

# HYB26

Technology Edition

AI Everywhere



**The Hotel Yearbook**

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HY8



# Let's Get Rid of the CIO

Mid-Stay

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**Mark Fancourt delivers a blunt, experience-backed argument against the industry's growing temptation to hollow out technology leadership in the name of AI efficiency. With 37 years in hospitality and 13 as a CIO, he makes the case that adding AI on top of fragmented, underfunded, and poorly governed tech stacks does not simplify anything — it compounds the chaos, and removing the people who understand the system is precisely the wrong response.**

## **MINDLESS THOUGHTS AND OTHER ANECDOTES ON THE REALITY OF BUSINESS TECHNOLOGY AND LEADERSHIP**

The hospitality industry stands at the next precarious crossroads. Our technology journey has seen us navigate Global Distribution Systems (GDS), business applications, interfaces and connectivity, the internet, digital marketplaces, data centers, the cloud, mobile and the mobile workforce, information security, and big data, only to find ourselves at the new crossroads of AI.

But let's be direct: everyone is still wondering what to do with technology. I recently gave a presentation on AI to a group of operational leaders, and the truth of the situation is clear. Nothing has fundamentally changed just because we have another evolutionary layer of technology. We cannot take our hands off the steering wheel, Tesla-style, while we crash and burn.

With that backdrop, let's explore how the industry is currently feeling about these changes. Picture this: let's get rid of the CIO. What happens then, especially if we sidestep these twelve raw realities?

### **1. THE PRISM OF IGNORANCE**

The industry totally underestimates the depth, breadth, complexity, reach, and impact of technology. It is no surprise that most view operations through a narrow prism. If your lens is limited to "guest journeys," you are ignoring the vastness of the real environment. We must account for the intricate data flow between Digital Commerce, Operational Systems, Back-of-House Engines (ERP/Finance/Supply Chain), and the underlying Infrastructure. This isn't a linear path; it is a massive ecosystem where what happens deep in the back-of-house rolls all the way back through the business to impact the guest experience. Business people simply do not have the ability to drive the direction and future of tech. It has proven constantly in this industry that without domain expertise, they are simply guessing and failing.

### **2. THE LOTTERY APPROACH TO FRAGMENTATION**

Let's go for the lottery approach to achieve continued fragmentation! The industry keeps hoping the next shiny object will solve legacy problems without doing the hard work. "Getting it all together," a previous Yearbook theme of mine, has not changed.

Today, the pile of technology is higher, and structure matters more than ever. Strategic governance isn't a bureaucratic burden; it is the orchestration of knowledge to achieve a position of marketplace leadership.

### **3. THE CALCULATED GLEE OF REMOVING EXPERTISE**

The hands are rubbing, and the minds are rolling over with calculated glee. "We can remove even more experienced leadership from hospitality technology?!" This is a massive problem. Removing responsible, skilled technology leadership is not efficient; it is a failure of leadership at all levels. Those who haven't sat in the seat, managing multi-million-dollar global budgets and complex distributions, have no business commenting on how to lead this function.

### **4. ANSWERS VS. ARCHITECTURE**

Getting an answer is not what running technology requires. Leveraging AI to answer a simple support question, rather than using a PABX, a ticket-tracking system, or an educated person, is merely a different technology platform; it is not technology leadership. There is a fundamental difference between using AI to solve business problems and leading technology from a business and enterprise architecture perspective.

### **5. THE AI "ICING" FALLACY**

If your CIO is forced to manage a subpar environment, it's because the organization failed to keep up with its investments. Adding "AI icing" to a broken foundation won't make a difference. An AI-prepared organization is one that has already embraced and deployed all the previous major competitive advantage stages we identified. Anything else is just broadening the chasm for an organization that is fundamentally not ready for the next evolution. There were no shortcuts before, and there are not any now.

### **6. THE "CHIEF AI OFFICER" DISTRACTION**

I know! Let's get a Chief AI Officer! What a great idea to bifurcate the leadership of technology capability in your organization by cutting it in two. It is yet another way to fail quickly. News flash: For the last 25 years, technology has been about business process optimization.

It reminds me of the Six Sigma nonsense we all had to endure in corporate life. Business process is business process, and it has been since the PDCA (Plan-Do-Check-Act) cycle was developed by W. Edwards Deming. Capable technologists are constantly looking to optimize business processes, and AI is simply the next layer that will help us further optimize them.

Bifurcation of technology leadership is not required because of another piece of technology. Real leadership in this space has always been about acting as a Business Technology Architect, designing the business itself through the lens of competitive advantage.

## 7. THE INTERNAL DEVELOPMENT DELUSION

Wait for it, here comes the flood of internal technology projects because, thanks to AI, "we're all software developers" now. We were finally reaching a point where the industry's largest operators understood that building technology internally is not the best use of resources. Yet, on the verge of the AI age, everyone has decided it's time for internal artificial intelligence technology projects. Who is going to oversee that? Who will make sense of how these sideline initiatives will be handled, versus those built from the ground up with a full understanding of technology design, structure, and management?

Without capable technology leadership, you are just adding to the chaos in an already complex environment.

## 8. THE GRIFT OF THE "AGENT"

Sideline commentators, speaking from a position of something to gain but without the actual experience, are telling people that, now that they have ripped off others' expertise, "Have we got an agent for you!" They have ingested decades of operational knowledge and are trying to sell it back as a generic tool. While I'm at it, I'll sell you mine. At least it will come from someone who has actually done the job. Just cue that global disclaimer: "AI can make mistakes and may not be accurate."

An AI agent has no neck to wring when the data is confidently wrong, and accountability is questioned.

## 9. BLURTED THOUGHTS VS. REAL EXECUTION

Things are not getting simpler because you can blurt your latest thought into a prompt. Execution is still key, and you likely have another job that demands your attention and effort. Complexity is not solved by prompts; it is solved by knowledgeable orchestration, commitment, and follow-through. Realizing a result requires an unusual level of passion that a "mindless" algorithm cannot replicate.

## 10. THE INFRASTRUCTURE TRAP

The industry is stuck in an 'IT' lens of physical infrastructure. We passed the infrastructure age with data centers, and then increasingly moved to the cloud. If you are still viewing tech as cables and hardware rather than business tools for competitive advantage, you need to catch up. Technology is a sovereign business asset that requires a leader who speaks the language of both the boardroom and the "black box."

## 11. DORMITORY OR HOSPITALITY?

The future of our industry is on the line. Dormitory or people-led human connection and service? Algorithms cannot replicate the authentic warmth of a guest experience or the "magic" of an unscripted moment. We must decide if technology will augment our human teams or create sterile, efficient environments that alienate guests.

It's your call. I'll flip you for it!

## 12. THE RAW REALITY: YET ANOTHER LAYER

The truth of the situation, distilled to its raw reality, is this: we now have yet another layer of technology. Now we need educated guidance on how to use this new capability alongside the rest of the underlying technology, which continues to play a core role in the industry's business.

Leadership in an AI-centric organization is not about replacing hospitality professionals with a layer of AI agents. It is about having the relevant knowledge to make educated decisions. If you think this evolutionary step allows you to remove responsible technology leadership, you are just finding a new way to further compromise your organization's future.

## THE FINAL WORD

I can tell you, after 37 years in the hospitality industry, 30 of them directly involved in technology, 13 of them in the CIO seat, and serving as a strategic consultant, everyone is still asking the same questions they've always been asking. They're asking because they don't know the answers.

On behalf of all the people out there striving to make great technology come to life in this sector, we have a long way to go.

As an industry, we might know very well what's involved in receiving customers at the front desk or in the check-in process. We know very well how to operate the dining room floor. But the one thing we still struggle with as an industry, largely because we have not put the necessary time, energy, and investment into the people, is the delusion that you can let technology go on its own.

If you think it's time to let it go on its own, you will fail.

Knowledge, expertise, and perspective are hard-won platforms used to deliver value back into our industry. They cannot be underestimated. The capability needs to be valued in the same way that we value all other professionals across the diaspora of our industry; there just happen to be a whole lot fewer of us.

If you didn't already have your performance motor vehicle driver in the hot seat, it might be time to see who's available. Don't make the mistake of removing what few technology professionals remain.

AI has only made running technology more complex.

