

The case for change:
**Women working in hospitality,
leisure, travel and tourism**

Executive Summary
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Foreword

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The hospitality, leisure, travel and tourism sector prides itself on the way it manages its people and its ability to offer its staff part-time and flexible hours. However, as this report

highlights, this flexibility appears to apply more to transient and seasonal workers and is often not available for those staff who wish to pursue a career in the sector.

Given that the sector needs to recruit an additional 290,000 managers and 61,000 chefs in the ten years to 2017, it is critical that we maximise opportunities to retain and develop the staff we have and, clearly, a lack of flexibility adversely affects more women than men.

Recognising the need for more women to progress to senior management positions, and overcoming the barriers preventing them from doing so, is critical. However, if we are to successfully tackle the problem we need to build the argument on a strong evidence base that makes the business case for change. This report goes some way towards addressing this, by providing valuable intelligence on women working in our sector.

Through the Women 1st programme, we have a real opportunity to address the problem head-on by building on international best practice that provides practical solutions for individuals and businesses in our sector.



Introduction

Sharon Glancy
Founder, Women 1st

Since its launch in 2009, the Women 1st programme has supported over 250 women in the hospitality, leisure, travel and tourism sector with a dedicated mentoring programme, provided by trained industry leaders. In addition, it has put 213 through tailored

development training to equip them with the skills and expertise to progress their careers.

In 'The case for change: women working in hospitality, leisure, travel and tourism,' we have presented the evidence base for change.

The report looks at where women are working in the sector, the number progressing into management positions and some of the issues that are preventing them from fulfilling their career ambitions.

It also presents the critical business case for having more gender-balanced senior management teams - a case which is growing in strength. Not only does evidence suggest that it produces real financial rewards, it also highlights the importance of having a broader representation of women. Businesses with three or more female board members have been found to deliver the biggest impact.

However, there is a clear disparity between the number of women working in the industry and those in management and senior positions. Data on age and dependents would suggest that those women who have caring responsibilities take longer, or struggle, to progress to senior positions.

There are also large differences in the concentration of female workers in certain types of occupations and areas of industry, which is reflected in the salaries they earn. Our research seems to suggest that the traditional image of a greater number of women in part-time roles is still prevalent.

Retention data has not focused sufficiently on the reasons why women leave jobs in comparison to men, but we estimate that the 310,000 female workers our industry loses annually cost approximately £2.8bn in replacement recruitment and initial training.

Our research has identified five key barriers which appear to be the most significant in preventing women's advancement to senior roles in the sector - the difficulty of combining work at senior level with caring responsibilities; a dominant masculine organisational culture; preconceptions and gender bias; a lack of networking and exclusion from informal networks of communication, and a lack of visible women in senior positions.

If our sector is to effectively tackle the poor gender balance of its senior teams and make the most of the business opportunities available, we must look at how best to overcome these barriers by taking on board best practice - both internationally and from other industries. We also need to recognise the importance of providing and promoting flexible working arrangements for those that wish to pursue a career and not lose the talent we have worked to develop.

In the New Year, we will be bringing out a handbook that provides individuals and businesses with working guidelines and practical solutions that can help support more women to progress to senior positions.

We hope you find this summary useful, and that it encourages you to consider your case for change.



The business case for more gender-balanced management teams

Increasing evidence for more gender-balanced management teams

The need for more gender-balanced management teams and boards still divides opinion. However, an increasing number of studies demonstrate a clear relationship between women's representation in senior management and boardrooms and business performance indicators such as financial performance and shareholder value.¹

The Catalyst² report looked at the performance of Fortune 500 companies, ranking them by the number of female board members. It found that, in all measures, the companies with the most female board members outperformed those with the least. It found that in 2007, for companies in the top quartile, return on equity was 53 percent higher; return on sales 42 percent higher; and return on invested capital 66 percent higher than for the companies in the bottom quartile.

Other studies support these findings. Research by the World Economic Forum indicates that closing the male-female employment gap would have huge economic implications for developed countries, boosting US GDP by as much as 9 percent, eurozone GDP by as much as 13 percent and Japanese GDP by as much as 16 percent.³

The power of 'three'

Whilst most data looks at women's individual representation on a board, an increasing amount of evidence reinforces the importance of having a number of women at board level – and three appears to be the magic number.

The Catalyst⁴ report found that Fortune 500 companies with three or more women on the board gained a significant performance advantage over those with the fewest:

- over 73 percent higher return on sales
- 83 percent higher return on equity
- 112 percent higher return on invested capital

Similar results were found in other research.⁵ Leeds University Business School reports that having at least one female director on the board appears to cut a company's chances of going bust by about 20 percent. Having two or three female directors lowers the risk even more.

Mirroring our customers' perspective

Demographic changes mean that women's purchasing power continues to increase. In the UK, women are expected to own 60 percent of all personal wealth by 2025 and there are now more female millionaires between the ages of 18 and 44 than male.⁶ A more balanced senior management team could help to ensure that the views and expectations of female customers are properly recognised and considered.

How are women represented in the hospitality, leisure, travel and tourism sector?

Of the two million people working in the hospitality, leisure, travel and tourism sector, 56 percent (1,064,700) are women. However, the percentage of women working in the sector is falling - from 61 percent in 2004/5 to 56 percent in 2009. This largely reflects a reduction in those occupations and sub-industries where there is a greater concentration of females, such as travel agents.

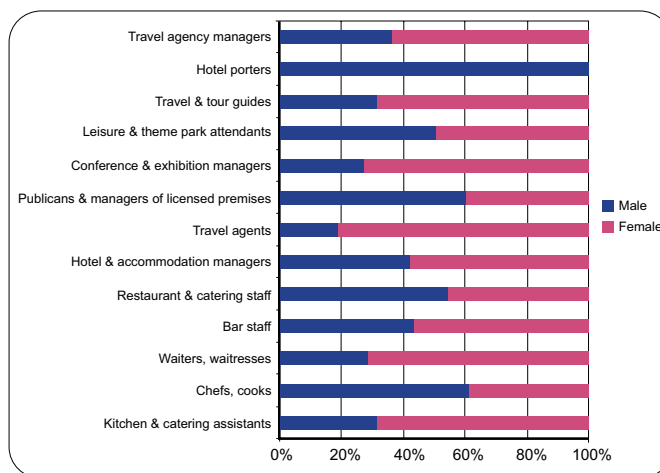
Occupational breakdown of female employment

There are clear differences in the industrial breakdown of female employment. A higher proportion of females are employed in travel services (71 percent), self-catering accommodation, holiday centres and youth hostels (71 percent), tourist services (71 percent) and food and service management (66 percent). Conversely, there are proportionally fewer women than men working in visitor attractions (45 percent) and restaurants (48 percent).

There are clear gender differences across different occupations. There are considerably more female travel agents (81 percent) and travel agency managers (64 percent). Similarly, conference and exhibition managers are dominated by females (73 percent) as are waiting staff (72 percent) and travel and tour guides (69 percent).

Males dominate in the following occupations: hotel porters (100 percent), chefs and cooks (61 percent) and publicans and managers of licensed premises (60 percent).

Figure 1: Composition of males and females in core occupations



Source: Labour Force Survey, 2009

Once again, the reasons are likely to be historic or reflect the working patterns of that industry or the occupations that are found in it.

When looking at broad occupational groups, on average, 25 percent of the male workforce is employed in management or senior positions compared to 18 percent of females. This imbalance is the case for all industries, except for events and self-catering accommodation, holiday parks and youth hostels.

'Having at least one female director on the board appears to cut a company's chances of going bust by about 20 percent. Having two or three female directors lowers the risk even more.'

1 www.closesthegap.org.uk

2 Catalyst, The bottom line: Corporate performance and women's representation on boards, Catalyst, New York, 2007

3 www.weforum.org

4 Catalyst, The bottom line: Corporate performance and women's representation on boards, Catalyst, New York, 2007

5 The Conference Board of Canada, Canadian directorship practices 2001, The Conference Board of Canada, Canada, 2001.

6 Cunningham, J and P Roberts (2007) Inside her pretty little head: A new theory of female motivation and what it means for marketing

Table 1: Female representation across broad occupations

	Male	%	Female	%	Difference
Managers and senior positions	177,200	24.9	155,600	17.7	-7.3
Professional occupations	6,100	0.9	3,900	0.4	-0.4
Associate professional and technical occupations	18,400	2.6	24,900	2.8	0.2
Administrative and secretarial occupations	23,500	3.3	75,900	8.6	5.3
Skilled trades occupations	136,00	19.1	46,400	5.3	-13.9
Personal service occupations	23,300	3.3	71,100	8.1	4.8
Sales and customer service occupations	34,800	4.9	63,500	7.2	2.3
Process, plant and machine operatives	31,100	4.4	4,000	0.5	-3.9
Elementary occupations	260,700	36.7	436,000	49.5	12.8
Total	711,200	100.00	881,100	100.00	0

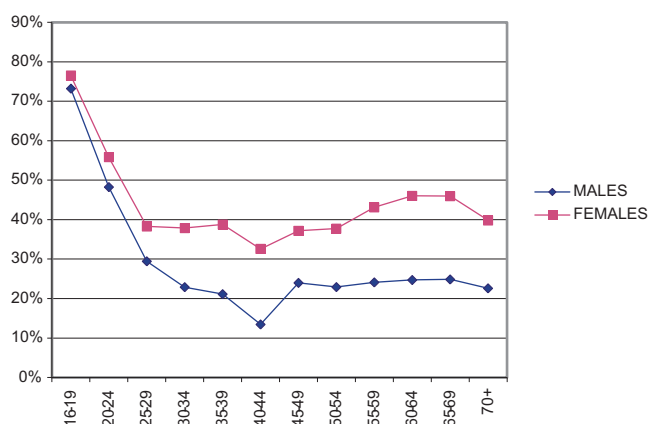
Source: Labour Force Survey, 2009

What age tells us about progression

Age, when looked across broad occupational areas, provides some indications about the speed of progression into managerial positions. Figure 2 suggests that, at an operational level, the make-up of these occupations by age is broadly consistent regardless of gender, although there is a higher percentage of women working in these occupations after the age of 55.

However, a different pattern emerges when we look at managers and those in senior positions (see figure 3). Until the age of 25, men and women follow the same pattern, however between 25 and 45, the pattern looks very different, with fewer women found in these positions. At its peak, 18 percent more men are in management positions. From 45 onwards the pattern converges again. The figures would suggest that during child-rearing age, fewer women are in management positions, compared to men. Between 65 and 69 the number of people of both sexes increases. This reflects that there are fewer workers at this level, but of those that do stay in employment, a greater percentage of men are in employment.

Figure 2: Gender and age across operational occupations



Source: Labour Force Survey, 2009

Figure 3: Gender and age across managers and senior positions



Source: Labour Force Survey, 2009

Working patterns and characteristics

Working patterns

Women are more likely to fill part-time roles. 54 percent of females working in the sector work part-time, compared to 46 percent of men.

For core operational roles, men are much more likely to work full-time. In some cases there are quite significant variations, such as for chefs, waiting staff and leisure and travel services occupations. Largely, these variations can be explained by the types of industries that a higher proportion of women are found in, such as chefs and cooks in education catering.

‘52 percent of the Women 1st online survey respondents think that it is more difficult for women to move into senior management roles in the sector than men.’

Table 2: Full-time, part-time and female employment (United Kingdom)

		Chefs, cooks	Travel agents	Travel & tour guides	Leisure & travel service occupations	Hotel porters	Kitchen & catering assistants	Waiters, waitresses	Bar staff	Leisure & theme park attendants
Male	Full-time	84%	79%	16%	69%	80%	45%	41%	32%	20%
	Part-time	16%	20%	84%	33%	19%	54%	58%	68%	80%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Female	Full-time	51%	61%	27%	27%	N/A	30%	23%	23%	19%
	Part-time	49%	39%	73%	73%	N/A	71%	77%	77%	81%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Labour Force Survey, 2009

However, there are also significant disparities between males and females working in management occupations. In particular, there are greater disparities between hotel and accommodation managers and conference and exhibition managers.

Table 3: Full-time, part-time and female employment (United Kingdom)

		Hotel & accommodation managers	Conference & exhibition managers	Restaurant & catering managers	Publicans & managers of licensed premises	Travel agency managers
Male	Full-time	89%	100%	95%	90%	100%
	Part-time	11%	0%	5%	10%	0%
	Total	100%	100%	100%	100%	100%
Female	Full-time	61%	74%	82%	89%	98%
	Part-time	39%	26%	18%	11%	2%
	Total	100%	100%	100%	100%	100%

Source: Labour Force Survey, 2009

Dependents

Across the sector, 62 percent of the female workforce does not have any dependents under the age of 16. Proportionally, the number of female workers without dependents is roughly a quarter higher (24 percent) than those with dependents. This difference is greatest within professional occupations (56 percent) and managers and senior officials (38 percent).

This means that female managers are less likely to have dependents or that their children have already grown up.

Table 4: Ratio of women in broad occupational groupings with and without dependents, United Kingdom

	Ratio of women in broad occupational grouping		
	No dependants	Dependants	Difference
1 Managers and senior positions	69%	31%	38%
2 Professional occupations	78%	22%	56%
3 Associate professional and technical occupations	57%	43%	14%
4 Administrative and secretarial occupations	56%	44%	12%
5 Skilled trades occupations	62%	38%	24%
6 Personal service occupations	61%	39%	22%
7 Sales and customer service occupations	61%	39%	22%
8 Process, plant and machine operatives	48%	52%	-4%
9 Elementary occupations	61%	39%	22%
Total (average)	62%	38%	24%

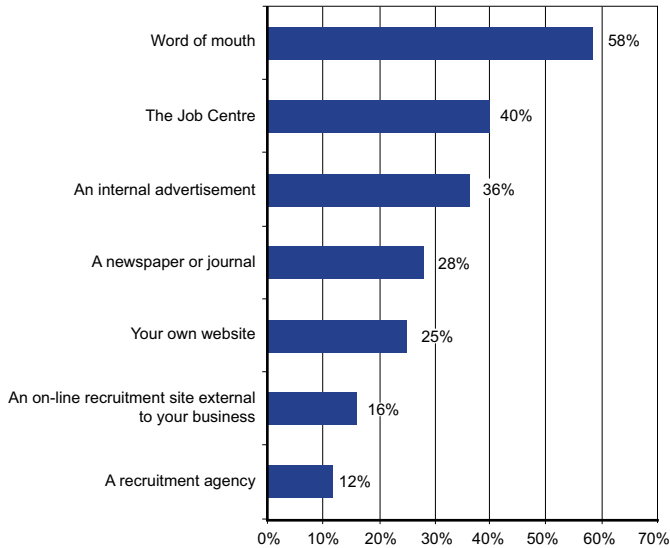
Source: Labour Force Survey, 2009

Recruitment and development

Recruitment methods

Previous research undertaken by People 1st suggests that sector recruitment tends to rely on informal methods. Over half of employers used word of mouth (58 percent), followed by 40 percent using jobcentres and 36 percent using internal advertisements.

Fig 4: Method of advertising hospitality jobs



'Research has shown that the Fortune 500 companies with three or more women on the board saw more than 73 percent higher return on sales, 83 percent higher return on equity and 112 percent higher return on invested capital than those with the fewest female board members'

Source: People 1st, 2009

The focus on more informal networks is strongly felt to favour men. Research suggests men are more comfortable networking and have the self-confidence necessary to take advantage of them. Similarly, women are often subconsciously excluded by such networks.

Highest qualification attainment

There are broad variations in the highest qualification attainment between men and women across core occupations. For most occupations, there is little difference between male and female.

However, there are a number of occupations where men have higher qualification levels. For example, male travel agents and hotel and accommodation managers are 19 percent more likely to have a qualification at level 4 or above than women.

Retention

People 1st estimates that the hospitality, leisure, travel and tourism sector loses approximately 310,000 female workers annually due to labour turnover, costing approximately £2.8bn in replacement recruitment and initial training.

It is not currently clear how many of this number leave due to maternity reasons, and further research will be required in this area.

However, even if a small percentage of women were able to be retained and developed it would help tackle the hard-to-fill vacancies faced by employers, as well as meeting the future demand of an expanding sector.

On average, women are staying with their current employer for 4.68 years. This means that for every female employee leaving the sector, employers will have spent in the region of £10,468 per person on their recruitment and on-going skills development. Across the whole sector, employers would have spent approximately £3.2bn a year, based on the 310,000 female employees leaving the sector.

Earnings

The disparity between men and women's earnings continues to be highlighted in the figures. Men are paid more across all occupations, with the exception of conference and exhibition managers and travel and tour guides. However, male restaurant and catering managers and hotel and accommodation managers are paid significantly more than women.

Table 5: Pay and gender across core occupations, United Kingdom

SIC code definition	Gross weekly pay in main job (MALE)	Gross weekly pay in main job (FEMALE)	Percentage difference between male and female earnings
Hotel & accommodation managers	£490	£325	16.8%
Conference & exhibition managers	£518	£551	-3.2%
Restaurant & catering managers	£581	£352	19.7%
Publicans & managers of licensed premises	£377	£186	25.3%
Chefs, cooks	£333	£174	23.8%
Travel agents	£386	£256	16.8%
Travel & tour guides	£79	£84	-3.1%
Leisure and travel service occupations	£418	£159	30.9%
Hotel porters	£360	No data	-
Kitchen & catering assistants	£170	£139	9.1%
Waiters, waitresses	£156	£131	8.0%
Bar staff	£126	£118	3.2%
Leisure & theme park attendants	£204	£82	29.7%

Source: Labour Force Survey, April-June 2010 (income weighting used)

Barriers preventing more women entering senior management positions in the sector

Research conducted by People 1st in 2010 concluded that the following five barriers appear to be the most significant in preventing women's advancement to senior roles⁷:

1. Difficulty of combining work at senior level with caring responsibilities
2. Dominant masculine organisational culture
3. Preconceptions and gender bias
4. Lack of networking and exclusion from informal networks of communication
5. Lack of visible women in senior positions

These five factors do not operate alone and, in reality, they reinforce one another through a variety of social, business and individual factors.

1. Difficulty of combining work at senior level with caring responsibilities

Work-home balance is a struggle for both men and women. On average, European women devote twice as much time to domestic tasks as men: four hours and 29 minutes per day, compared with two hours and 18 minutes from the men in the sample.⁸

Undoubtedly, combining work and caring responsibilities is the most significant factor preventing women from progressing to higher positions (cited by 70 percent of respondents to the Women 1st online survey).

This might seem strange for a sector that offers a lot of part-time and flexible jobs that do not fit traditional hours. However, these opportunities are not normally available for those who want to pursue a career in the sector (male or female) and tend to only be open to the large number of transient workers the sector attracts to fill front-facing, lower skilled roles.

"For some women, unlike men, there comes a point where they choose to come off the track; you can't deny that, for some women, they get married and have children and either don't want to work or their career is not as important as it was... men are often single-mindedly focused on their career." (Female senior manager, hospitality, leisure, travel and tourism (HLTT) sector)

2. Dominant masculine organisational culture

With women traditionally being largely absent from senior management positions, organisational culture can be perceived by some as being masculine. Just under a quarter of the Women 1st online survey respondents said that a dominant male culture and attitude is a hindrance to moving up the career ladder.

There are also those who believe that some women can adopt perceived masculine traits to progress, so having more women at senior levels is not necessary the sole solution.

"I definitely think that a predominantly male macho culture is a big issue - it seems that even some of the women on the senior management team are emulating their peers or are treating their staff in the same way they have been treated by their bosses." (Women 1st online survey respondent)

7 Research consisted of an online survey, qualitative interviews with senior women in the hospitality, leisure, travel and tourism sector and desk research

8 "A statistical view of the life of women and men in the EU-25," data from 15 countries, Eurocast (2006)

3. Preconceptions and gender bias

We make small judgments about individuals every day, based on assumptions that arise automatically. These brief informal interactions can accumulate and, ultimately, impact formal employment decisions. Gender bias is our assumptions about the characteristics of men and women.⁹

These judgments can be made by both managers and individuals and are often unconscious. They can affect women's progression in a number of ways:

Perception that family responsibilities will interfere

It has been argued that one of the strongest and most explicit bias in today's workplace is against mothers.¹⁰ It is triggered when motherhood becomes obvious to managers and colleagues. This typically occurs when a woman announces that she is pregnant, returns from maternity leave, or adopts a part-time or flexible schedule.

"I think I did face barriers, although I don't think men did it intentionally, but when I had my children I think there was just an assumption that I was not so interested in my career because I had other things going on. That was not meant to be malicious in any way, it was just an assumption. Again I had to make it very clear that, because my husband was at home, I did not see that my career was on hold and that I was still on track." (Female senior manager, HLTT sector)

Job descriptions and adverts

The way in which job descriptions are designed and worded, and where they are advertised, may put women off.

Business psychology studies suggest that women will research new job roles thoroughly and critically assess their own competence before applying. In comparison, men tend to possess a 'can-do' attitude and are prepared to 'give it a go,' even if they are not confident of the outcome.¹¹

Recruiting in one's own image

Subconsciously, managers can recruit in their own image. One human resources director interviewed by People 1st found that research within their own company revealed that female managers' teams were split more equally in terms of gender, while male managers' teams tended to be skewed more towards men.

"It's not that people consciously look for somebody that is like them, it's that they feel a connection with people that are like them and I think when you're interviewing it's extremely difficult to untangle that from whether someone is really right for the job." (Female senior manager, HLTT sector)

"There are more men at senior level to choose from for each job that becomes available. I believe, when men are recruiting, they are more comfortable employing men in senior roles than females." (Women 1st survey respondent)

4. Lack of networking and exclusion from informal networks of communication

Networking is critically important in career progression, but research suggests that women are being excluded by some critical networks and that some may lack the confidence to network.

Research by Opportunity Now has highlighted that non-executive directors are often recruited through an 'old boys' network' among business and personal contacts of current board members.

"At board level, typically, there will be managing directors, financial directors, sales directors, human resources directors and operations directors. I would say that, out of those positions, there are far more men in them. In hotels, the area most represented by women will be HR, quite a few women have got into the boardroom through sales, but there are a lot of men in sales at that level also. Most of the directors come from within, so there are less women in the potential audience, but I think in some organisations there is a bit of an old boys' network." (Female senior manager, HLTT sector)

"I find the lack of women that come through when I do senior level recruitment quite frightening." (Search consultant for senior roles)

However, often the biggest barrier preventing women attending networking events is the fact that they take place in the evening or early in the morning, which often clashes with caring responsibilities.

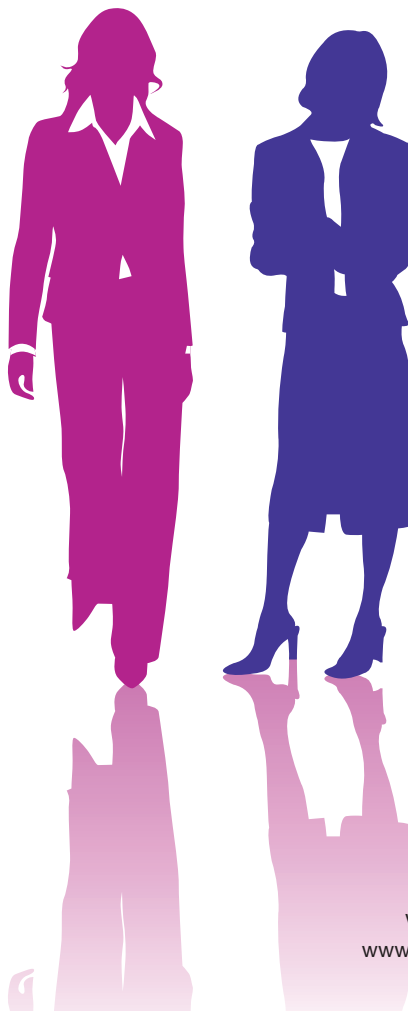
5. Lack of visible women in senior positions.

The low number of senior female managers in the sector means that, naturally, there are fewer female inspirational role models and mentors.

34 percent of respondents to the Women 1st online survey said that a lack of mentors is a hindrance for them in moving up the career ladder. Other studies have uncovered a similar problem, but have also highlighted the difference between male and female managers' perception of the importance of mentoring - 61 percent of women see the lack of mentoring as a barrier to career development, as opposed to 31 percent of men.¹²

The effect of a low number of senior female managers is also felt by those in these senior positions. It can mean that some women become increasingly isolated the higher up the organisation they progress.

"I spent many years being the only women on a leadership team, which can be lonely." (Female senior manager, HLTT sector)



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⁹ www.hrmreport.com

¹⁰ www.worklifelaw.org

¹¹ www.adept-psychology.co.uk

¹² Women in leadership: A European business imperative, Catalyst Conference Board (2002)