. For most locations it doesn't matter but if your restaurant is next to a cinema the film schedule could be a major factor. In the past we'd have to determine exactly which data points to track but now we can feed in everything – box office takings, weather patterns, customer flow – and the system will work out which data is relevant. AI can sift through this massive amount of data and say 'this matters' or 'this doesn't,' removing the data burden from managers."

Q How do you ensure AI respects human needs, especially in people-focused industries like hospitality?

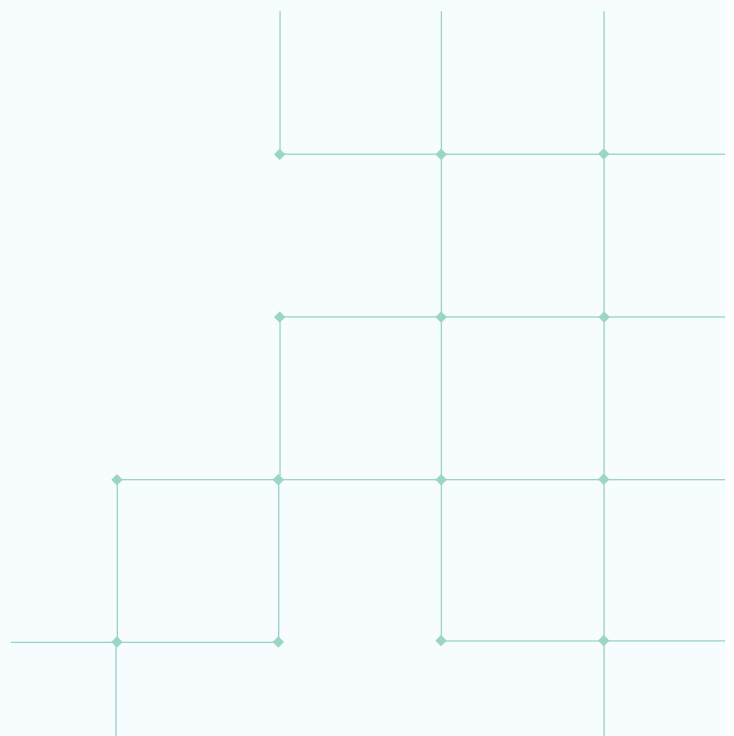
A **Ben Dixon:** "Hospitality is all about people. AI is here to empower, not replace. It's critical to use it as a support tool, not as a substitute for human interaction. Cognitive AI allows us to embed specific nuances into scheduling so we're not standardising experiences. For example, in automatic scheduling, we work closely with operators to understand preferences. AI can consider all these factors and make smart decisions but if a manager knows that 'Jason always works Tuesday,' we might advise against encoding that long-standing pattern into the model. We focus on real, productive preferences, avoiding habits that may no longer serve the business."

Q How should hospitality leaders begin developing a strategy for using AI?

A **Ben Dixon:** "The most important question to ask right now is: if you had access to an AI agent you could brief to pursue a particular goal, what would you ask it to do? The focus should be on impact – some might want it to help with talent identification, others may focus on optimising sales. The next 12 months will bring so many new tools but defining what's strategically important for your business will help you filter through this growing field."

Q What's the broader vision for AI in hospitality over the next few years?

A **Ben Dixon:** "Agent-based AI is only going to get more sophisticated. But the real potential is in how businesses shape it to meet their needs. We're moving towards a future where every business can find a way to use AI to either reduce costs or seize new opportunities but it all hinges on their ability to define the outcome they're aiming for. AI's full potential lies in how businesses shape it to meet their unique needs."



Ten things to do right now to drive productivity in hospitality through technology



Streamline system integration

Simplify your tech stack to improve operations and prevent 'tech fatigue'. Evaluate existing tools to ensure they are intuitive, relevant and that all operational and HR systems communicate seamlessly to avoid inefficiencies. Employees can become overwhelmed, disengaged and less productive when faced with overly complex systems. Streamlined systems can make their tasks easier and improve efficiency while enabling managers to focus on guest interactions.



Invest in smart, data-driven scheduling

Leverage advanced AI-powered scheduling tools to align labour with actual demand. Tools that analyse sales trends, peak times and real-time stress indicators can prevent both overstaffing and understaffing, reducing costs while improving service quality. Cognitive AI can dynamically adjust staffing based on nuanced data like pre-order trends or kitchen bottlenecks.



Identify your maximum productivity at a site level

Machine learning can help you identify the maximum sustained productivity level that each of your sites has achieved, then use individual site metrics to help your managers focus around this target productivity level and help you staff accordingly.



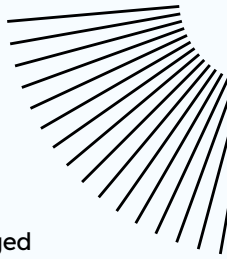
Engage frontline staff in technology selection

Involve employees from all levels in evaluating and adopting new systems. Include a cross-section of frontline team members in the conversation to counter resistance and ensure practical adoption. This surfaces problems before they occur, improving efficiency and speed to productivity, and creates tech champions to facilitate adoption.



Empower managers as coaches, not just supervisors

Shift the focus of management from merely assigning tasks to coaching by freeing them from administrative burdens through AI and automation. Managers can then focus on guiding their teams, addressing challenges like burnout and nurturing career growth. Equip managers with tools and training that allow them to identify employees' strengths, set goals and provide constructive feedback, creating a more engaged and productive workforce.





Adopt targeted training

Focus on training gaps and provide tailored education for workers who may struggle with adopting new technologies. Support employees who are comfortable with spreadsheets and paper to embrace tools that enhance productivity by demonstrating how they improve their ability to do their job in a positive way.



Address burnout and motivation with scalable sentiment analysis

Combat burnout and disengagement by using AI-driven sentiment analysis tools to gauge employee wellbeing and motivation and to preemptively address issues. Flexible scheduling, mental health resources and opportunities for staff feedback ensure employees feel supported and perform at their best. Healthy, motivated employees are more productive and stay longer.



Prioritise data ownership and privacy compliance

Ensure your organisation retains full control over its data when adopting new technologies. Work closely with vendors to maintain compliance with privacy regulations and safeguard your operational agility as business needs evolve.



Develop a long-term AI strategy

Define clear goals for AI adoption, whether targeting cost reductions, revenue growth or staff wellbeing. Sona's Ben Dixon emphasises the importance of playing a strategic role in shaping AI's deployment to meet specific business objectives.



Preserve human interaction while adopting technology

Balance automation with the need for human touch, particularly in roles involving guest interaction. Use technology to augment, not replace, the service experience. Paul Sarlas warns of the risks of over-automation, especially in fine dining, where personal interactions are vital. Don't lose your unique value by allowing technology to erode the personal connection central to hospitality.

On using team knowledge..."Most of our current and hopefully future central support function were originally waiters or kitchen staff and they've grown up through the industry. So if we were to build tech successfully, we should do so from the knowledge of our people, it would therefore be more integrated."

Maria McCann, Head of Operations, Blacklock



About Sona

Sona is the next-generation workforce management solution for large hospitality operators, where consumer grade design is matched by AI-driven decision making. Sona combines end-to-end WFM functionality - including scheduling, time and attendance, HR and payroll - with truly intelligent AI capabilities that enable real-time actionable insights geared towards driving revenue and increasing employee satisfaction.

For more information visit www.getsona.com



About Peach 20/20

Peach 20/20 is the leading community for board level executives running multi-site hospitality brands. Its membership includes CEOs, MDs, founders and entrepreneurs from QSRs to pub groups to casual dining restaurants and coffee shops.

Peach 20/20's invitation-only events are recognised for convening senior leaders to debate the big topics, challenges and opportunities for the sector. Hosted by respected industry commentator and sector champion, Peter Martin, the meetings focus on exploring how leaders create long term value for all their stakeholders - investors, teams and customers - through insights, innovation and collaboration.

For more information visit www.peach2020.com



About The People Space

Founded by Sian Harrington, The People Space is a content creator and curator for HR and people leaders. We focus on value creation through people in the digital and Fourth Industrial worlds of work. Our mission is to inspire HR and people leaders to seize and shape the future of work.

Our vision is to positively promote the value created by people in this digitally disruptive age where increasingly humans will work alongside machines.

For more information visit www.thepeoplespace.com

