

# EXPAND YOUR REMIT



## Mind the Gap

**Bridging Skills Shortages in the Hospitality Industry**

**A Roundtable by Remit Group**





To mark the turn of a new year, Remit, a leading provider of Apprenticeships training to the Hospitality sector, convened a group of forward thinking brands to discuss the recruitment challenges of the sector and discuss and plan possible solutions.

Remit were delighted to be joined by brands from across the sector including Compass Group, Nandos and The Royal Lancaster Hotel as well as partners from the Department of Work and Pensions (DWP), Mykindafuture and Springboard.

This white paper features an overview of the key discussion points offering an insight into the identified challenges as well as an overview of the solutions identified by the participants of the group.

## 1. The Challenges

### Employee Retention

It was identified by the group that the Hospitality sector as a whole faces challenges with retaining good employees. A multitude of reasons for this was discussed with the main key challenges identified being:

- **Competition** – with particular focus on the role of a Chef, competition for filling vacancies was high and in many cases a bidding war occurred when recruiting. This is due to the limited skills available nationally, and many will leave roles quickly due to better salary or benefits offers. For the employer, this is problematic as it limits the ability to build loyalty with those employees and a long term relationship.
- **Lack of structured training** – the changing face of training in Hospitality along with the increased dependence on technology has provided issues with retaining technically competent individuals. Limited visibility on career pathways across the industry has led to a lack of understanding of how people can develop in the sector and thus move onto alternative career opportunities.

### Recruitment

Recruiting and bringing in new people to any business bears a significant cost. This cost is felt deeply in Hospitality due to the high staff turnover it experiences. Along with the single cost of recruitment and onboarding of staff. Geography was identified as a critical factor with South of the UK providing many of the brands with recruitment challenges for the sector in particular.

With Brexit on the doorstep and a diminishing talent pool, many of the employers participating were concerned with meeting their recruitment needs, and how this impacts on service and brand experience for their customers.

“It’s a scary time coming up, we have a need for growth. We also have the issue of non-specific roles, with a mix of front and back of house, which is hard work and less appealing to workers.”

## The perception of a Career in Hospitality

Many of the participants indicated a lack of understanding, and respect for a career in Hospitality due to issues with perception. Many had taken on young people who had little understanding and knowledge of the hours (often unsociable) and shifts they would be required to work. Working across kitchens or with customers requires a number of skills and many arrived unprepared for the challenge and commitment ahead. For some the perception is that hospitality is a 'stop gap job' perhaps when studying, or thinking of other career options.

Partners and brands attending, discussed the lack of information provided in Schools regarding careers in Hospitality and with big brands and in particular the lack of knowledge on the training and development opportunities on offer via Apprenticeships training.

**One representative from a large restaurant chain, gave their position on managing their workforce and how this is being impacted by Brexit negotiations. She said: “We’ve been feeling the climate over the past year significantly. Around 80% of our workers in London are from the EU.”**

## 2. The Solutions

### Reaching out to early careers

One of the most critical areas discussed in helping to fill the future skills gap in Hospitality is through reaching out to schools from a much earlier age to build awareness and myth-bust on what a career with a major Hospitality brand may involve.

Many creative ideas were discussed on how this might take shape including:

- The offer of work experience programmes for 12-14 year olds.
- Hospitality brands offering in-School demonstrations or careers day on what it is like to work in the sector.
- Inspiring and educating through digital technology to bust myths and change perceptions including information on career paths.

There was also a suggestion that some businesses could look at working alongside the Department for Work and Pensions (DWP) to work with Schools in areas of deprivation, where there is funding for targeted employment and training programmes.



## Reaching alternative talent pools

There was a recognition by all that accessing alternative talent pools was not a case of 'if' but 'when'. Various groups were identified as alternative talent pools including:

- **Over 25's** - The group agreed that there is a preconception of Apprenticeships, where some people feel it may be a backward step for older workers. Apprenticeship salary was also highlighted as possibly not as feasible for older applicants, who invariably have greater responsibilities and financial commitments. It was acknowledged that some brands had adopted salary matching for Apprenticeship roles and standard roles in the business and this would be an area requiring further focus. With 3x the number of over 50s now being unemployed, brands acknowledged they needed to consider how to make roles and programmes attractive to this group.
- **Females** - One organisation spoken about its 'Women in Food' programme, which identifies that by 2020 they want a 50/50 split of male to females across their workforce. To achieve this, they introduced working school hours for women returning after maternity leave. Currently the firm is boasting a figure of 33% new hires being women demonstrating this has been a productive move. Another company highlighted that they have a restaurant that has only employed women, but they are still looking at hiring more women in apprenticeship roles specifically.
- **Ex-offenders** - Ex-Offenders are a pool of talent which may provide an option for brands looking to train and develop those in a focused environment. Many brands had already introduced successful programmes reaching out to open prisons and in particular females.
- **Existing employees** - The introduction of the Apprenticeship Levy has forced employers' hands in re-investing into Apprenticeship training. For many employers this area was discussed as a key opportunity to work with existing employees to provide effective and structured training and development which is tailored to their business. With the challenges of pay scales and perception, it was identified that many brands have looked to create their own bespoke training programmes to overcome this challenge while achieving an ROI on their levy bill.

**“The nature of the industry also means we often find competitors are poaching specialised candidates, meaning we need to do more to benchmark salaries, benefits and staff discount. Many employees also struggle with the split shifts and differing locations, it doesn't always appeal.”**

## Recruiting digitally with value

It was recognised by all employers that one of the challenges of recruitment in the industry was speed and being able to offer career and role information digitally. This was identified as a key route to accessing young talent and employers needed to be geared up to both offer information digitally, as well as be able to build valuable stories online about their careers using video/social media and mobile web.





## Coming together as an industry

The industry recognised the value in working together as a sector to build, access and promote skills in Hospitality. As well as utilising Government funding streams and coming together to provide flexible Sector-based work Academies, a number of ideas were generated around how the shape of the sector working together might look.

- Holding of regional celebration events between hospitality companies, to recognise the success of individuals in the sector.
- For many hospitality businesses, the prospect of 20% 'off the job' requires creative expertise and brands may be able to support each other in sharing ideas.
- Overcoming perceptions – the group discussed how perception could be changed by sharing apprentices' stories, showing the support offered and the progression pathways. Case studies featuring successful individuals, both existing apprentices and former, would really help to 'build the bigger picture' on apprenticeships in the industry and shared.
- **Maximising available new funding streams to increase the availability of skills**

Changes in Government funding has created an opportunity for Hospitality brands to engage adults and provide the skills and learning they need to equip them for work. Brands may utilise the funding to offer flexible tailored programmes of learning. Many brands discussed the possibility of Sector-based work academies which may be shared across organisations and offer a geographical solution for training and development.



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