

Metaverse for HR and talent management in hospitality and tourism

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The COVID-19 epidemic sparked an unprecedented global crisis, and its unfavourable repercussions are still being felt at the regional and national levels, affecting the political, social, and economic structures. Rapid technological advancements, particularly the degree of virtual experiences, have had a significant impact on the tourist and [hospitality](#) industries since the pandemic's lockdowns and related worldwide travel restrictions. This has led to the emergence of "virtual [tourism](#)." In the tourism and hospitality sector, [metaverse](#) adoption is becoming increasingly important for enabling an immersive and virtual customer experience. In this context, the rising usage of [technology adoption](#), including the metaverse, is essential for giving firms a competitive advantage in an era of talent shortages in the hospitality and tourism sector.

Automation technologies are built around the confluence of blockchain technology, the digital twin, and eXtended Reality (XR), which includes augmented reality (AR), mixed reality (MR), and [virtual reality](#) (VR). These technologies allow for both synchronous and asynchronous multi-sensory social interactions with digital objects, people, and virtual surroundings. Additionally, they provide individualised experiences and services that are currently transforming the political and economic landscape of the world. Indeed, the metaverse is envisioned as the "internet of the future," democratised for all users, and potentially irreversibly altering every facet of social and professional life as well as the human-machine interaction.

The metaverse market was valued at USD 48 billion in 2020, and it is expected to grow to USD 426.9 billion by 2027. The projected increase in AR adoption by the hotel and tourism sector is expected to rise from USD 7 billion in 2020 to USD 152 billion by 2030. The travel and tourism industry accounts for 54 percent of jobs using augmented reality (AR) and virtual reality (VR) in the US alone.

However, greater internet penetration, affordable and ergonomic Head Mounted Displays (HMDs), improved composability (i.e., the user's capacity to creatively combine interoperable metaverse components together through free navigation across various virtual worlds), and increased interoperability (i.e., the ability to unify systems, avatars, and economies across meta worlds) are all necessary for the metaverse to reach its full potential for growth.

Human Resource Management functions typically lag in new technology adoption. Often, this is related to employee data privacy, and ethical AI. Sometimes, it is also a function of cost and ROI of technology implementation. A multitude of HRM functions have experienced substantial technological progress due to the expanding implementation of artificial intelligence (AI), such as the utilisation of bots, machine learning, natural language processing, and the growing acceptance of the metaverse.

The user engagement is based on intrinsic motivation, and it can assist in resolving real-world issues of discrimination and social inequality. The metaverse offers psychological stability and emotional connection. Digital avatars possess the capability to aid in virtual employment procedures and training settings, while immersive virtual environments within the metaverse can cultivate significant emotional connection and attachment. By virtue of the emotive and psychological stability that avatars provide in a metaverse, participation and social interaction are possible in the absence of physical presence. This increases the social interaction and collaboration potential of a truly remote and distributed workforce. Metaverse enables users to maintain a locus of control in contrast to the prevailing culture of the local community they have entered, thereby facilitating the management of tensions that arise from encountering and digesting differences that are not at first apparent.

The utilisation of the metaverse for instructional purposes has generated considerable interest, due to the fact that current technologies fail to adequately replicate the learning experiences provided by physical classrooms. Integrating virtual collaboration tools into immersive spaces can be crucial for virtual reality training and remote work.

Employing VR-based collaboration and immersive training, brands and businesses reshape production modes throughout a unified, interoperable virtual environment by utilising employee avatars. Thus, it is possible for immersive visualisation systems to generate distinctive value propositions. Performance metrics can be improved, leading to a decrease in time to productivity and an increase in learning retention.

The integration of mobile-based 360 views or partial or fully immersive VR/AR platforms with the human resource information system (HRIS) and learning management systems (LMS) of an organisation is now possible. New hire inductions, skill development, and simulation-based instruction in the metaverse may facilitate learning in the absence of actual human interaction. Interactive training and simulations, in addition to collaborative workspaces in the metaverse, are feasible but demand greater investments in technological platforms. Consequently, the involvement of human agents in a synchronised manner is required. Overall, the possibilities of metaverse adoption in HR and [Talent management](#) initiatives are emerging and exciting. However, the purpose and anticipated results of metaverse-based interventions must be ascertained through the judicious selection of business cases.

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