



# Skills and workforce profile

## Hospitality and tourism

People 1st produces a wide range of research and analyses to better understand the changing skills and labour market needs of the visitor economy. This skills and workforce profile provides a snapshot of the key workforce characteristics, skill needs and retention issues facing the hospitality and tourism sector.

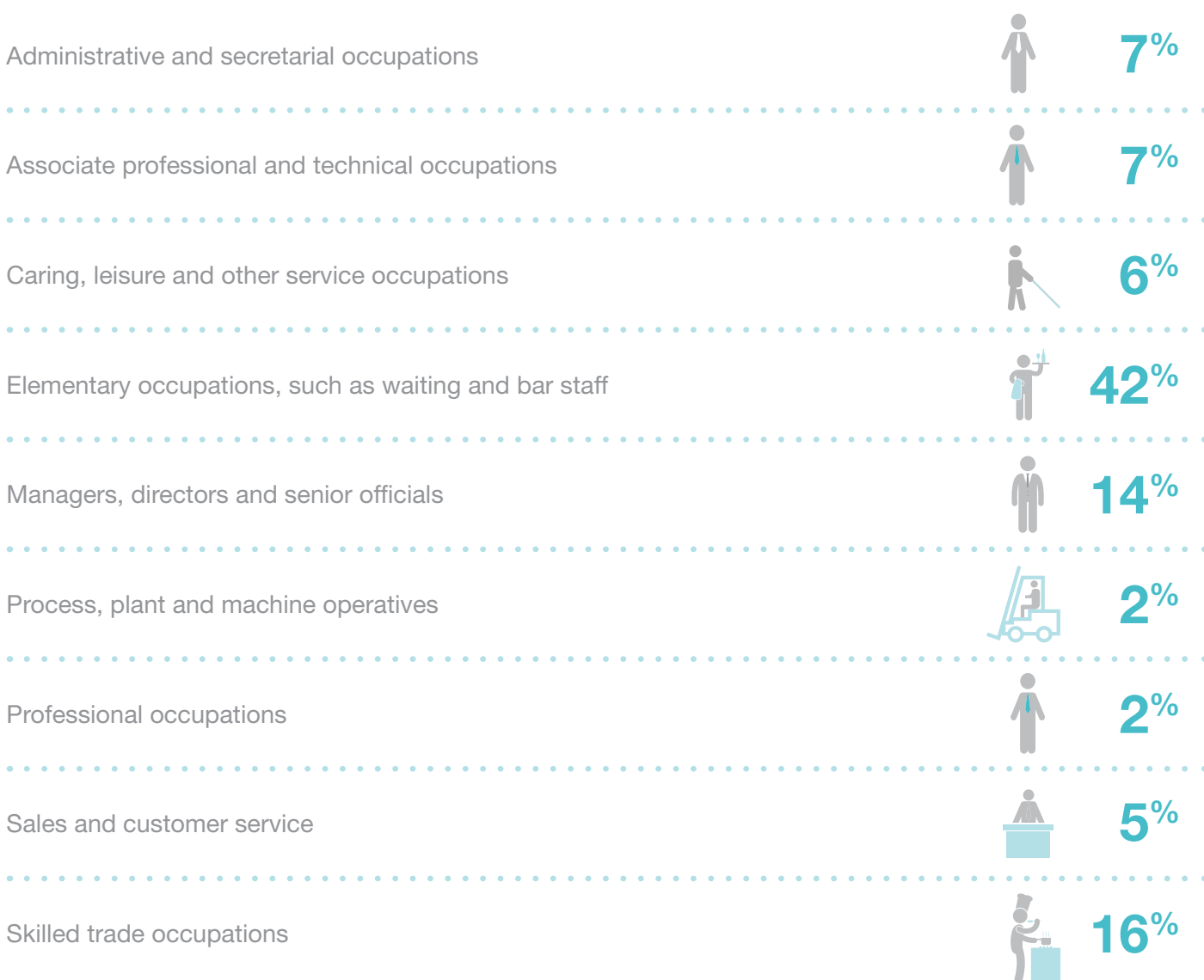
## Economic indicators

- Between **2008-2013**, economic indicators show a significant improvement in economic output
- Gross Value Added (GVA) which measures output increased from **£34,951m** to **£43,210m** – a **24% increase**

## Employment

Between 2011-2015 the hospitality and tourism workforce increased by **13%** to **2.05m**.

The workforce is broken up as follows:



Projections suggest that the sector will need to recruit an additional **1.3m** more staff by the end of **2024**. **Three quarters** of this figure is to replace existing staff (reflecting high levels of staff turnover) and the remainder reflects the continuing growth of the sector.

In terms of the roles we need to attract:

Administrative and secretarial occupations ■

Associate professional and technical occupations ■

Caring, leisure and other service occupations ■

Elementary occupations, such as waiting and bar staff ■

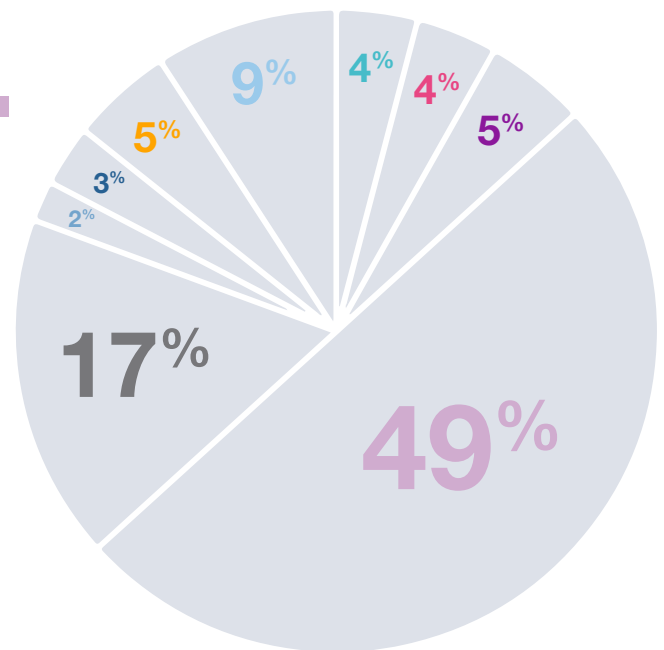
Managers, directors and senior officials ■

Process, plant and machine operatives ■

Professional occupations ■

Sales and customer service ■

Skilled trade occupations ■



## Workforce characteristics

### Age

The hospitality and tourism sector is heavily reliant on a young workforce with nearly half the workforce under 29 years old. This will pose some challenges as demographic changes continue to shrink this labour pool in the short-term.

Age bands	Hospitality and Tourism	Entire Economy
16-29	46%	24%
30-49	35%	46%
50-59	13%	21%
Over 60	6%	9%

## Gender

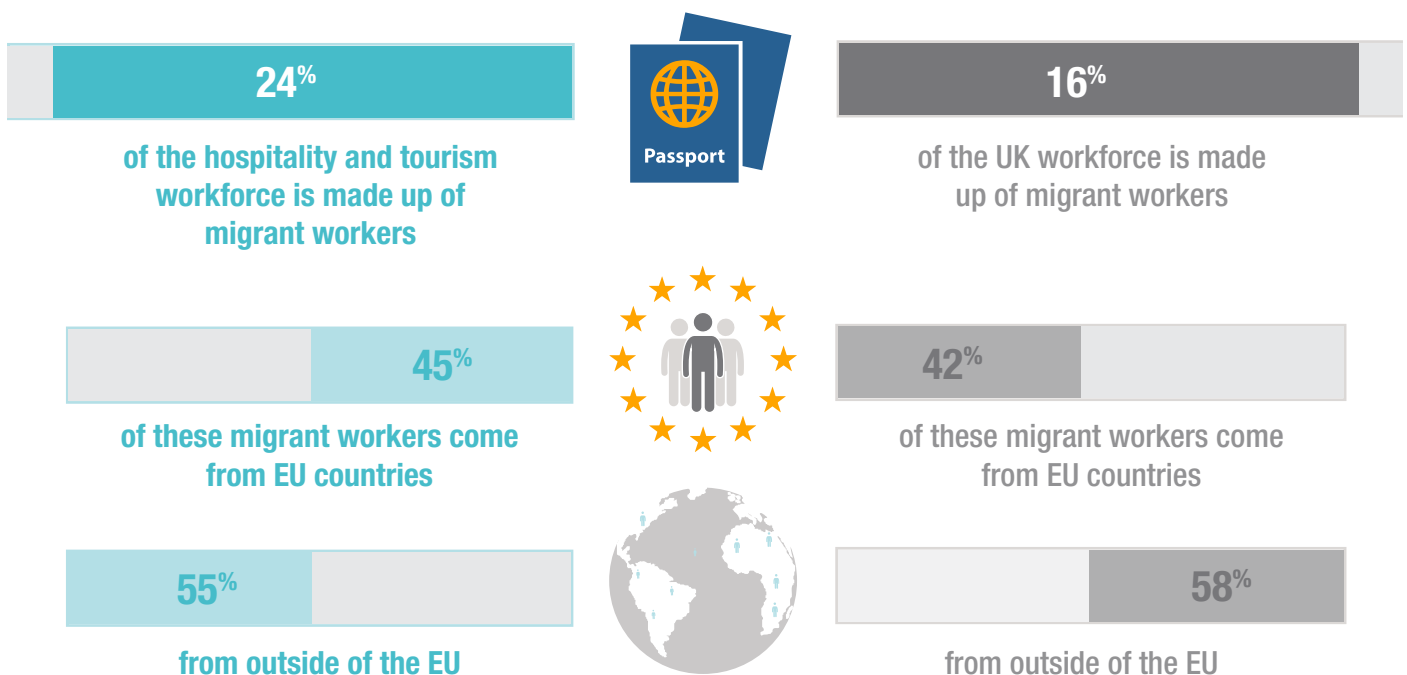
Women make up the majority of the workforce, although far fewer are represented at senior levels. This presents an opportunity to help female progression and address the demand for managers.

Hospitality and tourism industry	Economy as a whole
Male 49% – Female 51%	Male 53% – Female 47%
57% Managers, directors and seniors – Male	66% Managers, directors and seniors – Male



## Migrant workers<sup>1</sup>

Nearly a quarter of the workforce were born outside of the UK. This reflects the size of the Asian and Oriental restaurant market, but also underlines the vulnerability to any restrictions that could be introduced on the back of the UK leaving the EU, given the number of other EU nationals working in the sector.



<sup>1</sup> See People 1st's report 'Migrant workers in the hospitality and tourism sector' for a wider analysis on migrant workers - <http://www.people1st.co.uk/Research-policy/Research-reports>

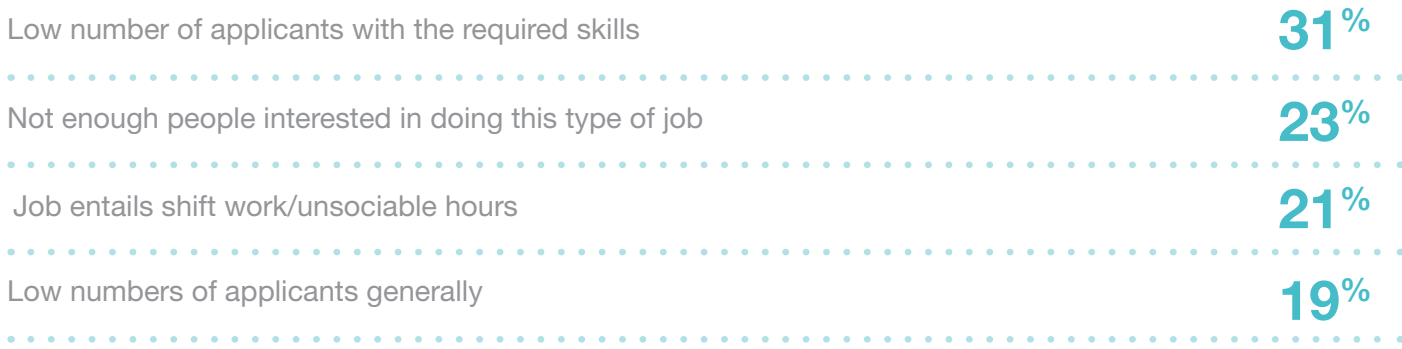
# Recruitment and retention

The number of vacancies on offer across the hospitality and tourism sector continue to be high and are largely fuelled by high labour turnover. Recruiting staff is becoming increasingly difficult for many hospitality businesses given falling unemployment and as a result more businesses are increasingly focusing on staff retention. However, much more needs to be done.

Skill shortages are still relatively high across the sector, with chefs being the most challenging occupation to recruit for.

	Hospitality and tourism	Entire economy
Vacancies	25%	19%
Hard-to-fill vacancies	38%	39%
Skill shortages	64%	74%

## The high rates of skill shortages in the hospitality and tourism industry is the result of:



Reported skill gaps in the hospitality and tourism sector are higher than those reported in the wider economy, owing in large part to high rates of labour turnover.



## The skills that are lacking in the current workforce are largely interpersonal and employability skills:

Ability to manage own time and prioritise own tasks	66%
Customer handling skills	61%
Team working	55%
Specialist skills or knowledge needed to perform the role	47%
Sales skills	46%

## More information and support

People 1st delivers consultancy that enables its clients to retain staff, increase productivity and create and implement effective people strategies.

We are an impartial, trusted and effective strategic partner to our clients, working primarily across the hospitality, travel, tourism, passenger transport and retail industries.

From apprenticeship consultancy to occupational standards development, world-renowned WorldHost customer service training, 'train the trainer' programmes, labour market intelligence and insights and talent management support, we are passionate about transforming skills and development both internationally and across the UK's visitor economy.

For more than 50 years, we have been working to help businesses to become more competitive, attract and retain people in the sector, and challenge perceptions of the visitor economy sector as low-skilled and lacking career prospects.

To speak to one of our experts about how we can support the people development strategies in your business get in touch:



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[www.people1st.co.uk](http://www.people1st.co.uk)



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## About the data used in this report

The data used in this document are analyses undertaken by People 1st using the following datasets:

Annual Business Survey 2014, Office for National Statistics

Labour Force Survey 2015, Office for National Statistics

Employers Skill Survey 2015, UK Commission for Employment and Skills

Working Futures 2014-2024, UK Commission for Employment and Skills