

Chapter 2

CONSOLIDATED FOCUS GROUPS

As part of the project about training needs, consolidated focus groups were undertaken with senior hospitality industry managers on the Gold Coast, Cairns, Brisbane and Sydney during mid-2007. The conversations were organised around five main topics:

- Generic skills: what are the skills expected from employees?
- Skills shortages: how hard is it to obtain the right and skilled employees?
- Recruitment: is it difficult to recruit staff, and if yes why?
- Training: does training could overcome staff shortages and are there any gaps in the current training programs?
- Industrial relations: could federal IR help to overcome staff shortages?

Such information will complete the overall discussion as it will provide some insight from the industry itself and its expectation when it comes to employees' skills and abilities. The following paragraphs will then summarise the outcomes of these focus groups.

Generic Skills

Feedback shows that employers require from their employees a good understanding of the industry and business operations including up-to-date trends. Beside the traditional service and customer relations skills, which include initiative, courtesy, teamwork, communication, personal orientation and attitude, the industry also requires some higher skills such as problem solving. Concerning specific skills, employers would recommend technical skills specific to a certain role, financial skills and obligation to OHS. Surprisingly, they would also accept to give up some technical skills in order to secure other generic skills when needed.

As one of the respondents mentioned, personal skills and motivation are still very much favoured in terms of recruitment criteria at the expense of proven skills. Indeed, one of the answers was that you can teach anyone to carry a plate but you need to have the person with the right attitude. Trying to train the right people is important, as it might assist in motivation to help retain employees. Loyalty to the company does not exist anymore in Generation Y who will pursue the highest pay.

Skills Shortages

The focus groups argued that recruitment for most of the positions, managerial or operational, is difficult, especially the recruitment of quality staff in general. F&B staff are also found to be under-skilled. Such positions are often filled with applicants who cannot find a job elsewhere. It is difficult to recruit members of staff with the appropriate skills but also with a sense of flexibility, willingness and presentation. Skills shortages are even more of an issue in regional areas and for entry level positions such as F&B attendant, room attendant, porter and guest service agent. Another focus group member encountered difficulty in recruiting a qualified career orientated restaurant manager and banquet supervisor even after three months of searching for the applicants.

Recruitment

The reasons given by the focus group participants for this situation are that the unemployment rate was very low at the time of the focus groups and thus created a more competitive environment for recruiters. People tend to be more attracted by other industries with higher wages and more family friendly work hours. The industry also suffers from a poor image and a perception of little prestige where career progression is also sometimes slow. This conflicts with the ambition of the new generation of graduates who want to achieve higher positions faster. Hours, commitment and shift work are also constraints for these young graduates who want to enjoy their time outside work. In fact, people are becoming more aware about having a certain work/life balance, which is hard to achieve in this particular industry. Emerging trends can be summarised in a couple of points:

TRAINING NEEDS OF THE HOSPITALITY INDUSTRY

- Migrants/new Australians are taking blue collar and lower-skilled jobs.
- Short-term migrants are being used to fill bottom end positions.
- There is a trend towards a better work/life balance.
- There is a lack of career prospects.
- There is a lack of loyalty to, and from, the company.
- Perceptions exist of hospitality jobs being a middle course before getting a 'real' job.
- There is competition among industries for skilled staff.

These points suggest that there is a need to change the industry's image and create, as one of the respondents stated, a 'career culture', which could also encourage the new generation to exhibit loyalty to the industry, and ideally, to one company within the industry.

Training

Although the industry recognises that educational institutions are doing well, there are several concerns. There are apparently too many providers who offer poor and inconsistent training and who train the wrong people just to get a training subsidy. Moreover, even if industry training could improve the quality of the employees and, in turn, professionalise the industry, it would still not resolve the problem of recruitment and skills shortages. Training needs to be coupled with additional retention strategies. InterContinental Hotels Group, for instance, developed such strategies as regional succession planning, building capability within the hotels, consistency in marketing collateral and networking with territory institutions. Whilst acknowledging that such initiatives help to some extent, one respondent argued that an environment of low unemployment will always give rise to difficulties in recruiting and retaining good staff.

Irrespective of the wider economic circumstances, it is important to develop a form of career structure and career progression by which the industry can modernise the recruitment and training process. As such, the industry should give staff the opportunity to develop professionally through studies and training, apprenticeships and traineeships. The hope of the focus group participants is that such initiatives would develop more qualified, motivated and hence more loyal staff members.

There seems to be a gap between graduates and the reality of the market. Indeed, this new generation does not have the patience to wait for promotion. In addition, even if training and education provide them with the right skills, the requisite behaviours do not necessarily follow and they often seem to lack a work ethic, attitude, motivation, willingness, passion and, as said before, realistic expectations. This disillusion explains the low conversion rate of the number of graduates who actually enter or remain within the industry.

Other downsides of current training are that most of the trainers are not from the industry and they do not properly assess the students who pass with lower standards. The teaching material is also too old and needs updating and training modules are too generic. Finally, the members of the focus groups opined that priorities, particularly in the selection and recruitment of students, can become confused in a 'for profit' education institution. As a consequence, without appropriate selection criteria, unsuitable people can be inducted, trained and graduated into the industry.

According to one respondent, some training issues that should be addressed are: update programs, extend cookery classes from Classical French through to Thai or Italian (etc.), and include business and economics subjects at a vocational level in order to increase the confidence of the students and thus make them more 'job ready' applicants.

One suggestion was to introduce recorded role plays so as to simulate 'moment of truth encounters' and to improve service recovery. Potential staff should also be given an understanding of state and federal legislation on public liability, OH&S, HAACP, basic first aid, general hygiene standards covering food preparation, food and beverage service and WorkCover compliance.

Industrial Relations

According to the respondents, the overall industrial relations environment suggest that:

- It is easier to hire and fire staff.
- There is the possibility to remove penalty rates but this reduces the attractiveness of the industry even more.
- There was more flexibility in embracing individual or collective AWA bargaining.
- The unfair dismissal laws affects mainly SMEs.
- There is an increased use of EBA/collective agreements.

Apparently, it seems that these changes will not have much impact on the employer and that they will not help reducing skills shortages. The award system was also seen as too inflexible and systematic. The point of view of one respondent is that:

‘No, the IR changes allow business to be more flexible in the way it staffs itself to meet volume demands, and generally provide an easier exit for staff who may not be the right fit for an organisation, but they do not attract staff to hospitality over any other industry, nor do they provide an incentive to remain in one industry over time. They also do not provide any base incentive for a business to invest in upfront skills development, for example a rebate to Work Cover Insurance costs based on training spend’.

(Anonymous, 2006).