

CHIEF OPERATING OFFICER

A market intelligence brief for
operational leaders in Travel & Leisure

August 2026

**BLACKLINE
CONSULTING**

A HIGHER STANDARD

THE BLACKLINE RADAR SERIES

The Radar series is a set of role-based briefings for executives in Travel & Leisure, designed to be read in minutes and discussed for longer. Each Radar takes a single seat at the executive table and asks one question: *what should this leader have on their screen for the year ahead?*

Every Radar is structured around five lenses:

- > **THE BRIEF:** The mandate for the role this year, stated plainly. What the organisation is asking of this executive, and how that ask differs across sub-sectors
- > **HEADWINDS:** The forces working against the role. Market conditions, cost pressures, regulatory constraints and structural shifts that make the mandate harder to deliver.
- > **TAILWINDS:** The forces working in the role's favour. Capabilities, market dynamics and tools that, used well, give the executive room to move.
- > **BLIND SPOTS:** The areas where visibility of risk is limited. Not the known problems, but the places where the data, the reporting or the operating model may be quietly masking an issue.
- > **EXECUTIVE TENSIONS:** Where interests may align or diverge. The points of natural tension and natural partnership across the executive team, and where the COO's agenda intersects with that of the CEO, CFO, CIO/CDO and CMO. Knowing where interests align is often the difference between a mandate that gets delivered and one that stalls.

This edition focuses on the Chief Operating Officer: *deliver cost discipline and operational resilience through compounding wage pressure and new border friction without breaking the front-line workforce or the guest experience in the process.*



RICHARD OLIVER
Senior Director, UK



DAVID CLARKE
Managing Partner, UK

CHIEF OPERATING OFFICER

UK travel and leisure operations face the sharpest sustained labour cost rise in years alongside new EU border friction. The Living Wage rose 4.1% in April 2026, employer NI now runs at 15% from a lowered £5,000 threshold, and UK Hospitality estimates over £3bn in added costs this year with falling vacancies, reflecting roughly 170,000 job cuts since late 2024, not an easing market. Meanwhile, the EU's Entry/ Exit System (EES) is adding hours to border processing, straining already-stretched airports, ports and rail. Exposure splits by sub-sector: airlines and cross-channel operators face EES directly; hotels and attractions bear more of the labour cost burden.

HEADWINDS

Compounding labour cost increases

→ Between the National Living Wage rise, higher employer National Insurance and only partial business rates relief, the fully loaded cost of frontline staff has risen sharply in a single year, on top of several years of consecutive increases.

EU EES driven congestion

→ Fully implemented biometric checks are significantly slowing processing per traveller, causing queues, missed connections and strain especially at high-volume long-haul airports and cross-Channel terminals.

Workforce shrinking under cost pressure

→ Falling vacancy numbers reflect roughly 170,000 hospitality jobs lost since late 2024, meaning the sector is running leaner, not less stretched, heading into peak season.

BLIND SPOTS

Automation relocating cost, not cutting it

→ Efficiency gains are easier to claim than verify against a true fully loaded comparison, once implementation and oversight costs are included.

Border partner resilience is untested

→ Airport, port and rail EES readiness sits outside any single operator's control, and summer peak hasn't yet tested it at full scale.

TAILWINDS

Automation & AI absorbing routine load

→ AI messaging, chatbots and smart room/energy management are boosting revenue-per-room and cutting routine service hours, offsetting labour costs.

EU EES contingency flexibility

→ The European Commission has confirmed states can partially suspend biometric checks under exceptional pressure, easing peak-season congestion.

Smart infrastructure fits legacy assets

→ New AI orchestration and Internet of Things (IoT) tools now integrate with older UK hotel and venue assets, widening the efficiency opportunity beyond new builds.

CHIEF OPERATING OFFICER

The COO's tensions follow a consistent pattern: alignment where investment and delivery are shared, conflict where control or time horizon diverge. The CFO relationship carries both; united on the case for automation, split on how quickly it should pay back. The CIO/ CDO relationship is largely aligned, since AI-enabled efficiency depends on infrastructure they jointly own. The sharpest conflicts sit where the COO is accountable but not in control; EU EES readiness set by external authorities, and a leaner workforce absorbing pressure the COO cannot fully shield others from.

WHERE INTERESTS MAY ALIGN

The alignment here is natural - invest, & build on it...

On Investment

CHIEF FINANCIAL OFFICER

→ The essential partner on the return case for automation investment, and on holding the line on cost discipline through a period of compounding wage and National Insurance pressure.

On Technology Infrastructure

CHIEF INFORMATION / DIGITAL OFFICER

→ Delivery of AI-enabled guest service and operational efficiency depends on shared data infrastructure and systems investment; the two mandates increasingly overlap.

On Customer Experience

CHIEF MARKETING OFFICER

→ Border delays and staffing constraints land directly on the customer experience; operational and customer teams need to manage expectations and service recovery together.

WHERE INTERESTS MAY DIVERGE

These tensions are structural - navigate them openly...

On Payback Horizon

CHIEF FINANCIAL OFFICER

→ Technology investment cases pay back over time; the CFO's near-term view of cost containment can collide with the COO's longer transformation timeline.

On EU EES Readiness

BORDER & TRANSPORT AUTHORITIES

→ EES delivery depends on airport, port and rail operator readiness that the COO does not control, but which directly determines the guest experience and service delivery.

On Workforce Resilience

FRONT-LINE TEAMS

→ A leaner workforce absorbing both cost discipline and new operational complexity carries real burnout and service-quality risk that isn't always visible from head office.



BLACKLINE CONSULTING

A H I G H E R S T A N D A R D

Founded in 2013, Blackline Consulting is a multidisciplinary boutique advisory and execution firm operating across the UK and North America. We help organisations define strategy, enhance operations, drive transformation, and manage change

A higher standard, delivered quietly by people who care

CONTACT US:

david.clarke@blacklineconsulting.co.uk

richard.oliver@blacklineconsulting.co.uk