

FINDING THE



NEXT GENERATION OF LEADERS

As the industry's management skills gap continues to widen, attracting young people with leadership abilities will be crucial to future success.

Lara Eade reports

THE HOSPITALITY INDUSTRY is one of few sectors predicted to grow in the next few years. An estimated 69,000 additional management positions need to be filled by 2017, but recent research reveals a major leadership shortage that could hamper its chances.

Despite the current climate of high unemployment, when many managers from other sectors are looking for new opportunities, the *State of the Nation 2011* report found that the number of hospitality employers reporting management skills gaps in their workforce (39 percent) has risen by nine percent over four years. In addition, 41 percent of current management vacancies are already classed as 'hard-to-fill' – almost double the national average.

While this issue is not unique to the hospitality sector, it is particularly acute, with a higher than average percentage of businesses reporting management skills shortages. And it's a problem that has been growing for some time, according to Martin-Christian Kent, research and policy director at People 1st.

"Our research identified management and leadership as a critical skills shortage

area over five years ago," he explains. "Employers consistently tell us that they find it difficult to recruit staff with the required management and leadership skills, and that problem is becoming all the more evident as the sector continues to grow."

So what is causing this management deficit? "There are a number of factors," says Martin. "The first being a high reliance on transient workers. While some people are fortunate to be born natural leaders, for most of us those skills come with experience and knowledge.

"However, the hospitality industry has higher than average rates of staff turnover, which means that much of that knowledge and experience is lost, rather than nurtured. While we recognise that transient labour gives businesses the flexibility to respond to fluctuating customer demand, this short-term

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approach has a negative effect on the management pool. In fact, 47 percent of employers admit that the level of reliance on transient workers is too high.”

Another factor, he argues, is a failure to develop female talent: “Research undertaken by People 1st last year found that 310,000 women leave our industry annually. Not only does this cost businesses around £2.8 billion in replacement recruitment and training, but it means that we are effectively losing half our talent at a time when we need more managers. Despite making up almost 60 percent of the total workforce, only six percent of hospitality directors are female.”

In addition, the fact that fewer organisations are offering formal management training means that employees could be missing out on development opportunities. “There are definitely fewer management training schemes available than there were 20 or 30 years ago – particularly among larger companies, who historically tended to offer this kind of structured development,” explains Martin. “Many of the traditional pathways to management have been eroded, so employers need to start looking at other forms of training – such as apprenticeships – to develop those skills in their workforce.”

While some might argue that there just aren't enough people who are suited to management, recent findings from UKSP – the leading information site for careers and development in hospitality, leisure, travel and tourism – would suggest that is not the case.

At the WorldSkills 2011 event, where young people from across the globe competed to be crowned best at their chosen skill, representatives from UKSP invited visitors to take their interactive ‘personality test’, which asks participants questions about their various traits and preferences and matches them to their ideal job in hospitality, leisure, travel and tourism.

More than 1,000 people took the test and, encouragingly, the results revealed a wealth of young people with potential management capabilities. ‘Go-Getters’ – those who show a natural aptitude for leadership and management roles –

emerged as the joint most common personality type, along with the ‘Gurus’, whose organisation, project management and judgement skills also make them suited to management positions.

There is clearly a pool of future talent with the potential to fill the leadership gap, which is welcome news for the industry. And, with the predicted number of management vacancies on offer, a career in hospitality could be ideal to help aspiring leaders meet their goals. The initial challenge, argues People 1st chief executive, Brian Wisdom, is to ensure that they find their way into the sector.

“There are fantastic managerial roles available in the hospitality industry,” says Brian. “But it does suffer somewhat from an image problem. While it has improved over recent years, many people still have misguided perceptions about it only offering low-skilled occupations, and that’s simply not the case.

“This is why we created UKSP, to help bridge the gap between the ‘go-getters’ and businesses, publicise the variety of rewarding career paths available, and to give ‘Good Employers’ – those committed to developing their staff – a forum to promote their organisations as great places to work.

“It’s essential that employers take the mantle – both to promote the wealth of opportunity on offer to young people, and to provide the continued training and development that will retain that young talent within our industry.”

As Brian suggests, it’s not just getting people into the industry that remains a challenge, but retaining them. Investing in staff training – and investing in it from the beginning – is a key way to achieve this. Chefs, for example, stay an average of 2.5 years longer with an employer that offers training than an employer that offers none.

Philippe Rossiter, chief executive of the Institute of Hospitality, stresses the importance of training staff from the start to prepare them for future responsibility. “A lot of businesses have realised that they have to start investing in their staff, because in many, many cases – and this applies to large employers in particular – they have removed tiers of management,” he says. “Then, suddenly, they find that

Tomorrow’s leaders – the top ‘personality types’ from UKSP



THE GO-GETTER

“Leadership comes naturally to you, because of your confident and assertive personality. You think ahead and act on those impulses when you’re sure it’s the right thing to do, often negotiating to get your way. Quite obviously, managerial positions are perfect for you, but any position where you have decision-making power and responsibility would fit as well.”



THE GURU

“You’re a cool, logical sort, able to deal with administrative and data-based tasks. Organisation and project management are easy for you to master. Your judgement is sharp and you aren’t afraid to show it. We know your skills are invaluable, and are most suited towards jobs involving management and organisation.”

What’s your personality type? Take the test at www.uksp.co.uk to find out.



“We are starting to narrow that gap between what we need and want and what we get”

Academy continues to expand and is already showing positive results. Apprentices are being promoted into junior management positions at a faster pace, with the required skills and knowledge needed to be successful in the role.

“We are starting to narrow that gap between what we need and want and what we get,” says resourcing and development director Vicky Williams. “Having skilled, knowledgeable and motivated home-grown apprentices ready and able to fill management vacancies far quicker is a smaller investment than the costs of recruiting externally, and the associated loss of productivity while you fill a vacancy.

“As the programme evolves, we should be able to fill our management positions with our home-grown people, rather than having to go out externally. We believe the apprenticeship programme works and we’ll do everything we can to increase it, both in terms of numbers, quality and areas in which we provide apprenticeships.”

The government, too, has thrown its weight behind apprenticeships, and has pledged to fund thousands of additional places over the next few years. With increases in university tuition fees and changes to the education system, apprenticeships are set to become an even more important route to management for people of all ages, and could provide a key solution for employers looking to tackle management skills gaps within their workforce.

The hospitality industry is in a fortunate position – while the current outlook for many sectors is bleak, its forecast growth makes it an ideal option for future managers. But getting that message out there, and ensuring that businesses are committed to investing in young people who choose to pursue a career in hospitality, is critical if businesses are to take advantage of this opportunity.

Whether it’s through apprenticeships, in-house training or simply helping to spread the word about the fantastic career paths on offer, the whole industry has a part to play in attracting, and retaining, tomorrow’s leaders. ●

they’re going to have to give greater levels of responsibility to junior members of staff who begin to struggle because there hasn’t been the investment in preparing them for those roles and responsibilities.”

One key way that businesses can train future managers from the beginning is through apprenticeships. Research has shown clear benefits from apprenticeships across the whole economy – most notably, increased competitiveness, productivity and reduced labour turnover – and a number of hospitality companies have found them invaluable in helping them to fill management vacancies.

Compass Group UK and Ireland is one such organisation. Employing 60,000 people across the UK, and with more than 1,000 management vacancies to fill each year, Compass was finding it increasingly difficult and costly to fill these positions. Its solution was to create an innovative two-year fast-track Apprenticeship Academy, combining off-the-job training, work shadowing and mentoring with nationally recognised qualifications at levels 2 and 3.

Now in its third year, the Apprenticeship

THE CHALLENGE IN NUMBERS

34%

of employers believe job applicants lack the management skills they require

39%

of businesses report a shortage of management skills in their current workforce

41%

of hospitality management vacancies are classed as ‘hard to fill’

14,952

restaurant management vacancies were posted in the first two quarters of 2011 – more than any other role across the hospitality industry