

Hospitality & Leisure

EMPLOYMENT OUTLOOK



In association with:

BerkeleyScott 

HOTELS, HOSPITALITY & CATERING RECRUITMENT

Trusted insight on future hiring trends within the UK hospitality market.

This Employment Outlook report offers an insight into the expected growth or contraction in the hospitality and leisure employment market through the final half of 2011.

The survey is designed to provide professionals within the sector and HR specialists with a tool which they can use to be proactive rather than rely solely on the more restrictive and standard retrospective analysis of past trends.

With the knowledge gained from this survey, employers can manage retention and recruitment strategies more accurately and also benchmark their organisation with industry expectations. This is the first time a survey of this nature has been produced within this sector and I am proud that we could be involved.

The survey (conducted to the Market Research Society guidelines by the Kellan Group Research Department) is independent and anonymous. But it has also been qualified; those taking part are key decision makers and knowledgeable about the sector. Because of this we can provide a detailed breakdown across sectors and geographies, as well as employment status data.

About Berkeley Scott

Berkeley Scott is the UK's leading provider of recruitment solutions to the Hotel, Hospitality and Catering industry. With over 27 years' experience of introducing high quality talent into well known brands, boutique operations and independents, no other recruitment consultancy has similar longevity, expertise or insight into this sector.

As a result, our advice is based on evidence and experience, enabling us to offer you appropriate and effective solutions to your recruitment challenges.

I hope that you find this research interesting and useful. If you are one of those who took part then I would like to thank you very much. If you did not take part this time but would like to shape future results then please send an e-mail to research@kellangroup.co.uk

I believe a report has been produced that is unrivalled within the industry that Berkeley Scott will continue to support for many years to come.



Mark Darby
Managing Director

Summary of findings

As the hospitality industry takes account of the knock-on effects of the recession and the high profile reduction in the public sector workforce, it appears that confidence in the future is beginning to return.

This latest hospitality and leisure employment outlook survey shows signs that employers in the sector are now ready to plan further ahead and make the longer term commitment to increase permanent staff. This demonstrates increasing confidence that business has steadied, and is now set for a period of consolidation with the potential for an uplift as the year plays out.

The flip side of this increasing confidence is that employers are indicating they will be favouring permanent employees at the expense of a modest overall reduction in the use of temporary staff, towards the end of 2011.

About this survey

To provide a representative sample and balance of opinions from across the hospitality and leisure sector in the UK, this survey sought the views of 195 individuals working in it.

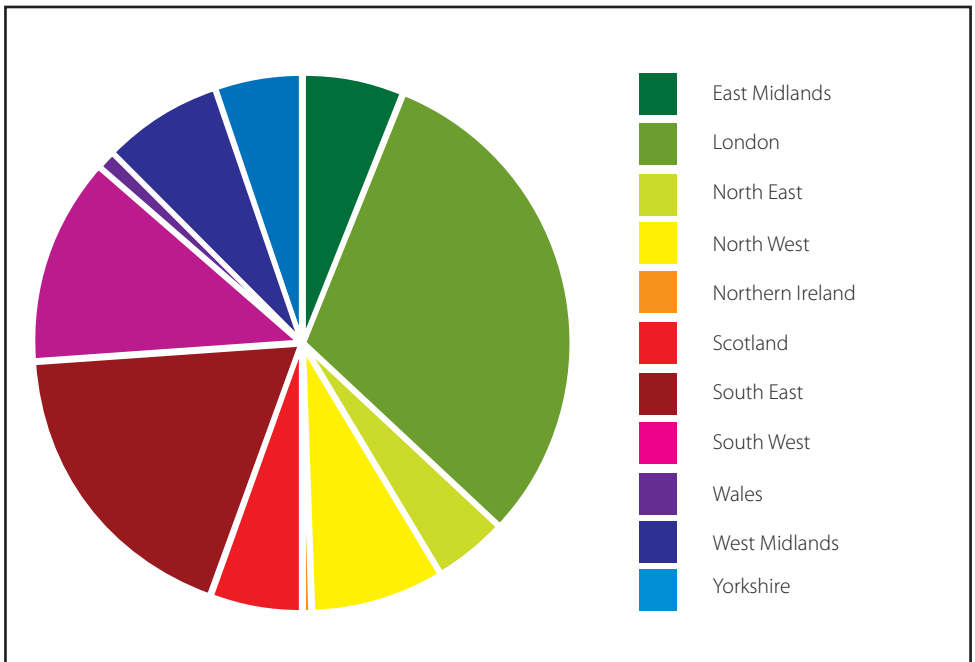
The survey respondents were a balanced sample from across the sector. Of those participating, 28.7% were head office staff; 37.6% operating in a single site business; and 33.7% working in the field as part of a multi-location business such as a hotel chain.

Of the survey audience, more than 96% were ranked as decision-makers, hiring managers or budget holders.

Geographical spread

The survey sample reflected a representative spread of businesses in the sector from across the UK. Included within the 30.9% of respondents based in London are both those running operational businesses in the capital, and respondents located in corporate head offices, many of which are located within the capital.

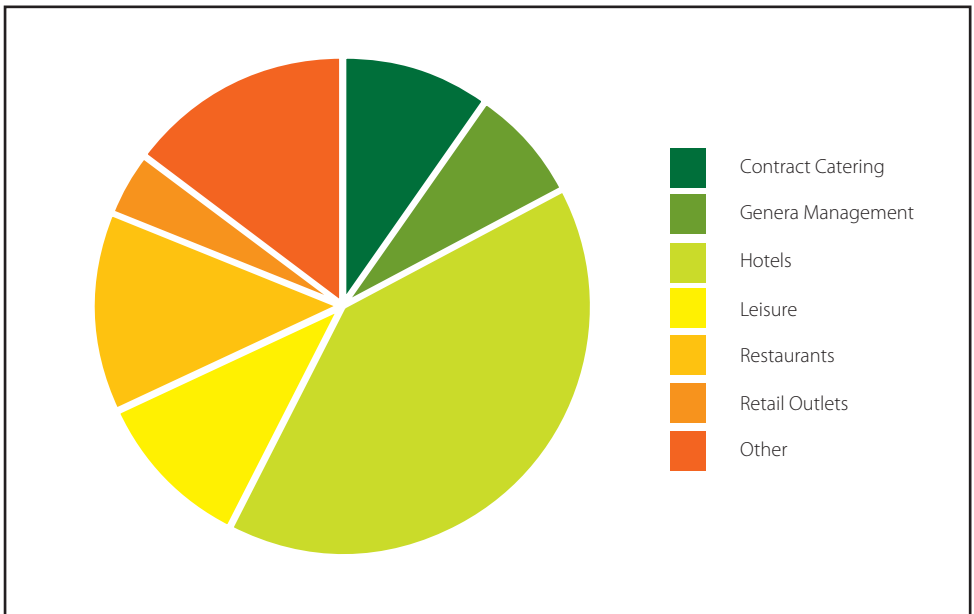
Respondents from the south east region made up 18.5% of answers received, while the strength of the domestic vacation market in Devon and Cornwall was reflected in a full 12.4% of respondents being from the hospitality sector in the south west.



Sector spread

The survey sample drew together views from a wide spectrum of businesses within the hospitality and leisure sector. More than 48% of respondents were from the hotel sector; while 15.7% work in restaurants. Contract catering operations, general management within the sector, leisure operators and retail were also represented among respondents.

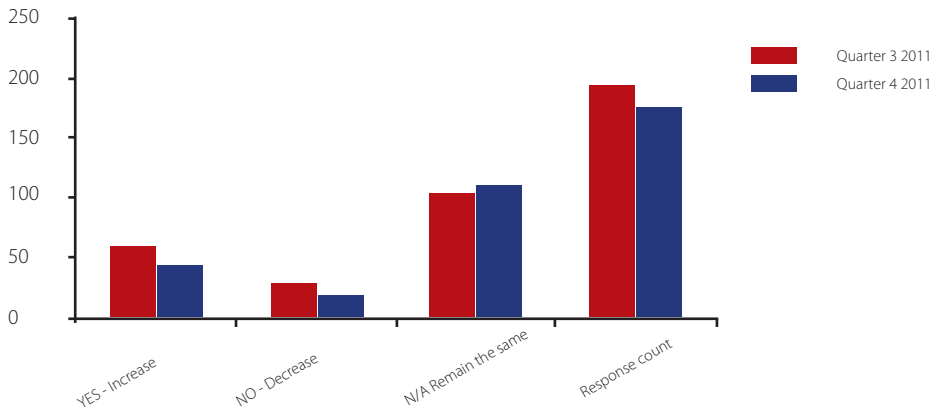
Also providing their views, and rounded up within the Other category, were staff from pubs, education and university establishments, conference centres and large event venues.



Key survey findings -

Survey respondents were asked for their responses to two key questions around staff hiring. In addition to their direct responses, we requested any additional comments they had, which were relevant to the questions being asked.

Question 1 – Do you expect overall permanent employment levels at your site to rise over the third and fourth quarters compared to the current quarter?



Responses clearly demonstrated that the rest of 2011 is likely to see a steady increase in numbers of permanent employees in the sector.

When asked about likely permanent hiring at their specific site or within their own business, 31% of respondents say they will be taking on staff in Q3 2011, while 15% expect to see numbers decrease, a net overall positive outlook of 16%.

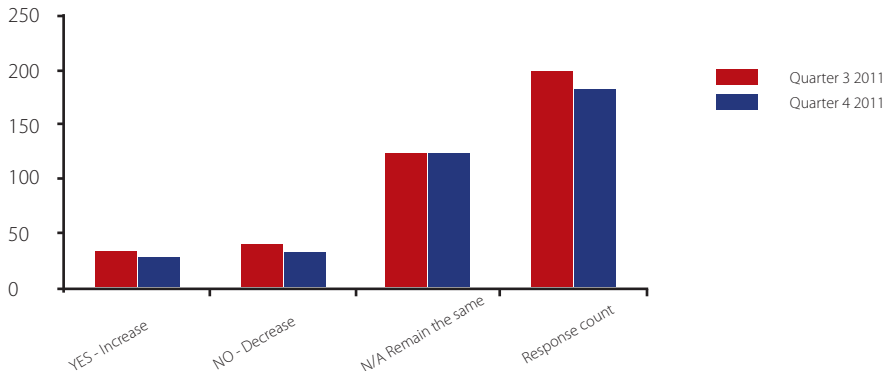
Looking ahead to Q4, the positive trend continues, with 25% expecting to increase headcount, 11% predicting a reduction in staff numbers. This reflects a slightly softening net overall positive score of 14%, while close to two thirds of those questioned expect staff numbers to remain static in the last quarter of this year.

While in the current economic environment, few are confident to predict the future performance of their business, it is clear that the majority view their businesses as moving forward on a steady footing, with the expectation that business will improve.

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Question 2 - Do you expect your use of temporary staff to change over the final two quarters of 2011, compared to last years (thus taking into consideration variance for Christmas etc).



Responses to this question show a steady, modest reduction in the likelihood of site managers hiring temporary staff during the second half of 2011. During Q3, 17% of respondents estimated they would increase hiring of temps, while 20% expected to cut temporary staff use.

Looking ahead to Q4, the figures each declined, with 15% expecting to increase, 18% expecting to decrease temporary staff use; thus the net overall score shows a consistent 3% reduction in temporary staff numbers through both quarters to the end of 2011.

The move from temporary to more permanent staff does suggest some permanent posts which have been left vacant following downsizing, are now going to be filled once more; which, over coming months ought to feed through to improved operating costs, for two reasons. First, it is generally more economic to hire a permanent member of staff than pay temporary rates, on an ongoing basis. And, it is clear from respondents' comments that employers will be looking to hire new recruits at lower salaries than those previously paid for the same position, to maintain a tight hold on the wage bill.

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